

# Consolidated Statement of Changes in Equity

For the year ended 31 December 2006

	Attributable to equity shareholders of the Company										
	Share capital HK\$'000	Share premium Account HK\$'000	Property revaluation reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Capital reserve HK\$'000	Special reserve HK\$'000	Share option reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Minority interests HK\$'000	Total Equity HK\$'000
At 1 January 2005	31,249	723,462	19,921	10,419	8	341,800	-	(1,193,938)	(67,079)	44,582	(22,497)
Exchange adjustments on translation of foreign subsidiaries	-	-	-	1,105	-	-	-	-	1,105	(800)	305
Gain on revaluation	-	-	1,122	-	-	-	-	-	1,122	-	1,122
Net income/(expenses) recognised directly in equity	-	-	1,122	1,105	-	-	-	-	2,227	(800)	1,427
Realised exchange fluctuation reserve upon deregistration of a subsidiary	-	-	-	(2,973)	-	-	-	-	(2,973)	-	(2,973)
Profit/(loss) for the year	-	-	-	-	-	-	-	45,938	45,938	(7,221)	38,717
Total recognised income/(expenses) for the year	-	-	-	(2,973)	-	-	-	45,938	42,965	(7,221)	35,744
At 31 December 2005	31,249	723,462	21,043	8,551	8	341,800	-	(1,148,000)	(21,887)	36,561	14,674
At 1 January 2006	31,249	723,462	21,043	8,551	8	341,800	-	(1,148,000)	(21,887)	36,561	14,674
Realised property reserve upon disposal of leasehold land and buildings	-	-	(21,043)	-	-	-	-	20,508	(535)	535	-
Net income/(expenses) recognised directly in equity	-	-	(21,043)	-	-	-	-	20,508	(535)	535	-
Loss for the year	-	-	-	-	-	-	-	(5,632)	(5,632)	(8,878)	(14,510)
Total recognised expenses for the year	-	-	-	-	-	-	-	(5,632)	(5,632)	(8,878)	(14,510)
Realised minority interests upon paying compensation to minority interests (note 39)	-	-	-	-	-	-	-	36,084	36,084	(45,084)	(9,000)
Recognition of equity compensation benefit	-	-	-	-	-	-	52	-	52	-	52
At 31 December 2006	31,249	723,462	-	8,551	8	341,800	52	(1,097,040)	8,082	(16,866)	(8,784)

Note: In accordance with the judgement of the capital reduction of the Company approved by the High Court on 29 July 2003, the Company provided an undertaking that in the event of its making any future recoveries in respect of the assets of which provision for diminution in value or depreciation was made in the accounts of the Company for the accounting periods up to and including the period ending on 31 December 2002, beyond their written down value in the Company's audited accounts as at 31 December 2002, all such recoveries beyond that written down value up to an amount of approximately HK\$341,800,000 was credited to a special capital reserve in the accounting records of the Company (the "Special Reserve") and that so long as there shall remain outstanding any debt of or claim against the Company which, if the date on which the reduction of capital became effective was the date of the commencement of the winding up of the Company, would be admissible to proof in such winding up and the persons entitled to the benefit of such debts or claims shall not have agreed otherwise, such reserve shall not be treated as realised profits for the purposes of Section 79B of the Companies Ordinance and shall be treated as an undistributable reserve of the Company for the purposes of Section 79C of the Companies Ordinance.

The notes on pages 40 to 84 form an integral part of these financial statements.