

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 31 December in HK\$ million	Note	2017	2016
Revenue from Hong Kong transport operations	4	18,201	17,655
Revenue from Hong Kong station commercial businesses	5	5,975	5,544
Revenue from Hong Kong property rental and management businesses	6	4,900	4,741
Revenue from Mainland of China and international railway, property rental and management subsidiaries	7	16,990	13,478
Revenue from other businesses	8	2,378	2,423
		48,444	43,841
Revenue from Mainland of China property development	7	6,996	1,348
		55,440	45,189
Expenses relating to Hong Kong transport operations			
– Staff costs and related expenses	9A	(5,748)	(5,191)
– Energy and utilities		(1,543)	(1,511)
– Operational rent and rates		(242)	(149)
– Stores and spares consumed		(553)	(538)
– Maintenance and related works	9B	(1,436)	(1,379)
– Railway support services		(284)	(277)
– General and administration expenses		(607)	(659)
– Other expenses		(313)	(318)
		(10,726)	(10,022)
Expenses relating to Hong Kong station commercial businesses		(501)	(532)
Expenses relating to Hong Kong property rental and management businesses		(802)	(811)
Expenses relating to Mainland of China and international railway, property rental and management subsidiaries	7	(16,088)	(12,890)
Expenses relating to other businesses		(2,318)	(2,278)
Project study and business development expenses	9C	(332)	(361)
		(30,767)	(26,894)
Expenses relating to Mainland of China property development	7	(4,682)	(982)
Operating expenses before depreciation, amortisation and variable annual payment	9D, E&F	(35,449)	(27,876)
Operating profit before Hong Kong property development, depreciation, amortisation and variable annual payment			
– Arising from recurrent businesses		17,677	16,947
– Arising from Mainland of China property development		2,314	366
		19,991	17,313
Profit on Hong Kong property development	11	1,097	311
Operating profit before depreciation, amortisation and variable annual payment		21,088	17,624
Depreciation and amortisation	12	(4,855)	(4,127)
Variable annual payment		(1,933)	(1,787)
Operating profit before interest and finance charges		14,300	11,710
Interest and finance charges	13	(905)	(612)
Investment property revaluation	19	6,314	808
Share of profit or loss of associates and joint venture	28	494	535
Profit before taxation		20,203	12,441
Income tax	14A	(3,318)	(2,093)
Profit for the year		16,885	10,348
Attributable to:			
– Shareholders of the Company		16,829	10,254
– Non-controlling interests		56	94
Profit for the year		16,885	10,348
Profit for the year attributable to shareholders of the Company:			
– Arising from recurrent businesses		8,580	8,916
– Arising from property development		1,935	530
– Arising from underlying businesses		10,515	9,446
– Arising from investment property revaluation		6,314	808
		16,829	10,254
Earnings per share:	16		
– Basic		HK\$2.83	HK\$1.74
– Diluted		HK\$2.82	HK\$1.74

The notes on pages 206 to 294 form part of the accounts.