

Consolidated Statement of Changes in Equity

for the year ended 31 December 2004

	Share Capital HK\$M	Share Premium HK\$M	Capital Redemption Reserve HK\$M	Other Reserves HK\$M	Retained Profits HK\$M	Total HK\$M
Balance as at 1 January 2003	12,041	1,164	2,482	(63)	21,264	36,888
Exchange differences arising on translation of:						
subsidiary companies	–	–	–	1,075	–	1,075
jointly controlled entities	–	–	–	(97)	–	(97)
associated company	–	–	–	111	–	111
designated hedges	–	–	–	(720) ^(a)	–	(720)
Net gains not recognised in the profit and loss account	–	–	–	369	–	369
Earnings for the year	–	–	–	–	7,687	7,687
Dividends						
2002 finals	–	–	–	–	(1,782)	(1,782)
2003 interims	–	–	–	–	(2,962)	(2,962)
Share of other reserves of jointly controlled entities	–	–	–	40	(40)	–
associated company	–	–	–	41	–	41
Balance as at 31 December 2003	12,041	1,164	2,482	387	24,167^(b)	40,241
Company and subsidiary companies	12,041	1,164	2,482	301	20,182	36,170
Jointly controlled entities	–	–	–	41	3,595	3,636
Associated companies	–	–	–	45	390	435
Balance as at 31 December 2003	12,041	1,164	2,482	387	24,167	40,241
Balance as at 1 January 2004	12,041	1,164	2,482	387	24,167	40,241
Exchange differences arising on translation of:						
subsidiary companies	–	–	–	365	–	365
jointly controlled entities	–	–	–	110	–	110
associated company	–	–	–	32	–	32
designated hedges	–	–	–	(76) ^(a)	–	(76)
Net gains not recognised in the profit and loss account	–	–	–	431	–	431
Earnings for the year	–	–	–	–	8,614	8,614
Dividends						
2003 finals	–	–	–	–	(1,806)	(1,806)
2004 interims	–	–	–	–	(3,251)	(3,251)
Share of other reserves of jointly controlled entities	–	–	–	44	(42)	2
associated company	–	–	–	(32)	–	(32)
Balance as at 31 December 2004	12,041	1,164	2,482	830	27,682^(c)	44,199
Company and subsidiary companies	12,041	1,164	2,482	732	23,823	40,242
Jointly controlled entities	–	–	–	85	3,298	3,383
Associated company	–	–	–	13	561	574
Balance as at 31 December 2004	12,041	1,164	2,482	830	27,682	44,199

Notes:

- Including a net loss of HK\$63 million (2003: HK\$603 million) arising from designated hedges using foreign currency borrowings and a net loss of HK\$13 million (2003: HK\$117 million) using forward contracts.
- The proposed final dividends as at 31 December 2003 and balance of retained profits after proposed final dividends were HK\$1,806 million and HK\$22,361 million respectively.
- The proposed final dividends as at 31 December 2004 and balance of retained profits after proposed final dividends were HK\$2,119 million and HK\$25,563 million respectively.