

# financial

## highlights

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	2004 HK\$'000	2003 HK\$'000	Percentage Change
<b>Turnover</b>			
Telecommunications Services	1,904,179	1,601,130	+ 19%
IT Solutions	816,431	–	+ 100%
	<b>2,720,610</b>	1,601,130	+ 70%
<b>EBIT</b> (Note 1)	<b>197,036</b>	167,070	+ 18%
Finance costs	(95,272)	(114,230)	– 17%
Share of loss of an associated company	(217)	–	+ 100%
Profit before taxation	<b>101,547</b>	52,840	+ 92%
Taxation	(3,437)	–	+ 100%
Profit after taxation	<b>98,110</b>	52,840	+ 86%
Minority interests	(1,598)	–	+ 100%
<b>Profit attributable to shareholders</b>	<b>96,512</b>	52,840	+ 83%
Total assets	<b>8,700,009</b>	7,694,424	+ 13%
Net debt (Note 2)	<b>7,114,933</b>	3,431,427	+ 107%
Shareholders' funds	<b>236,527</b>	3,291,994	– 93%
Basic earnings per share	<b>1.48 cents</b>	1.08 cents	+ 37%
Diluted earnings per share	<b>1.33 cents</b>	N/A	N/A
Return on average shareholders' funds	<b>5.5%</b>	1.6%	+ 3.9%
Net debt to net capital ratio (Note 3)	<b>97%</b>	51%	+ 46%
Interest coverage	<b>2.1</b>	1.5	+ 40%

Note 1: EBIT represents operating profit or earnings before finance costs, share of loss of an associated company, taxation and minority interests.

EBIT improved 66% to reach HK\$197 million, after excluding one-off gains from Universal Service Contribution refund and government rates adjustment in 2003.

Note 2: Net debt is defined as total borrowings (excluding finance lease payable) net of total cash and cash equivalents (including pledged bank deposits).

Note 3: Net capital is defined as net debt plus issued equity, reserves and minority interests.