

Statement of Changes in Equity

For the year ended 31st December, 2004

	Ordinary share capital HK\$'000	Preference share capital HK\$'000	Ordinary share premium HK\$'000	Preference share premium HK\$'000	Other reserve HK\$'000 (Note a)	Merger reserve HK\$'000 (Note b)	Contributed surplus HK\$'000 (Note c)	Goodwill HK\$'000	Investment property revaluation reserve HK\$'000	Translation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
THE GROUP												
At 1st January, 2003	38,929	4,095	136,123	241,605	-	24,000	-	(33,216)	-	239	182,107	593,882
Issue of ordinary shares on exercise of share options	100	-	220	-	-	-	-	-	-	-	-	320
Conversion from Series A preference shares to ordinary shares	14,400	(720)	28,800	(42,480)	-	-	-	-	-	-	-	-
Redemption of preference shares	-	(900)	-	(53,100)	4,000	-	-	-	-	-	-	(50,000)
Share issue expenses	-	-	(370)	-	-	-	-	-	-	-	-	(370)
Net profit for the year	-	-	-	-	-	-	-	-	-	-	52,362	52,362
Dividends	-	-	-	-	-	-	-	-	-	-	(24,756)	(24,756)
At 31st December, 2003	53,429	2,475	164,773	146,025	4,000	24,000	-	(33,216)	-	239	209,713	571,438
Redemption of preference shares	-	(1,667)	-	(98,333)	-	-	-	-	-	-	-	(100,000)
Revaluation increase for the year, net of minority interests	-	-	-	-	-	-	-	-	5,610	-	-	5,610
Deferred tax liability arising on revaluation of investment properties, net of minority interests	-	-	-	-	-	-	-	-	(2,830)	-	-	(2,830)
Net profit for the year	-	-	-	-	-	-	-	-	-	-	60,611	60,611
Dividends	-	-	-	-	-	-	-	-	-	-	(24,722)	(24,722)
At 31st December, 2004	53,429	808	164,773	47,692	4,000	24,000	-	(33,216)	2,780	239	245,602	510,107
THE COMPANY												
At 1st January, 2003	38,929	4,095	136,123	241,605	-	-	77,963	-	-	-	7,063	505,778
Issue of ordinary shares on exercise of share options	100	-	220	-	-	-	-	-	-	-	-	320
Conversion from Series A preference shares to ordinary shares	14,400	(720)	28,800	(42,480)	-	-	-	-	-	-	-	-
Redemption of preference shares	-	(900)	-	(53,100)	4,000	-	-	-	-	-	-	(50,000)
Share issue expenses	-	-	(370)	-	-	-	-	-	-	-	-	(370)
Net profit for the year	-	-	-	-	-	-	-	-	-	-	28,945	28,945
Dividends	-	-	-	-	-	-	-	-	-	-	(24,756)	(24,756)
At 31st December, 2003	53,429	2,475	164,773	146,025	4,000	-	77,963	-	-	-	11,252	459,917
Redemption of preference shares	-	(1,667)	-	(98,333)	-	-	-	-	-	-	-	(100,000)
Net profit for the year	-	-	-	-	-	-	-	-	-	-	22,861	22,861
Dividends	-	-	-	-	-	-	-	-	-	-	(24,722)	(24,722)
At 31st December, 2004	53,429	808	164,773	47,692	4,000	-	77,963	-	-	-	9,391	358,056

Notes:

- The other reserve of the Group represents the difference between the value of redeemable preference shares and the nominal consideration paid in 2003.
- The merger reserve of the Group represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's ordinary shares issued for the acquisition at the time of a group reorganisation in 1996 (the "Group Reorganisation").
- The contributed surplus of the Company represents the difference between the underlying net assets of the subsidiaries which were acquired by the Company at the date of the Group Reorganisation and the nominal amount of the ordinary shares issued by the Company which were issued under the Group Reorganisation.