

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The Sincere Company, Limited • Annual Report 2005-06

Year ended 28 February 2006

	Attributable to equity holders of the Company							
					Reserves			
	Issued share capital HK\$'000	Share premium account HK\$'000	General and other reserves** HK\$'000	Investment properties revaluation reserve** HK\$'000	Retained profits* HK\$'000	Total reserves HK\$'000	Minority interests HK\$'000	Total HK\$'000
At 1 March 2004	287,154	26	61,771	25,205	553,977	640,953	(7,815)	920,318
Exchange adjustment	–	–	(11)	–	–	(11)	–	(11)
Surplus on revaluation for the year	–	–	–	68,864	–	68,864	–	68,864
Total income and expense recognised directly in equity	–	–	(11)	68,864	–	68,853	–	68,853
Loss for the year	–	–	–	–	(118,714)	(118,714)	(6,277)	(124,991)
Capital contribution from minority shareholders	–	–	–	–	–	–	1,813	1,813
Movement in balances with minority shareholders	–	–	–	–	–	–	59,855	59,855
At 28 February 2005	287,154	26	61,760	94,069	435,263	591,092	47,576	925,848
At 1 March 2005								
As previously reported	287,154	26	61,760	94,069	435,263	591,092	47,576	925,848
Effects on adopting HKAS 40 (note 2.4(b))	–	–	–	(94,069)	94,069	–	–	–
As restated	287,154	26	61,760	–	529,332	591,092	47,576	925,848
Exchange adjustment recognised directly in equity	–	–	(3,431)	–	–	(3,431)	–	(3,431)
Profit for the year	–	–	–	–	4,128	4,128	(2,828)	1,300
Movement in balances with minority shareholders	–	–	–	–	–	–	(3,698)	(3,698)
At 28 February 2006	287,154	26	58,329	–	533,460	591,789	41,050	920,019

* Included in the balances of retained profits and general and other reserves at 28 February 2006 were amounts of HK\$191,131,000 (2005: HK\$91,316,000) and HK\$15,299,000 (2005: HK\$18,460,000) respectively, attributable to associates.

** The balance of investment properties revaluation reserve at 28 February 2005 of HK\$94,069,000 was attributable to associates. Such balance was transferred to retained profits at 1 March 2005 upon the adoption of HKAS 40 (note 2.4(b)).

Included in the general and other reserves at 28 February 2006 was an amount of HK\$11,717,000 (2005: HK\$15,148,000) attributable to the exchange fluctuation reserve.