

Financial Ratios

	2006	Restated 2005 (note 2)	% Change
INCOME STATEMENT RATIOS			
Operating margin (excluding financial and securities income)	5.7%	1.7%	235.3
Pretax margin	6.2%	4.0%	55.0
Net margin (excluding jointly controlled entities and associated companies)	5.9%	3.6%	63.9
Interest coverage ratio			
– basic	12.0	5.3	126.4
– exclude non-cash assets impairment write back	2.9	(1.7)	N/A
Earnings per share (cents)	18.8	3.6	4.2x
Dividend per share (cents) (see note 13 to the accounts)	12.0	2.0	5.0x
Dividend payout ratio	63.8%	55.6%	14.7
BALANCE SHEET RATIOS			
Current ratio	1.3	1.5	-13.3
Quick ratio	0.7	1.2	-41.7
Assets coverage ratio	1.5	1.6	-6.3
Debt to capitalisation ratio	0.3	0.3	0.0
Net assets value per share (cents)	86.4	72.7	18.8
CASH FLOW STATEMENT RATIOS			
Capital expenditures to depreciation ratio	0.4	0.1	3.0x
Capital expenditures coverage ratio	44.7	(32.4)	N/A
Depreciation to cash flow	6.1%	-42.3%	N/A
Cash flow from operation per share (cents)	23.2	(8.5)	N/A
RATE OF RETURN RATIOS			
Return on average equity	23.7%	5.1%	3.6x
Return on total capital and borrowings	19.4%	5.7%	240.4
TOTAL DEBT TO CASH FLOW RATIO			
Total debt to cash flow	1.9	(4.5)	N/A
MARKET PRICE RATIOS			
Dividend yield			
Year high	32.9%	6.7%	NM
Year low	20.7%	4.1%	NM
Price to earning ratio			
Year high	3.1	13.6	NM
Year low	1.9	8.3	NM

Notes:

- Formula of certain financial ratios as set out above are presented on page 172 for easy reference.
- In 2005/06, the Group adopted the new/revised standards and interpretations of Hong Kong Financial Reporting Standards, which are relevant to its operations. The 2004/05 comparatives have been amended as required, in accordance with the relevant requirements.

NM: Not meaningful