

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2007

	Attributable to the equity holders of the Company																
	Share capital HK\$'000	Share premium HK\$'000	Issuable shares HK\$'000 (Note 1)	Capital reserve HK\$'000 (Note 2)	Special reserve HK\$'000 (Note 3)	Convertible loan notes equity reserve HK\$'000	Property revaluation reserve HK\$'000	Other revaluation reserve HK\$'000	Exchange reserve HK\$'000	Legal reserve HK\$'000 (Note 4)	Share options reserve HK\$'000	Other reserve HK\$'000 (Note 5)	Accumulated profits HK\$'000	Total HK\$'000	Share options reserve of a subsidiary HK\$'000	Minority interests HK\$'000	Total HK\$'000
At 1 January 2006	562,919	1,776,248	196,667	337,841	(110,880)	327,677	-	45,886	(43)	254	7,752	-	413,864	3,558,185	-	686,293	4,244,478
Exchange difference arising on translation of foreign operations	-	-	-	-	-	-	-	-	41	-	-	-	-	41	-	(65)	(24)
Increase in fair value of investment properties upon transfer from land and buildings	-	-	-	-	-	-	5,796	-	-	-	-	-	-	5,796	-	-	5,796
Net income directly recognised in equity	-	-	-	-	-	-	5,796	-	41	-	-	-	-	5,837	-	(65)	5,772
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	2,836,755	2,836,755	-	(76,774)	2,759,981
Total recognised income for the year	-	-	-	-	-	-	5,796	-	41	-	-	-	2,836,755	2,842,592	-	(76,839)	2,765,753
Exercise of share options	8,245	16,084	-	-	-	-	-	-	-	-	-	-	-	24,329	-	-	24,329
Shares issued at premium	31,800	1,182,960	-	-	-	-	-	-	-	-	-	-	-	1,214,760	-	-	1,214,760
Share issuance expenses	-	(40,025)	-	-	-	-	-	-	-	-	-	-	-	(40,025)	-	-	(40,025)
Capital contribution from minority shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,016	3,016
Shares issued on acquisition of additional interest in a subsidiary (Note 1)	11,111	185,556	(196,667)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease in minority interests on disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(518,550)	(518,550)
Increase in minority interest on deemed disposal of partial interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33	33
Recognition of equity – settled share based payments	-	-	-	-	-	-	-	-	-	-	9,091	-	-	9,091	265	153	9,509
Transfer to share premium upon exercise of share options	-	4,117	-	-	-	-	-	-	-	-	(4,117)	-	-	-	-	-	-
Transfer of special reserve and other revaluation reserve upon disposal of subsidiaries and interests in jointly controlled entities	-	-	-	-	32,637	-	-	(13,506)	-	-	-	-	(19,131)	-	-	-	-
Dividend paid	-	-	-	(32,900)	-	-	-	-	-	-	-	-	-	(32,900)	-	-	(32,900)
Dividend in specie	-	-	-	(8,925)	-	-	-	-	-	-	-	-	-	(8,925)	-	-	(8,925)
At 31 December 2006	614,075	3,124,940	-	296,016	(78,243)	327,677	5,796	32,380	(2)	254	12,726	-	3,231,488	7,567,107	265	94,106	7,661,478

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For the year ended 31 December 2007

	Attributable to the equity holders of the Company															Total	
	Share capital HK\$'000	Share premium HK\$'000	Issuable shares HK\$'000 (Note 1)	Capital reserve HK\$'000 (Note 2)	Special reserve HK\$'000 (Note 3)	Convertible loan notes equity reserve HK\$'000	Property revaluation reserve HK\$'000	Other revaluation reserve HK\$'000	Exchange reserve HK\$'000	Legal reserve HK\$'000 (Note 4)	Share options reserve HK\$'000	Other reserve HK\$'000 (Note 5)	Accumulated profits HK\$'000	Total HK\$'000	Share options reserve of a subsidiary HK\$'000		Minority interests HK\$'000
Exchange difference arising on translation of foreign operations	-	-	-	-	-	-	-	-	392	-	-	-	-	392	-	(51)	341
Share of reserves of associates	-	-	-	-	-	-	-	-	2,347	-	-	(31,674)	-	(29,327)	-	-	(29,327)
Net loss on fair value change of available-for-sale investments	-	-	-	-	-	-	-	(30,617)	-	-	-	-	-	(30,617)	-	-	(30,617)
Net income (loss) directly recognised in equity	-	-	-	-	-	-	-	(30,617)	2,739	-	-	(31,674)	-	(59,552)	-	(51)	(59,603)
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	2,690,639	2,690,639	-	(21,976)	2,668,663
Total recognised income for the year	-	-	-	-	-	-	-	(30,617)	2,739	-	-	(31,674)	2,690,639	2,631,087	-	(22,027)	2,609,060
Exercise of share options	163	432	-	-	-	-	-	-	-	-	-	-	-	595	-	-	595
Capital contribution from minority shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	500,212	500,212
Realisation of special reserve and other revaluation reserve upon deemed disposal of partial interest in an associate	-	-	-	-	8,293	-	-	(3,432)	-	-	-	-	(4,861)	-	-	-	-
Decrease in minority interests on acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,028)	(1,028)
Decrease in minority interests on deemed disposal of partial interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(208,765)	(208,765)
Recognition of equity-settled share based payments	-	-	-	-	-	-	-	-	-	-	9,393	-	-	9,393	194	70	9,657
Transfer to share premium upon exercise of share options	-	113	-	-	-	-	-	-	-	-	(113)	-	-	-	-	-	-
Transfer of share option reserve upon expiry of share options	-	-	-	-	-	-	-	-	-	-	(48)	-	48	-	-	-	-
Early redemption of convertible loan notes	-	-	-	-	-	(20,424)	-	-	-	-	-	-	8,946	(11,478)	-	-	(11,478)
Increase in reserves and decrease in minority interests upon deemed disposal of subsidiaries	-	-	-	-	-	-	-	-	(138)	-	-	-	134,829	134,691	(459)	(339,942)	(205,710)
Dividend paid	-	-	-	(12,282)	-	-	-	-	-	-	-	-	-	(12,282)	-	(196)	(12,478)
At 31 December 2007	614,238	3,125,485	-	283,734	(69,950)	307,253	5,796	(1,669)	2,599	254	21,958	(31,674)	6,061,089	10,319,113	-	22,430	10,341,543

- Note 1: The issuable shares as at 1 January 2006 form part of the consideration for acquisition of additional interest in a subsidiary which would be issued on the actual date of grant of the concession of a piece of land by the Macau Government. The land was officially granted by the Macau Government on 1 March 2006 and the Company then allotted and issued the 22,222,222 shares accordingly.
- Note 2: Pursuant to a scheme of capital reduction, which became effective on 29 June 1993, the Supreme Court of Hong Kong approved the cancellation of the Company's share premium account which, on that date, was stated at HK\$127,274,212. By virtue of the same court's sanction, the issued and fully paid share capital of the Company was also reduced by HK\$230,510,521 through a reduction in the nominal value of the share capital of the Company. The credits arising from the cancellation of the share premium account and the reduction of the share capital account, in the aggregate amount of HK\$357,784,733 were transferred to a capital reserve account. The capital reserve account is distributable to the shareholders of the Company if there is no outstanding debt or claim against the Company which was in existence on the effective date of the capital reduction. In view of the fact that the Company receives no claim, demand, action or proceedings in respect of any such debt or claim since June 1993 and in view of the fact that any such debt or claim has been statute-barred under Hong Kong law and irrecoverable against the Company, the Company is of the view that the reserve is distributable to the Company's shareholders.
- Note 3: The special reserve represents the difference between the consideration paid and the goodwill and the carrying values of the underlying assets and liabilities attributable to the additional interest in a subsidiary acquired in previous years.
- Note 4: All entities incorporated in Macau are required to set aside a minimum of 10% of the entity's profit after taxation to the legal reserve until the balance of the legal reserve reaches a level equivalent to 50% of the entity's share capital in accordance with the provisions of the Macau Commercial Code. Such legal reserve represents an amount set aside from the income statement and is not available for distribution to the shareholders of the entity. The appropriation of legal reserve is recorded in financial statements in the period in which it is approved by the board.
- Note 5: The other reserve represents the share of an associate's hedging reserve.