

## Consolidated Statement of Changes in Equity

for the year ended 31 December 2003

	Share capital	Share premium	Revaluation reserves	Exchange reserve	Retained profit	Total
	HK\$ millions	HK\$ millions	HK\$ millions	HK\$ millions	HK\$ millions	HK\$ millions
<b>At 1 January 2003, as previously reported</b>	<b>1,066</b>	<b>28,359</b>	<b>5,074</b>	<b>982</b>	<b>190,695</b>	<b>226,176</b>
Prior year adjustment (note 1A)	-	-	(484)	15	(3,562)	(4,031)
At 1 January 2003, as restated	<b>1,066</b>	<b>28,359</b>	<b>4,590</b>	<b>997</b>	<b>187,133</b>	<b>222,145</b>
Company and subsidiary companies' profit for the year	-	-	-	-	12,202	12,202
Share of reserves of associated companies	-	-	6	638	2,150	2,794
Share of reserves of jointly controlled entities	-	-	(44)	59	26	41
Net goodwill released upon disposal of subsidiary and associated companies and jointly controlled entities	-	-	-	-	1,319	1,319
Revaluation surplus on investments	-	-	3,060	-	-	3,060
Valuation released upon disposal of Vodafone and Deutsche Telekom shares	-	-	3,105	-	-	3,105
Valuation released upon disposal of other investments	-	-	101	-	-	101
Revaluation deficit on investment properties	-	-	(1,705)	-	-	(1,705)
Deferred tax effect on revaluation	-	-	(30)	-	-	(30)
Exchange translation differences	-	-	-	11,858	-	11,858
2002 final dividend paid	-	-	-	-	(5,201)	(5,201)
2003 interim dividend paid	-	-	-	-	(2,174)	(2,174)
<b>At 31 December 2003</b>	<b>1,066</b>	<b>28,359</b>	<b>9,083</b>	<b>13,552</b>	<b>195,455</b>	<b>247,515</b>

	Share capital	Share premium	Revaluation reserves	Exchange reserve	Retained profit	Total
	HK\$ millions	HK\$ millions	HK\$ millions	HK\$ millions	HK\$ millions	HK\$ millions
At 1 January 2002, as previously reported	1,066	28,359	11,847	(6,889)	183,694	218,077
Prior year adjustment (note 1A)	–	–	(311)	24	(3,636)	(3,923)
At 1 January 2002, as restated	1,066	28,359	11,536	(6,865)	180,058	214,154
Company and subsidiary companies' profit for the year	–	–	–	–	12,614	12,614
Share of reserves of associated companies	–	–	(315)	271	1,967	1,923
Share of reserves of jointly controlled entities	–	–	278	(1)	(219)	58
Net goodwill realised upon disposal of subsidiary and associated companies and jointly controlled entities	–	–	–	–	88	88
Revaluation deficit on Vodafone and Deutsche Telekom shares	–	–	(3,105)	–	–	(3,105)
Revaluation deficit on other investments	–	–	(1,767)	–	–	(1,767)
Valuation released upon disposal of other investments	–	–	(8)	–	–	(8)
Revaluation deficit on investment properties	–	–	(2,014)	–	–	(2,014)
Deferred tax effect on revaluation	–	–	(15)	–	–	(15)
Exchange translation differences	–	–	–	7,592	–	7,592
2001 final dividend paid	–	–	–	–	(5,201)	(5,201)
2002 interim dividend paid	–	–	–	–	(2,174)	(2,174)
At 31 December 2002	1,066	28,359	4,590	997	187,133	222,145

As at 31 December 2003, included in revaluation reserves are investment properties revaluation surplus of HK\$10,006 million (31 December 2002 and 1 January 2002 – HK\$11,788 million and HK\$13,846 million respectively, as restated) and investment revaluation deficit of HK\$923 million (31 December 2002 and 1 January 2002 – deficit of HK\$7,198 million and HK\$2,310 million respectively, as restated). Included in share premium is a capital redemption reserve of HK\$404 million in all reporting years.

The retained profits of the Group include HK\$13,098 million (2002 – HK\$11,522 million as restated) retained by associated companies and accumulated losses of HK\$1,751 million (2002 – HK\$2,401 million as restated) retained by jointly controlled entities.

Reserves of the Company available for distribution to shareholders amount to HK\$28,121 million (2002 – HK\$27,689 million).