# Consolidated Statement of Changes in Equity

for the year ended 31 December 2013

<table>
<thead>
<tr>
<th>Attributable to</th>
<th>Ordinary shareholders</th>
<th>Holders of perpetual</th>
<th>Total ordinary shareholders’ funds and perpetual</th>
<th>Non-controlling interests</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share capital and premium</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
</tr>
<tr>
<td>Exchange reserve</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
</tr>
<tr>
<td>Other reserves</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
</tr>
<tr>
<td>Retained profit</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
</tr>
<tr>
<td>Sub-total</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
</tr>
<tr>
<td>Total ordinary shares</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
</tr>
<tr>
<td>HK$ millions</td>
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<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
</tr>
</tbody>
</table>

At 1 January 2013, as previously reported

Prior year adjustments in respect of changes in accounting policies (see note 1)

At 1 January 2013, as restated

Profit for the year

Other comprehensive income (losses)

Available-for-sale investments

Valuation gains recognised directly in reserves

Valuation losses previously in reserves recognised in income statement

Remeasurement of defined benefit obligations recognised directly in reserves

Gains on cash flow hedges arising from forward foreign currency contracts and interest rate swap contracts recognised directly in reserves

Losses on translating overseas subsidiaries’ net assets recognised directly in reserves

Gains previously in exchange reserve related to subsidiaries and associated companies disposed during the year recognised in income statement

Share of other comprehensive income (losses) of associated companies

Share of other comprehensive income (losses) of joint ventures

Tax relating to components of other comprehensive income (losses)

Total comprehensive income (losses)

Dividends paid relating to 2012

Dividends paid relating to 2013

Dividends paid to non-controlling interests

Distributions paid on perpetual capital securities

Equity contribution from non-controlling interests

Share option schemes of subsidiaries

Share option lapsed

Unclaimed dividends write back

Issuance of perpetual capital securities

Transaction costs in relation to issuance of perpetual capital securities

Repurchase of perpetual capital securities

Relating to acquisition of subsidiary companies

Relating to purchase of non-controlling interests

Relating to partial disposal of subsidiary companies

At 31 December 2013

<table>
<thead>
<tr>
<th>HK$ millions</th>
<th>HK$ millions</th>
<th>HK$ millions</th>
<th>HK$ millions</th>
<th>HK$ millions</th>
<th>HK$ millions</th>
<th>HK$ millions</th>
<th>HK$ millions</th>
<th>HK$ millions</th>
<th>HK$ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>29,425</td>
<td>6,789</td>
<td>6,971</td>
<td>343,180</td>
<td>386,365</td>
<td>40,244</td>
<td>426,609</td>
<td>49,623</td>
<td>476,232</td>
<td></td>
</tr>
</tbody>
</table>
### Attributable to Ordinary shareholders

<table>
<thead>
<tr>
<th>Share capital and premium</th>
<th>Exchange reserve</th>
<th>Other reserves (a)</th>
<th>Retained profit</th>
<th>Sub-total</th>
<th>Holders of perpetual capital securities</th>
<th>Non-controlling interests</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>HK$ millions</td>
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<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
<td>HK$ millions</td>
</tr>
</tbody>
</table>

#### At 1 January 2012, as previously reported

|                      | 29,425 | 6,968 | 3,632 | 303,823 | 343,848 | 15,764 | 359,612 | 39,171 | 398,783 |

#### Prior year adjustments in respect of changes in accounting policies (see note 1)

- Valuation gains recognised directly in reserves
  - HK$ millions: —
  - HK$ millions: —
  - HK$ millions: 1,557
  - HK$ millions: —
  - HK$ millions: —
  - HK$ millions: —
  - HK$ millions: —

- Valuation losses previously in reserves recognised in income statement
  - HK$ millions: —
  - HK$ millions: —
  - HK$ millions: (168)
  - HK$ millions: —
  - HK$ millions: (168)
  - HK$ millions: (168)
  - HK$ millions: —
  - HK$ millions: (42)

- Remeasurement of defined benefit obligations recognised directly in reserves
  - HK$ millions: —
  - HK$ millions: —
  - HK$ millions: (525)
  - HK$ millions: —
  - HK$ millions: (525)
  - HK$ millions: (525)
  - HK$ millions: —
  - HK$ millions: (577)

- Losses on cash flow hedges arising from forward foreign currency contracts and interest rate swap contracts recognised directly in reserves
  - HK$ millions: —
  - HK$ millions: —
  - HK$ millions: (48)
  - HK$ millions: —
  - HK$ millions: (48)
  - HK$ millions: (48)
  - HK$ millions: —
  - HK$ millions: (9)
  - HK$ millions: (57)

- Gains on translating overseas subsidiaries' net assets recognised directly in reserves
  - HK$ millions: —
  - HK$ millions: —
  - HK$ millions: 1,862
  - HK$ millions: —
  - HK$ millions: 1,862
  - HK$ millions: 1,862
  - HK$ millions: —
  - HK$ millions: (29)
  - HK$ millions: 1,833

- Losses previously in exchange reserve related to subsidiaries disposed during the year recognised in income statement
  - HK$ millions: —
  - HK$ millions: —
  - HK$ millions: 69
  - HK$ millions: —
  - HK$ millions: 69
  - HK$ millions: 69
  - HK$ millions: —
  - HK$ millions: 69

Other comprehensive income (losses), as restated

- Available-for-sale investments
  - HK$ millions: —
  - HK$ millions: —
  - HK$ millions: 1,557
  - HK$ millions: —
  - HK$ millions: 1,557
  - HK$ millions: 1,557
  - HK$ millions: —
  - HK$ millions: 204
  - HK$ millions: 1,761

- Other comprehensive income (losses) of associated companies
  - HK$ millions: —
  - HK$ millions: —
  - HK$ millions: 1,860
  - HK$ millions: (427)
  - HK$ millions: 198
  - HK$ millions: 1,631
  - HK$ millions: —
  - HK$ millions: 1,631
  - HK$ millions: 1,722

- Share of other comprehensive income (losses) of joint ventures
  - HK$ millions: —
  - HK$ millions: —
  - HK$ millions: 1,355
  - HK$ millions: 57
  - HK$ millions: (102)
  - HK$ millions: 1,310
  - HK$ millions: —
  - HK$ millions: 1,310
  - HK$ millions: 1,495

- Tax relating to components of other comprehensive income (losses)
  - HK$ millions: —
  - HK$ millions: —
  - HK$ millions: 69
  - HK$ millions: —
  - HK$ millions: 69
  - HK$ millions: 69
  - HK$ millions: —
  - HK$ millions: 69

Total comprehensive income, as restated

- HK$ millions: —
- HK$ millions: 5,146
- HK$ millions: 905
- HK$ millions: (362)
- HK$ millions: 5,689
- HK$ millions: —
- HK$ millions: 5,689
- HK$ millions: 383
- HK$ millions: 6,072

Dividends paid relating to 2011

- HK$ millions: —
- HK$ millions: —
- HK$ millions: (6,523)
- HK$ millions: (6,523)
- HK$ millions: (6,523)
- HK$ millions: —
- HK$ millions: (6,523)
- HK$ millions: —

Dividends paid relating to 2012

- HK$ millions: —
- HK$ millions: —
- HK$ millions: (2,345)
- HK$ millions: (2,345)
- HK$ millions: (2,345)
- HK$ millions: —
- HK$ millions: (2,345)
- HK$ millions: —

Dividends paid to non-controlling interests

- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —

Distributions paid on perpetual capital securities

- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —

Equity contribution from non-controlling interests

- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —

Transaction costs in relation to equity contribution from non-controlling interests

- HK$ millions: —
- HK$ millions: —
- HK$ millions: (39)
- HK$ millions: (39)
- HK$ millions: —
- HK$ millions: (39)
- HK$ millions: —
- HK$ millions: (10)
- HK$ millions: (49)

Share option schemes of subsidiaries

- HK$ millions: —
- HK$ millions: —
- HK$ millions: 6
- HK$ millions: —
- HK$ millions: 6
- HK$ millions: —
- HK$ millions: 6
- HK$ millions: 2
- HK$ millions: 8

Share option lapsed

- HK$ millions: —
- HK$ millions: —
- HK$ millions: (2)
- HK$ millions: 2
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —

Unclaimed dividends written back

- HK$ millions: —
- HK$ millions: —
- HK$ millions: 11
- HK$ millions: 11
- HK$ millions: —
- HK$ millions: 11
- HK$ millions: —
- HK$ millions: 11
- HK$ millions: —

Issuance of perpetual capital securities

- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: —
- HK$ millions: 7,800
- HK$ millions: 7,800
- HK$ millions: —
- HK$ millions: 7,800

Transaction costs in relation to issuance of perpetual capital securities

- HK$ millions: —
- HK$ millions: —
- HK$ millions: (54)
- HK$ millions: (54)
- HK$ millions: —
- HK$ millions: (54)
- HK$ millions: —
- HK$ millions: (54)
- HK$ millions: —

Relating to purchase of non-controlling interests

- HK$ millions: —
- HK$ millions: —
- HK$ millions: (174)
- HK$ millions: (174)
- HK$ millions: —
- HK$ millions: (174)
- HK$ millions: —
- HK$ millions: (198)
- HK$ millions: (372)

Relating to partial disposal of subsidiary companies

- HK$ millions: —
- HK$ millions: —
- HK$ millions: (50)
- HK$ millions: 1,660
- HK$ millions: —
- HK$ millions: 1,610
- HK$ millions: —
- HK$ millions: 1,610
- HK$ millions: —

At 31 December 2012, as restated

|                      | 29,425 | 12,064 | 6,027 | 320,369 | 367,885 | 23,634 | 391,519 | 47,022 | 438,541 |

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Consolidated Statement of Changes in Equity
for the year ended 31 December 2013

(a) Share capital and premium comprise share capital of HK$1,066 million, share premium of HK$27,955 million and capital redemption reserve of HK$404 million in all reporting years.

(b) Other reserves comprise revaluation reserve, hedging reserve and other capital reserves. As at 31 December 2013, revaluation reserve surplus amounted to HK$3,883 million (1 January 2013 – HK$3,690 million and 1 January 2012 – HK$2,277 million), hedging reserve deficit amounted to HK$440 million (1 January 2013 – HK$1,125 million and 1 January 2012 – HK$623 million) and other capital reserves surplus amounted to HK$3,528 million (1 January 2013 – HK$3,462 million and 1 January 2012 – HK$1,978 million). Revaluation surplus (deficit) arising from revaluation to market value of listed debt securities and listed equity securities which are available for sale are included in the revaluation reserve. Fair value changes arising from the effective portion of hedging instruments designated as cash flow hedges are included in the hedging reserve.

(c) During the year ended 31 December 2013, the Group had repurchased US$217 million (approximately HK$1,692 million) nominal amount of subordinated guaranteed perpetual capital securities (the “perpetual capital securities”) that were originally issued in October 2010 at an aggregate nominal amount of US$2,000 million (approximately HK$15,600 million).

In May 2013 and May 2012, wholly owned subsidiary companies of the Group issued perpetual capital securities with a nominal amount of €1,750 million (approximately HK$17,879 million) and US$1,000 million (approximately HK$7,800 million) for cash, which are classified as equity under Hong Kong Financial Reporting Standards.