

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company								
	Share capital HK\$'m	Premises revaluation reserve HK\$'m	Reserve for fair value changes of available- for-sale securities HK\$'m	Regulatory reserve* HK\$'m	Translation reserve HK\$'m	Retained earnings HK\$'m	Total HK\$'m	Minority interests HK\$'m	Total equity HK\$'m
At 1 January 2007	52,864	6,040	(115)	3,621	–	22,245	84,655	1,985	86,640
Net profit for the year	–	–	–	–	–	15,446	15,446	371	15,817
Currency translation difference	–	–	–	–	14	–	14	–	14
2006 final dividend paid	–	–	–	–	–	(4,726)	(4,726)	(79)	(4,805)
2007 interim dividend paid	–	–	–	–	–	(4,525)	(4,525)	(78)	(4,603)
Revaluation of premises	–	2,910	–	–	–	–	2,910	17	2,927
Release upon disposal of premises	–	(23)	–	–	–	23	–	–	–
Change in fair value of available-for-sale securities taken to equity	–	–	(768)	–	–	–	(768)	3	(765)
Amortisation with respect to available-for-sale securities transferred to held-to-maturity securities	–	–	12	–	–	(115)	(103)	–	(103)
Net impairment charges transferred to income statement	–	–	289	–	–	–	289	–	289
Release of reserve upon disposal of available-for-sale securities	–	–	17	–	–	–	17	–	17
Release of deferred tax	–	(476)	109	–	–	–	(367)	(3)	(370)
Transfer from retained earnings	–	–	–	509	–	(509)	–	–	–
At 31 December 2007	52,864	8,451	(456)	4,130	14	27,839	92,842	2,216	95,058
Company and subsidiaries	52,864	8,451	(456)	4,130	14	27,794	92,797		
Associates	–	–	–	–	–	45	45		
	52,864	8,451	(456)	4,130	14	27,839	92,842		

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At 1 January 2008	52,864	8,451	(456)	4,130	14	27,839	92,842	2,216	95,058
Net profit for the year	-	-	-	-	-	3,343	3,343	(336)	3,007
Currency translation difference	-	-	-	-	212	-	212	-	212
2007 final dividend paid	-	-	-	-	-	(5,149)	(5,149)	(107)	(5,256)
2008 interim dividend paid	-	-	-	-	-	(4,631)	(4,631)	(217)	(4,848)
Revaluation of premises	-	(250)	-	-	-	-	(250)	9	(241)
Release upon disposal of premises	-	(96)	-	-	-	96	-	-	-
Change in fair value of available-for-sale securities taken to equity	-	-	(12,251)	-	-	-	(12,251)	4	(12,247)
Amortisation with respect to available-for-sale securities transferred to held-to-maturity securities	-	-	1	-	-	(88)	(87)	-	(87)
Net impairment charges transferred to income statement	-	-	7,839	-	-	-	7,839	-	7,839
Release of reserve upon disposal of available-for-sale securities	-	-	15	-	-	-	15	-	15
Release of deferred tax	-	109	727	-	-	-	836	(1)	835
Transfer from retained earnings	-	-	-	373	-	(373)	-	-	-
Increase in minority interest arising from capital issuance of a subsidiary	-	-	-	-	-	-	-	245	245
At 31 December 2008	52,864	8,214	(4,125)	4,503	226	21,037	82,719	1,813	84,532
Company and subsidiaries	52,864	8,214	(4,125)	4,503	226	20,987	82,669		
Associates	-	-	-	-	-	50	50		
	52,864	8,214	(4,125)	4,503	226	21,037	82,719		

\* In accordance with the requirements of the HKMA, the amounts are set aside for general banking risks, including future losses or other unforeseeable risks, in addition to the loan impairment allowances recognised under HKAS 39.

The notes on pages 101 to 223 are an integral part of these financial statements.