

Consolidated Profit and Loss Account

for the year ended 31 December in HK\$ million	Note	2010	2009
Hong Kong fare revenue	4	12,459	11,498
Station commercial and rail related revenue	5A	3,715	3,328
Rental, management and other revenue	5B	3,200	2,928
Revenue from railway subsidiaries outside of Hong Kong	6	10,144	1,043
Other net income	7	–	–
		29,518	18,797
Expenses relating to Hong Kong fare revenue			
– Staff costs and related expenses	8A	(3,398)	(3,387)
– Energy and utilities		(1,067)	(1,020)
– Operational rent and rates		(184)	(183)
– Stores and spares consumed		(421)	(403)
– Maintenance and related works	8B	(912)	(915)
– Railway support services		(139)	(127)
– General and administration expenses		(379)	(329)
– Other expenses		(228)	(179)
		(6,728)	(6,543)
Expenses relating to station commercial and rail related businesses		(975)	(632)
Expenses relating to property ownership, management and other businesses		(817)	(866)
Expenses relating to railway subsidiaries outside of Hong Kong	6	(9,865)	(1,035)
Project study and business development expenses	8C	(216)	(206)
Operating expenses before depreciation, amortisation and variable annual payment arising from the Rail Merger	8D,E&F	(18,601)	(9,282)
Operating profit from railway and related businesses before depreciation, amortisation and variable annual payment arising from the Rail Merger		10,917	9,515
Profit on property developments	10	4,034	3,554
Operating profit before depreciation, amortisation and variable annual payment arising from the Rail Merger		14,951	13,069
Depreciation and amortisation	11	(3,120)	(2,992)
Variable annual payment arising from the Rail Merger	12	(45)	–
Merger related expenses	13	–	(12)
Operating profit before interest and finance charges		11,786	10,065
Interest and finance charges	14	(1,237)	(1,504)
Change in fair value of investment properties	22	4,074	2,798
Share of profits of non-controlled subsidiaries and associates	15	139	160
Profit before taxation		14,762	11,519
Income tax	16A	(2,590)	(1,880)
Profit for the year		12,172	9,639
Attributable to:			
– Equity shareholders of the Company	17	12,059	9,639
– Non-controlling interests		113	–
Profit for the year		12,172	9,639
Earnings per share:	19		
– Basic		HK\$2.10	HK\$1.69
– Diluted		HK\$2.10	HK\$1.69

The notes on pages 145 to 234 form part of the accounts.