

# Consolidated Profit and Loss Account

for the year ended 31 December in HK\$ million	Note	2016	2015
Revenue from Hong Kong transport operations	4	17,655	16,916
Revenue from Hong Kong station commercial businesses	5	5,544	5,380
Revenue from Hong Kong property rental and management businesses	6	4,741	4,533
Revenue from Mainland of China and international railway, property rental and management subsidiaries	7	13,478	12,572
Revenue from Mainland of China property development subsidiary	7	1,348	–
Revenue from other businesses	8	2,423	2,300
		<b>45,189</b>	<b>41,701</b>
Expenses relating to Hong Kong transport operations			
– Staff costs and related expenses	9A	(5,191)	(4,906)
– Energy and utilities		(1,511)	(1,482)
– Operational rent and rates		(149)	(231)
– Stores and spares consumed		(538)	(557)
– Maintenance and related works	9B	(1,379)	(1,324)
– Railway support services		(277)	(274)
– General and administration expenses		(659)	(610)
– Other expenses		(318)	(318)
		<b>(10,022)</b>	<b>(9,702)</b>
Expenses relating to Hong Kong station commercial businesses		(532)	(550)
Expenses relating to Hong Kong property rental and management businesses		(811)	(865)
Expenses relating to Mainland of China and international railway, property rental and management subsidiaries	7	(12,890)	(11,846)
Expenses relating to Mainland of China property development subsidiary	7	(982)	(140)
Expenses relating to other businesses		(2,278)	(2,174)
Project study and business development expenses	9C	(361)	(304)
<b>Operating expenses before depreciation, amortisation and variable annual payment</b>	9D,E&F	<b>(27,876)</b>	<b>(25,581)</b>
<b>Operating profit before Hong Kong property development, depreciation, amortisation and variable annual payment</b>			
– Arising from recurrent businesses		16,947	16,260
– Arising from Mainland of China property development		366	(140)
		<b>17,313</b>	<b>16,120</b>
Profit on Hong Kong property development	11	311	2,891
<b>Operating profit before depreciation, amortisation and variable annual payment</b>		<b>17,624</b>	<b>19,011</b>
Depreciation and amortisation	12	(4,127)	(3,849)
Variable annual payment		(1,787)	(1,649)
<b>Operating profit before interest and finance charges</b>		<b>11,710</b>	<b>13,513</b>
Interest and finance charges	13	(612)	(599)
Investment property revaluation	19	808	2,100
Share of profit or loss of associates	28	535	361
<b>Profit before taxation</b>		<b>12,441</b>	<b>15,375</b>
Income tax	14A	(2,093)	(2,237)
<b>Profit for the year</b>		<b>10,348</b>	<b>13,138</b>
<b>Attributable to:</b>			
– Shareholders of the Company		10,254	12,994
– Non-controlling interests		94	144
<b>Profit for the year</b>		<b>10,348</b>	<b>13,138</b>
<b>Profit for the year attributable to shareholders of the Company:</b>			
– Arising from underlying businesses before property development		8,916	8,565
– Arising from property development		530	2,329
– Arising from underlying businesses		9,446	10,894
– Arising from investment property revaluation		808	2,100
		<b>10,254</b>	<b>12,994</b>
<b>Earnings per share:</b>	16		
– Basic		HK\$1.74	HK\$2.22
– Diluted		HK\$1.74	HK\$2.22

The notes on pages 218 to 302 form part of the accounts.