

# CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 31 December in HK\$ million	Note	2018	2017
Revenue from Hong Kong transport operations	4	19,490	18,201
Revenue from Hong Kong station commercial businesses	5	6,458	5,975
Revenue from Hong Kong property rental and management businesses	6	5,055	4,900
Revenue from Mainland of China and international railway, property rental and management subsidiaries	7	20,877	17,194
Revenue from other businesses	8	1,990	2,174
		<b>53,870</b>	48,444
Revenue from Mainland of China property development	7	60	6,996
		<b>53,930</b>	55,440
Expenses relating to Hong Kong transport operations			
– Staff costs and related expenses	9A	(5,847)	(5,748)
– Energy and utilities		(1,670)	(1,543)
– Operational rent and rates		(117)	(242)
– Stores and spares consumed		(559)	(553)
– Maintenance and related works	9B	(1,638)	(1,436)
– Railway support services		(380)	(284)
– General and administration expenses		(769)	(607)
– Other expenses		(339)	(313)
		<b>(11,319)</b>	(10,726)
Expenses relating to Hong Kong station commercial businesses		(567)	(501)
Expenses relating to Hong Kong property rental and management businesses		(813)	(802)
Expenses relating to Mainland of China and international railway, property rental and management subsidiaries	7	(20,001)	(16,244)
Expenses relating to other businesses		(2,004)	(2,162)
Project study and business development expenses	9C	(323)	(332)
		<b>(35,027)</b>	(30,767)
Expenses relating to Mainland of China property development	7	(35)	(4,682)
<b>Operating expenses before depreciation, amortisation and variable annual payment</b>	9D, E&F	<b>(35,062)</b>	(35,449)
<b>Operating profit before Hong Kong property development, depreciation, amortisation and variable annual payment</b>			
– Arising from recurrent businesses		18,843	17,677
– Arising from Mainland of China property development		25	2,314
		<b>18,868</b>	19,991
Profit on Hong Kong property development	11	2,574	1,097
<b>Operating profit before depreciation, amortisation and variable annual payment</b>		<b>21,442</b>	21,088
Depreciation and amortisation	12	(4,985)	(4,855)
Variable annual payment		(2,305)	(1,933)
<b>Operating profit before interest and finance charges</b>		<b>14,152</b>	14,300
Interest and finance charges	13	(1,074)	(905)
Investment property revaluation	19	4,745	6,314
Share of profit or loss of associates and joint venture	27	658	494
<b>Profit before taxation</b>		<b>18,481</b>	20,203
Income tax	14A	(2,325)	(3,318)
<b>Profit for the year</b>		<b>16,156</b>	16,885
<b>Attributable to:</b>			
– Shareholders of the Company		16,008	16,829
– Non-controlling interests		148	56
<b>Profit for the year</b>		<b>16,156</b>	16,885
<b>Profit for the year attributable to shareholders of the Company:</b>			
– Arising from recurrent businesses		9,020	8,580
– Arising from property development		2,243	1,935
– Arising from underlying businesses		11,263	10,515
– Arising from investment property revaluation		4,745	6,314
		<b>16,008</b>	16,829
<b>Earnings per share:</b>	16		
– Basic		HK\$2.64	HK\$2.83
– Diluted		HK\$2.64	HK\$2.82

The notes on pages 216 to 306 form part of the accounts.