

CONSOLIDATED PROFIT AND LOSS ACCOUNT

in HK\$ million	Note	Half year ended 30 June 2019 (Unaudited)	Half year ended 30 June 2018 (Unaudited) (Note)
Revenue from Hong Kong transport operations		10,690	9,328
Revenue from Hong Kong station commercial businesses		3,555	3,075
Revenue from Hong Kong property rental and management businesses		2,635	2,517
Revenue from Mainland of China and international railway, property rental and management subsidiaries	2	10,558	10,453
Revenue from other businesses		834	1,000
		28,272	26,373
Revenue from Mainland of China property development	2	–	–
		28,272	26,373
Expenses relating to Hong Kong transport operations			
– Staff costs and related expenses		(3,233)	(2,854)
– Energy and utilities		(891)	(759)
– Government rent and rates		(137)	(127)
– Stores and spares consumed		(260)	(264)
– Maintenance and related works		(981)	(679)
– Railway support services		(333)	(144)
– General and administration expenses		(342)	(249)
– Other expenses		(167)	(151)
		(6,344)	(5,227)
Expenses relating to Hong Kong station commercial businesses		(328)	(268)
Expenses relating to Hong Kong property rental and management businesses		(395)	(381)
Expenses relating to Mainland of China and international railway, property rental and management subsidiaries	2	(9,886)	(10,043)
Expenses relating to other businesses	14B(h)	(2,737)	(919)
Project study and business development expenses		(171)	(214)
		(19,861)	(17,052)
Expenses relating to Mainland of China property development	2	(10)	(17)
Operating expenses before depreciation, amortisation and variable annual payment		(19,871)	(17,069)
Operating profit before Hong Kong property development, depreciation, amortisation and variable annual payment			
– Arising from recurrent businesses		8,411	9,321
– Arising from Mainland of China property development		(10)	(17)
		8,401	9,304
Profit on Hong Kong property development	3	898	158
Operating profit before depreciation, amortisation and variable annual payment		9,299	9,462
Depreciation and amortisation		(2,592)	(2,461)
Variable annual payment		(1,506)	(999)
Operating profit before interest and finance charges		5,201	6,002
Interest and finance charges	4	(442)	(580)
Investment property revaluation	11	2,066	2,435
Share of profit or loss of associates and joint venture	5	(74)	286
Profit before taxation		6,751	8,143
Income tax	6	(1,147)	(972)
Profit for the period		5,604	7,171
Attributable to:			
– Shareholders of the Company		5,506	7,083
– Non-controlling interests		98	88
Profit for the period		5,604	7,171
Profit for the period attributable to shareholders of the Company:			
– Arising from recurrent businesses		2,665	4,483
– Arising from property development		775	165
– Arising from underlying businesses		3,440	4,648
– Arising from investment property revaluation		2,066	2,435
		5,506	7,083
Earnings per share:	8		
– Basic		HK\$0.90	HK\$1.18
– Diluted		HK\$0.90	HK\$1.18

Note:

The Group has applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 1.

The notes on pages 50 to 71 form part of this interim financial report. Details of dividends payable to shareholders of the Company are set out in note 7.