

Consolidated Balance Sheet

| <i>at 31 December in HK\$ million</i> | Note | 2007 | 2006 |
|--|------|----------------|---------|
| Assets | | | |
| Fixed assets | | | |
| – Investment properties | 18 | 37,723 | 22,539 |
| – Other property, plant and equipment | 19 | 79,444 | 84,404 |
| – Service concession assets | 20 | 15,250 | – |
| | | 132,417 | 106,943 |
| Property management rights | 21 | 40 | – |
| Railway construction in progress | 22 | 424 | 232 |
| Property development in progress | 23A | 9,066 | 3,297 |
| Deferred expenditure | 24 | 825 | 565 |
| Prepaid land lease payments | 25 | 581 | 594 |
| Interests in non-controlled subsidiaries | 26 | 268 | 171 |
| Interests in associates | 28 | 205 | 100 |
| Deferred tax assets | 44B | 4 | 1 |
| Investments in securities | 29 | 333 | 272 |
| Staff housing loans | 30 | 15 | 25 |
| Properties held for sale | 31 | 756 | 2,018 |
| Derivative financial assets | 32 | 273 | 195 |
| Stores and spares | 33 | 642 | 272 |
| Debtors, deposits and payments in advance | 34 | 5,167 | 1,894 |
| Loan to a property developer | 35 | 3,532 | 3,355 |
| Amounts due from the Government and other related parties | 36 | 544 | 177 |
| Cash and cash equivalents | 37 | 576 | 310 |
| | | 155,668 | 120,421 |
| Liabilities | | | |
| Bank overdrafts | 38A | 2 | 5 |
| Short-term loans | 38A | 507 | 1,114 |
| Creditors, accrued charges and provisions | 39 | 5,412 | 3,639 |
| Current taxation | 44A | 3 | 1 |
| Contract retentions | 40 | 225 | 193 |
| Amounts due to related parties | 41 | 975 | – |
| Loans and obligations under finance leases | 38A | 33,541 | 27,033 |
| Derivative financial liabilities | 32 | 192 | 515 |
| Obligations under service concession | 42 | 10,685 | – |
| Deferred income | 43 | 515 | 1,682 |
| Deferred tax liabilities | 44B | 12,574 | 9,453 |
| | | 64,631 | 43,635 |
| Net assets | | | |
| | | 91,037 | 76,786 |
| Capital and reserves | | | |
| Share capital, share premium and capital reserve | 45A | 39,828 | 38,639 |
| Other reserves | 46 | 51,186 | 38,128 |
| Total equity attributable to equity shareholders of the Company | | 91,014 | 76,767 |
| Minority interests | | 23 | 19 |
| Total equity | | 91,037 | 76,786 |

Approved and authorised for issue by the Members of the Board on 11 March 2008

Raymond K F Ch'ien

C K Chow

Lincoln K K Leong

The notes on pages 132 to 214 form part of the accounts