

# CONSOLIDATED PROFIT AND LOSS ACCOUNT

in HK\$ million	Note	Half year ended 30 June 2018 (Unaudited)	Half year ended 30 June 2017 (Unaudited)
Revenue from Hong Kong transport operations		9,328	8,957
Revenue from Hong Kong station commercial businesses		3,075	2,788
Revenue from Hong Kong property rental and management businesses		2,517	2,432
Revenue from Mainland of China and international railway, property rental and management subsidiaries	2	10,453	8,015
Revenue from other businesses		1,000	968
		<b>26,373</b>	23,160
Revenue from Mainland of China property development subsidiary	2	–	6,844
		<b>26,373</b>	30,004
Expenses relating to Hong Kong transport operations			
– Staff costs and related expenses		(2,854)	(2,530)
– Energy and utilities		(759)	(705)
– Operational rent and rates		(127)	(119)
– Stores and spares consumed		(264)	(252)
– Maintenance and related works		(679)	(665)
– Railway support services		(144)	(136)
– General and administration expenses		(249)	(223)
– Other expenses		(151)	(154)
		<b>(5,227)</b>	(4,784)
Expenses relating to Hong Kong station commercial businesses		(268)	(239)
Expenses relating to Hong Kong property rental and management businesses		(381)	(344)
Expenses relating to Mainland of China and international railway, property rental and management subsidiaries	2	(10,043)	(7,565)
Expenses relating to other businesses		(919)	(1,023)
Project study and business development expenses		(214)	(159)
		<b>(17,052)</b>	(14,114)
Expenses relating to Mainland of China property development subsidiary	2	(17)	(4,658)
<b>Operating expenses before depreciation, amortisation and variable annual payment</b>		<b>(17,069)</b>	(18,772)
<b>Operating profit before Hong Kong property development, depreciation, amortisation and variable annual payment</b>			
– Arising from recurrent businesses		9,321	9,046
– Arising from Mainland of China property development		(17)	2,186
		<b>9,304</b>	11,232
Profit on Hong Kong property development	3	158	622
<b>Operating profit before depreciation, amortisation and variable annual payment</b>		<b>9,462</b>	11,854
Depreciation and amortisation		(2,461)	(2,390)
Variable annual payment		(999)	(915)
<b>Operating profit before interest and finance charges</b>		<b>6,002</b>	8,549
Interest and finance charges	4	(580)	(403)
Investment property revaluation	11	2,435	1,632
Share of profit or loss of associates and joint venture	5	286	180
<b>Profit before taxation</b>		<b>8,143</b>	9,958
Income tax	6	(972)	(2,425)
<b>Profit for the period</b>		<b>7,171</b>	7,533
<b>Attributable to:</b>			
– Shareholders of the Company		7,083	7,480
– Non-controlling interests		88	53
<b>Profit for the period</b>		<b>7,171</b>	7,533
<b>Profit for the period attributable to shareholders of the Company:</b>			
– Arising from recurrent businesses		4,483	4,478
– Arising from property development		165	1,370
– Arising from underlying businesses		4,648	5,848
– Arising from investment property revaluation		2,435	1,632
		<b>7,083</b>	7,480
<b>Earnings per share:</b>	8		
– Basic		HK\$1.18	HK\$1.27
– Diluted		HK\$1.18	HK\$1.26

The notes on pages 51 to 71 form part of this interim financial report. Details of dividends payable to shareholders of the Company are set out in note 7.