

Consolidated Income Statement

For the year ended 31 December 2011
(Amounts expressed in Hong Kong dollars)

	Note	2011 \$'000	2010 \$'000 (Note 45)
Revenue	5	3,639,445	2,565,390
Operating expenses	7	(2,273,489)	(1,527,189)
Selling, general and administrative expenses	7	(453,607)	(315,245)
Other (losses)/gains			
Fair value loss on preference share liability – derivative component	37(b)	(947,100)	(169,087)
Fair value gain on investment properties under construction	16	127,488	21,979
Other gains, net	6	62,768	13,032
Finance income/(costs), net			
Interest income		21,896	7,407
Interest accretion for preference share liability – host debt	37(b)	(17,613)	(41,577)
Share of loss of jointly controlled entities	18	(4,819)	(1,794)
Share of profit/(loss) of an associate	19	1,028	(2)
Profit before income tax		155,997	552,914
Income tax expense	9	(229,460)	(108,490)
(Loss)/profit for the year		(73,463)	444,424
Attributable to:			
Owners of the Company		(66,885)	421,822
Non-controlling interests		(6,578)	22,602
		(73,463)	444,424
(Losses)/earnings per share for profit attributable to the owners of the Company during the year			
Basic (losses)/earnings per share, Hong Kong cents	10	(1.34)	8.46
Diluted (losses)/earnings per share, Hong Kong cents	10	(1.34)	7.83
Dividends and distributions	11	443,564	164,572

The notes on pages 91 to 161 are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2011
(Amounts expressed in Hong Kong dollars)

	2011 \$'000	2010 \$'000
(Loss)/profit for the year	(73,463)	444,424
Other comprehensive income		
Currency translation differences	58,572	19,500
Total comprehensive (loss)/income for the year	(14,891)	463,924
Attributable to:		
Owners of the Company	(35,626)	441,322
Non-controlling interests	20,735	22,602
	(14,891)	463,924

The notes on pages 91 to 161 are an integral part of these consolidated financial statements.

Consolidated Balance Sheet

As at 31 December 2011
(Amounts expressed in Hong Kong dollars)

	Note	2011 \$'000	2010 \$'000
ASSETS			
Non-current assets			
Purchased programme and film rights, net	13	23,731	26,631
Lease premium for land	14	239,323	239,300
Property, plant and equipment, net	15	1,150,440	904,342
Investment properties under construction	16	685,391	371,138
Intangible assets	17	16,739	18,473
Investments in jointly controlled entities	18	6,854	10,846
Amount due from a jointly controlled entity	18	20,000	–
Investment in an associate	19	5,764	4,736
Available-for-sale financial assets		962	962
Other long-term assets	24	40,489	30,672
Deferred income tax assets	38	33,273	13,225
		2,222,966	1,620,325
Current assets			
Accounts receivable, net	23	447,111	211,416
Prepayments, deposits and other receivables	24	754,201	471,555
Inventories	25	7,803	6,658
Amounts due from related companies	26	93,466	29,705
Self-produced programmes		8,673	8,253
Purchased programme and film rights, net	13	9,092	4,069
Financial assets at fair value through profit or loss	27	18,011	24,330
Bank deposits	28	1,078,996	113,280
Restricted cash	29	3,124	23,790
Cash and cash equivalents	30	1,545,486	1,312,502
		3,965,963	2,205,558
Total assets		6,188,929	3,825,883

The notes on pages 91 to 161 are an integral part of these consolidated financial statements.

Consolidated Balance Sheet

As at 31 December 2011
(Amounts expressed in Hong Kong dollars)

	Note	2011 \$'000	2010 \$'000
EQUITY			
Equity attributable to owners of the Company			
Share capital	32	499,298	498,703
Reserves			
– Proposed final dividend	11	209,705	164,572
– Others		2,856,466	1,543,803
		3,565,469	2,207,078
Non-controlling interests		1,317,514	250,213
Total equity		4,882,983	2,457,291
LIABILITIES			
Non-current liabilities			
Borrowings	37	–	653,106
Investment deposits	36	–	52,520
Other long-term liabilities		6,743	–
Deferred income tax liabilities	38	76,453	47,699
		83,196	753,325
Current liabilities			
Accounts payable, other payables and accruals	35	507,638	410,570
Borrowings	37	478,480	–
Deferred income		181,398	141,789
Amounts due to related companies	26	1,637	11,372
Current income tax liabilities		53,597	51,536
		1,222,750	615,267
Total liabilities		1,305,946	1,368,592
Total equity and liabilities		6,188,929	3,825,883
Net current assets		2,743,213	1,590,291
Total assets less current liabilities		4,966,179	3,210,616

The notes on pages 91 to 161 are an integral part of these consolidated financial statements.

The consolidated financial statements on pages 83 to 161 were approved by the Board of Directors on 15 March 2012 and signed on behalf of the Board by

LIU Changle
Director

CHUI Keung
Director

Balance Sheet

As at 31 December 2011
(Amounts expressed in Hong Kong dollars)

	Note	2011 \$'000	2010 \$'000
ASSETS			
Non-current assets			
Interests in subsidiaries	20	52,254	–
Amounts due from subsidiaries, net	20	–	865,451
		52,254	865,451
Current assets			
Cash and cash equivalents	30	1,956	4,883
Amounts due from subsidiaries, net	20	1,470,174	–
		1,472,130	4,883
Total assets		1,524,384	870,334
EQUITY			
Equity attributable to owner of the Company			
Share capital	32	499,298	498,703
Reserves			
– proposed final dividend	11	209,705	164,572
– others		814,337	206,774
Total equity		1,523,340	870,049
LIABILITIES			
Current liabilities			
Other payables and accruals	35	1,044	285
Total liabilities		1,044	285
Total equity and liabilities		1,524,384	870,334
Net current assets		1,471,086	4,598
Total assets less current liabilities		1,523,340	870,049

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LIU Changle
Director

CHUI Keung
Director

Consolidated Statement of Changes in Equity

For the year ended 31 December 2011
(Amounts expressed in Hong Kong dollars)

	Attributable to owners of the Company									
	Note	Share capital \$'000	Share premium \$'000	Statutory reserve \$'000 (Note)	Capital reserve \$'000	Exchange reserve \$'000	Employee share-based payment reserve \$'000	Retained earnings \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 January 2010		497,014	502,175	7,476	-	23,504	11,390	789,733	227,611	2,058,903
Profit for the year		-	-	-	-	-	-	421,822	22,602	444,424
Other comprehensive income										
Currency translation differences		-	-	-	-	19,500	-	-	-	19,500
Total comprehensive income for the year		-	-	-	-	19,500	-	421,822	22,602	463,924
Transactions with owners										
Share option scheme	32,33,34									
- value of employee services		-	-	-	-	-	15,437	-	-	15,437
- recognition of shares issued on exercise of options		1,689	17,596	-	-	-	(553)	-	-	18,732
Dividends related to 2009		-	(99,705)	-	-	-	-	-	-	(99,705)
Allocation to statutory reserve		-	-	2,423	-	-	-	(2,423)	-	-
Total transactions with owners		1,689	(82,109)	2,423	-	-	14,884	(2,423)	-	(65,536)
Balance at 31 December 2010		498,703	420,066	9,899	-	43,004	26,274	1,209,132	250,213	2,457,291

The notes on pages 91 to 161 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2011
(Amounts expressed in Hong Kong dollars)

	Attributable to owners of the Company								
	Share capital	Share premium	Statutory reserve	Capital reserve	Exchange reserve	Employee share-based payment reserve	Retained earnings	Non-controlling interests	Total equity
Note	\$'000	\$'000	\$'000 (Note)	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2011	498,703	420,066	9,899	-	43,004	26,274	1,209,132	250,213	2,457,291
Loss for the year	-	-	-	-	-	-	(66,885)	(6,578)	(73,463)
Other comprehensive income									
Currency translation differences	-	-	-	-	31,259	-	-	27,313	58,572
Total comprehensive income/(loss) for the year	-	-	-	-	31,259	-	(66,885)	20,735	(14,891)
Transactions with owners									
Share option scheme									
- value of employee services	-	-	-	-	-	129,024	-	-	129,024
- recognition of shares issued on exercise of options	595	8,314	-	-	-	(1,339)	-	-	7,570
Dividends related to 2010	11	(164,717)	-	-	-	-	-	-	(164,717)
Special dividend	11	(189,732)	-	-	-	-	-	-	(189,732)
Assured entitlement	11	(44,127)	-	23,425	-	-	-	6,564	(14,138)
Disposals of interests in subsidiaries without loss of control	40	-	-	1,643,193	-	-	-	1,065,740	2,708,933
Acquisition of additional interests in subsidiaries	40	-	-	(11,922)	-	-	-	(32,671)	(44,593)
Liquidation of subsidiaries	-	-	-	11,702	-	-	-	(4,063)	7,639
Exercise of share options of a subsidiary	-	-	-	-	-	(10,399)	-	10,996	597
Allocation to statutory reserve	-	-	19,255	-	-	-	(19,255)	-	-
Total transactions with owners	595	(390,262)	19,255	1,666,398	-	117,286	(19,255)	1,046,566	2,440,583
Balance at 31 December 2011	499,298	29,804	29,154	1,666,398	74,263	143,560	1,122,992	1,317,514	4,882,983

Note: The statutory reserve of the Group refers to the PRC statutory reserve fund. Appropriations to such reserve fund are made out of profit after tax as recorded in the statutory financial statements of the PRC subsidiaries. The amount should not be less than 10% of the profit after tax as recorded in the statutory financial statements unless the aggregate amount exceeds 50% of the registered capital of the PRC subsidiaries. The statutory reserve fund can be used to make up prior years' losses of the PRC subsidiaries.

The notes on pages 91 to 161 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2011
(Amounts expressed in Hong Kong dollars)

	Note	2011 \$'000	2010 \$'000
Cash flows from operating activities			
Cash (used in)/generated from operations	39	(161,042)	939,454
Interest received		21,896	7,407
Hong Kong taxation paid		(157,175)	(42,996)
Overseas taxation paid		(42,165)	(7,782)
Net cash (used in)/generated from operating activities		(338,486)	896,083
Cash flows from investing activities			
Increase in other long-term assets		(9,817)	(6,862)
Decrease/(increase) in restricted cash		20,666	(2,183)
Purchase of software	17	–	(150)
Purchase of property, plant and equipment	15	(368,559)	(245,677)
Payment of land lease premium	14	–	(53,584)
Purchase of programme and film rights	13	(30,012)	(29,187)
Capital injection in jointly controlled entity	18	(827)	(5,718)
Proceeds from disposal of property, plant and equipment		–	29
Additions to investment properties under construction	16	(164,486)	(92,100)
Proceeds from disposal of financial assets at fair value through profit or loss		–	23,307
Liquidation of subsidiaries		7,639	–
Income from financial assets at fair value through profit or loss		902	3,355
Net cash used in investing activities		(544,494)	(408,770)
Cash flows from financing activities			
Acquisitions of additional interests in subsidiaries	40(c)	(44,593)	–
Net proceeds from partial disposals of subsidiaries		1,261,777	–
Proceeds from exercise of share options of the Company	32, 34	7,570	18,732
Dividends paid to owners of the Company	11	(164,717)	(99,705)
Special dividends paid to owners of the Company	11	(189,732)	–
Assured entitlement	11	(14,138)	–
Proceeds from exercise of share options of a subsidiary		11,268	–
Drawdown of secured bank borrowings	37	290,063	198,407
Repayment of secured bank borrowings	37	(70,854)	–
Investment deposits received from investors	36	–	52,520
Net cash generated from financing activities		1,086,644	169,954
Net increase in cash and cash equivalents		203,664	657,267
Cash and cash equivalents at beginning of year		1,312,502	649,245
Exchange gains on cash and cash equivalents		29,320	5,990
Cash and cash equivalents at end of year	30	1,545,486	1,312,502

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