Hutchison Whampoa Limited

(incorporated in Hong Kong with limited liability)
(Stock Code: 13)

UNAUDITED RESULTS FOR THE PERIOD ENDED 30 JUNE 2010

HIGHLIGHTS

	June 2010	June 2009	
	HK$ millions	HK$ millions	Change
Total revenue	**152,932**	141,028	+8%
EBIT from established businesses	**17,991**	18,128	-1%
LBIT of the **3** Group	**(998)**	(5,451)	+82%
Total EBIT, before property revaluation and profits on disposals	**16,993**	12,677	+34%
Profit attributable to shareholders	**6,450**	5,760	+12%
Earnings per share	**HK$1.51**	HK$1.35	+12%
Interim dividend per share	**HK$0.51**	HK$0.51	-

- Total revenue grew 8% to HK$152,932 million.
- Total EBIT, before property revaluation and profits on disposal of investments, grew 34% to HK$16,993 million.
- Profit attributable to shareholders, before profits on disposal of investments, grew 270%.
- Profit attributable to shareholders and earnings per share increased 12% to HK$6,450 million and HK$1.51 respectively.
- 3G customer base currently totals over 27.8 million worldwide.
- **3** Group's recurring LBIT reduced by 82% to HK$998 million.

22/F, Hutchison House, 10 Harcourt Road, Hong Kong
Tel +852 2128 1188 Fax +852 2128 1705
www.hutchison-whampoa.com

CHAIRMAN'S STATEMENT

The Group's global operations performed well despite volatile financial markets and uncertain recovery trends in the world's major economies. Revenue from the Group's established businesses grew 7% to HK$123,073 million. Earnings before interest expense and other finance costs, taxation and non-controlling interests ("EBIT") of the Group's established businesses, before property revaluation and profits on disposal of investments, decreased 1% to HK$17,991 million, reflecting decreased contributions from Hutchison Telecommunications International ("HTIL") after the disposal of its Israeli telecommunications operation last year and from Cheung Kong Infrastructure ("CKI") after its disposal of a 45% equity interest in three power plants last year. Excluding the effect of these disposals on recurring EBIT, EBIT of the Group's established businesses increased 8% mainly due to good earnings growth in the ports and retail operations. **3** Group's total revenue increased by 13% to HK$29,859 million and **3** Group's LBIT, before profits on disposal of investments, reduced 82% to HK$998 million.

The Group's total revenue grew 8% to HK$152,932 million and total EBIT, before property revaluation and profits on disposal of investments, grew 34% to HK$16,993 million.

Results

The Group's profit attributable to shareholders for the period was HK$6,450 million, a 12% increase compared to the first half of 2009's profit of HK$5,760 million. There were no profits on disposal of investments in the first half of 2010 (2009 – HK$4,655 million). Excluding such profits, earnings in the first half of 2010 were 270% higher than in the first half of 2009. Earnings per share were HK$1.51 (2009 – HK$1.35).

The results for the period include a profit on revaluation of investment properties of HK$910 million (2009 – HK$700 million), mainly arising from investment properties under development.

Dividends

The Board recommends the payment of an interim dividend of HK$0.51 per share (30 June 2009 – HK$0.51 per share) payable on 17 September 2010 to those persons registered as shareholders on 16 September 2010. The register of members will be closed from 9 September 2010 to 16 September 2010, both days inclusive.

Established Businesses

Ports and Related Services

The ports and related services division's total throughput grew 17% to 35.3 million twenty-foot equivalent units ("TEUs") for the first six months of 2010 and total revenue grew 14% to HK$17,697 million. The division reported EBIT of HK$6,072 million, 35% higher than the same period last year, mainly due to higher throughput, improved operational efficiency from cost saving initiatives implemented last year, and a one-time gain of HK$550 million as a result of marking an investment to market value as required under the Hong Kong Financial Reporting Standards.

Property and Hotels

The property and hotels division reported total revenue of HK$7,127 million, an 8% increase compared to the comparable period last year. Gross rental income of HK$1,934 million was 2% higher than the same period last year, with the rental properties portfolio 97% let. Development profits in the first six months of 2010 were in line with the comparable period last year, and arose mainly from the completion and sale of property units in various residential projects in Mainland China, Singapore and Hong Kong. The hotel operations also reported earnings growth. This division's total EBIT increased 6% to HK$3,428 million.

Retail

The retail division delivered revenue and strong EBIT growth compared to the first half of 2009, despite weak consumer sentiment in some of its overseas operations. The retail division reported sales growth of 8% to HK$57,510 million. In local currencies, EBIT increased 54%, and in Hong Kong dollars increased 52% to HK$2,853 million, driven by management's strong improvements to the division's cost structure, inventory management and operational efficiencies, and continuing expansion in high growth markets.

Cheung Kong Infrastructure

CKI, a listed subsidiary, announced its group turnover and its share of jointly controlled entities' turnover totalling HK$1,891 million and profit attributable to shareholders of HK$2,029 million, compared to a profit of HK$3,885 million in the first half of 2009. The decrease is due to several factors, most notably a gain of HK$1,264 million on disposal of the Mainland power plants in 2009; the loss of three months related earnings contribution of HK$262 million; favourable 2009 UK tax adjustments of HK$148 million; and the impact from foreign exchange movements of HK$512 million. Excluding these factors, CKI's profit attributable to shareholders for the first six months of 2010 increased 19%.

CKI announced on 30 July that a joint venture, in which it and its associated company Hongkong Electric Holdings each have a 40% interest, made an irrevocable offer to acquire electricity distribution businesses in the United Kingdom with a total offer price of £5,775 million and have been granted a period of exclusivity to finalise the transaction.

Husky Energy

Husky Energy, a listed associate company, announced sales and operating revenues of C$9,039 million, 19% above the comparable period last year. Average total upstream production during the first six months of 2010 was 289,700 barrels of oil equivalent per day ("BOEs per day") compared to 329,600 BOEs per day in the first half of 2009. Net earnings of C$611 million in the first six months of 2010 were 19% lower than the comparable period last year, reflecting lower production, lower refining margins in the US operations and the impact of a stronger Canadian dollar.

Finance and Investments

The Group's EBIT from its finance and investments operations represents returns earned on the Group's holdings of cash and liquid investments and amounted to HK$935 million, 62% below the comparable period last year, mainly due to lower market interest rates and one-time profits of HK$1,135 million realised in the comparable first half of 2009 from the repurchase of some of the Group's bonds, the disposal of certain listed equity investments and foreign exchange gains.

During the first six months of 2010, the Group refinanced and repaid debts as they matured and repaid early certain other long-term borrowings and notes totalling HK$15,846 million and extended the maturity profile of the Group's long-term debts. At 30 June 2010, the Group's consolidated cash and liquid investments totalled HK$106,510 million and consolidated debt amounted to HK$250,695 million. Consolidated net debt, net of cash and liquid investments, amounted to HK$144,185 million, a reduction of HK$25,513 million or 15% compared to HK$169,698 million as at 30 June 2009, and an increase of HK$830 million or less than 1% compared to HK$143,355 million as at 31 December 2009.

Hutchison Telecommunications Hong Kong

Hutchison Telecommunications Hong Kong Holdings ("HTHKH"), a listed subsidiary with telecommunications operations in Hong Kong and Macau, announced turnover of HK$4,283 million and net profit attributable to shareholders of HK$361 million, a 5% and 41% increase respectively over the same period last year. At 30 June 2010, HTHKH announced its total mobile active customer base in Hong Kong and Macau had reached 3.1 million.

Hutchison Telecommunications International

Following implementation of a Scheme of Arrangement to privatise HTIL and payments by the Group to HTIL's non-controlling interest totalling HK$4,199 million or HK$2.2 per HTIL share, HTIL became a wholly-owned subsidiary of the Group after 24 May 2010. The Group's start-up mobile operations in Indonesia, Vietnam and its Sri Lanka and Thailand operations reported total revenue of HK$1,195 million and LBIT of HK$869 million for the period, a decrease compared to the EBIT of HK$166 million for the comparable period last year, mainly reflecting the decreased contribution from its Israeli telecommunications operation which was disposed of in October 2009, partially offset by one-time compensation contributions from certain suppliers. Excluding the EBIT contribution of its Israeli telecommunications operation prior to disposition in the comparable period's results and the one-time compensation contributions in both years, recurring LBIT from ongoing operations increased 39%. At 30 June 2010, these operations had a mobile customer base of 19.0 million, a 49% increase during the first half of the year.

3 Group

The Group's registered 3G customer base increased 6% during the first half of the year and currently totals over 27.8 million customers. The **3** Group's customer base includes over 5.0 million mobile broadband access customers, a 16% increase during the first half of the year.

Average revenue per active user ("ARPU"), on a 12-month trailing average active customer basis, increased by 1% to €28.58 compared to full year 2009. Excluding the effect of the depreciation of Euro against other European currencies and Australian dollar, ARPU decreased 4% compared to full year 2009, mainly due to an increased proportion of mobile broadband access customers in the **3** Group's customer base. Although ARPU declined marginally in local currencies, total revenue in local currencies increased 7% due to continued customer growth particularly in the high value segment. After translation to Hong Kong dollars, **3** Group's total revenue increased 13% to HK$29,859 million.

3 Group achieved EBITDA after all customer acquisition costs and retention costs ("CACs") of HK$3,627 million, a HK$3,447 million increase from the HK$180 million reported for the comparable period last year. Included in EBITDA are one-time contributions from certain suppliers totalling approximately HK$1,012 million. The significant increase in the **3** Group's EBITDA mainly reflects revenue growth and reduced operating, acquisition and retention costs. Gross margin as a percentage of revenues for the **3** Group overall increased by 1.8 percentage-points compared to the same period in 2009. All operations achieved either reduced LBIT or a turnaround to EBIT positive results compared to the same period last year and as a result, LBIT for the **3** Group as a whole was reduced to HK$998 million, an 82% reduction compared to total LBIT of HK$5,451 million for the comparable period in 2009. LBIT reduced mainly due to the **3** Group's increase in EBITDA as well as a reduction in amortisation of **3** UK's licence costs of HK$1,400 million compared to the first half of 2009. Excluding the effect of the revised licence amortisation, LBIT reduced 56% and in local currencies, reduced 57%.

Barring any significant adverse market developments or regulatory developments, management expects the **3** Group to make a positive contribution to the Group's full year EBIT results this year.

Outlook

The major global economies and industries have each, to varying degrees, continued to recover modestly from the financial crisis which had severely affected global economic activities throughout 2009. Although there is continuing volatility in the financial markets, the operating environment of the Group's businesses has been positive and as a result they are able to report solid improvements in the underlying businesses and results. The economies of the Mainland and Hong Kong have generally enjoyed a more robust recovery, benefiting from the support of Government policies and initiatives.

The Group's global operations performed satisfactorily in the first half of 2010, including the improved **3** Group operations. Cash flow also improved significantly and, subject to any major asset acquisitions in the second half, the Group's net debt is expected to be further reduced by the end of 2010. In the current economic environment, the Group will continue to focus on operational and financial disciplines while investing where good opportunities to expand its core businesses arise. Barring major unforeseen circumstances, the Group has very healthy development prospects and a promising future. I have full confidence in the Group's near, medium and long term growth.

I would like to thank the Board of Directors and all employees around the world for their loyalty, diligence, professionalism, and contributions to the Group.

Li Ka-shing
Chairman
Hong Kong, 5 August 2010

SUPPLEMENTARY INFORMATION AND KEY BUSINESS INDICATORS

Hutchison Whampoa Limited's Group results can be summarised as below:
In HK$ Millions

	For the six months ended 30 June				%
	2010	2009	**2010**	2009	**Change**
REVENUE [1]					
PORTS AND RELATED SERVICES	**17,697**	15,556	**14%**	13%	**14%**
PROPERTY AND HOTELS	**7,127**	6,628	**6%**	6%	**8%**
RETAIL	**57,510**	53,444	**47%**	47%	**8%**
CHEUNG KONG INFRASTRUCTURE	**7,558**	7,528	**6%**	6%	**0%**
HUSKY ENERGY	**23,513**	16,965	**19%**	15%	**39%**
FINANCE & INVESTMENTS	**937**	1,033	**1%**	1%	**-9%**
HUTCHISON TELECOMMUNICATIONS HONG KONG HOLDINGS	**4,283**	4,097	**3%**	3%	**5%**
HUTCHISON TELECOMMUNICATIONS INTERNATIONAL	**1,195**	801	**1%**	1%	**49%**
HUTCHISON TELECOMMUNICATIONS INTERNATIONAL - ISRAELI OPERATION	**-**	5,610	**0%**	5%	**-100%**
OTHERS	**3,253**	2,986	**3%**	3%	**9%**
TOTAL REVENUE OF ESTABLISHED BUSINESSES	**123,073**	114,648	**100%**	100%	**7%**
3 GROUP	**29,859**	26,380			**13%**
TOTAL REVENUE	**152,932**	141,028			**8%**
EARNINGS BEFORE INTEREST EXPENSE AND TAXATION ("EBIT") [1]					
ESTABLISHED BUSINESSES:					
PORTS AND RELATED SERVICES	**6,072**	4,487	**34%**	25%	**35%**
PROPERTY AND HOTELS	**3,428**	3,239	**19%**	18%	**6%**
RETAIL	**2,853**	1,873	**16%**	10%	**52%**
CHEUNG KONG INFRASTRUCTURE	**3,408**	3,663	**19%**	20%	**-7%**
HUSKY ENERGY	**1,722**	1,998	**10%**	11%	**-14%**
FINANCE & INVESTMENTS	**935**	2,478	**5%**	14%	**-62%**
HUTCHISON TELECOMMUNICATIONS HONG KONG HOLDINGS	**525**	308	**3%**	2%	**70%**
HUTCHISON TELECOMMUNICATIONS INTERNATIONAL	**(869)**	(1,011)	**-5%**	-6%	**14%**
HUTCHISON TELECOMMUNICATIONS INTERNATIONAL - ISRAELI OPERATION	**-**	1,177	**0%**	7%	**-100%**
OTHERS	**(83)**	(84)	**-1%**	-1%	**1%**
EBIT OF ESTABLISHED BUSINESSES	**17,991**	18,128	**100%**	100%	**-1%**
3 GROUP [2]:					
EBITDA OF 3 GROUP BEFORE ALL CACs	**11,402**	8,073			**41%**
CACs	**(7,775)**	(7,893)			**1%**
EBITDA OF 3 GROUP	**3,627**	180			**1915%**
- Depreciation	**(3,903)**	(3,693)			**-6%**
- Amortisation of licence fees and other rights	**(722)**	(1,938)			**63%**
LBIT OF 3 GROUP	**(998)**	(5,451)			**82%**
TOTAL EBIT BEFORE THE FOLLOWING	**16,993**	12,677			**34%**
CHANGE IN FAIR VALUE OF INVESTMENT PROPERTIES	**910**	700			**30%**
PROFITS ON DISPOSAL OF INVESTMENTS	**-**	4,655			**-100%**
TOTAL EBIT	**17,903**	18,032			**-1%**
INTEREST EXPENSES AND FINANCE COSTS					
- Company and subsidiary companies	**(4,059)**	(5,078)			**20%**
- Share of associated companies and jointly controlled entities	**(2,078)**	(1,435)			**-45%**
	(6,137)	(6,513)			**6%**
PROFIT BEFORE TAX	**11,766**	11,519			**2%**
TAX [1]					
- Current tax	**(2,812)**	(3,835)			**27%**
- Deferred tax	**(253)**	696			**-136%**
	(3,065)	(3,139)			**2%**
PROFIT AFTER TAX	**8,701**	8,380			**4%**
NON-CONTROLLING INTERESTS [1]	**(2,251)**	(2,620)			**14%**
PROFIT ATTRIBUTABLE TO SHAREHOLDERS	**6,450**	5,760			**12%**

Note 1 Includes share of associated companies and jointly controlled entities

Note 2 Includes 3G operations in UK, Ireland, Italy, Australia, Sweden, Denmark, Norway and Austria.

SUPPLEMENTARY INFORMATION AND KEY BUSINESS INDICATORS

Note: All comparing against the performance in the first six months of 2009 unless indicated otherwise

Established Businesses

Ports and Related Services

Total revenue	increased 14%
EBIT	increased 35%
Contributed 14% and 34% respectively to total revenue and EBIT of the Group's established businesses.	

Major contributors to the division's overall 17% throughput growth were:

	Increase
Hong Kong and the Mainland	15%
Asia (excluding Hong Kong and the Mainland)	21%
Europe	16%
The Americas	21%

Major contributors to the division's overall 35% EBIT increase were:

	Increase
Hong Kong and the Mainland	13%
The Americas	59%
Asia (excluding Hong Kong and the Mainland)	14%
Europe	4%

Property and Hotels

Total revenue	increased 8%
EBIT	increased 6%
Contributed 6% and 19% respectively to total revenue and EBIT of the Group's established businesses.	

The Group's current attributable landbank (including direct interests and its proportionate share of interests held by joint ventures, associates and jointly controlled entities) can be developed into 93 million square feet of mainly residential property, of which 96% is situated in the Mainland, 3% in the UK and overseas and 1% in Hong Kong. This landbank comprises 45 projects in 20 cities and is expected to be developed in a phased manner over several years. The increase in property valuation, before deferred tax expense, of HK$910 million in the first half of 2010 relates primarily to the increase in market value for investment properties under development.

Retail

Total revenue	increased 8% (increased 7% in local currencies)
EBIT	increased 52% (increased 54% in local currencies)
Contributed 47% and 16% respectively to total revenue and EBIT of the Group’s established businesses.	

The number of retail outlets increased during the period and currently totals over 8,900 outlets in 34 markets worldwide. The retail division is expanding organically into markets with high growth potential and at the same time continuing to control costs and focus on maintaining margins in the current economic environment.

Cheung Kong Infrastructure, subsidiary listed on Stock Exchange of Hong Kong

Announced group turnover and its share of jointly controlled entities’ turnover	decreased 15%
Announced profit attributable to shareholders	decreased 48% (increased 19% excluding a gain on disposal of three power plants and the three months related earnings, favourable 2009 UK tax adjustments and the impact of foreign exchange movements)
Contributed 6% and 19% respectively to total revenue and EBIT of the Group’s established businesses.	

Husky Energy, associated company listed on Toronto Stock Exchange

Announced sales and operating revenues, in C$	increased 19%
Announced net earnings, in C$	decreased 19%
Contributed 19% and 10% respectively to total revenue and EBIT of the Group’s established businesses.	

Hutchison Telecommunications Hong Kong Holdings, subsidiary listed on Stock Exchange of Hong Kong

Announced turnover	increased 5%
Announced profit attributable to shareholders	increased 41%
Contributed 3% to both total revenue and EBIT of the Group’s established businesses.	

Hutchison Telecommunications International, wholly owned subsidiary after 24 May 2010

Total revenue	decreased 81% (increased 49% excluding revenue from its Israeli telecommunications operation disposed of in second half of 2009)
LBIT	Losses increased 39% excluding the comparable period's EBIT of its Israeli telecommunications operation disposed of in second half of 2009 and one-time compensation contributions in both periods
Contributed 1% and a negative 5% respectively to total revenue and EBIT of the Group's established businesses.	

LBIT includes one-time compensation contributions from certain major suppliers of approximately HK$624 million in the first six months of 2010 (30 June 2009 – HK$66 million).

3 Group

Total revenue	increased 13% (increased 7% in local currencies)
EBITDA after all CACs	EBITDA of HK$3,627 million, compared to HK$180 million in the same period last year
Total LBIT	LBIT reduced by 82% (reduced 82% in local currencies). LBIT reduced by 56% after excluding the reduction of HK$1,400 million in licence amortisation resulting from an indefinite extension of the **3** UK telecommunications licence in the second half of 2009

The useful life of the **3** UK licence was revised on the basis of a Statutory Instrument laid before the UK houses of Parliament, which inter alia changes the life of the licence to indefinite.

3 Group Overall

	30 June 2010	**30 June 2009**
Weighted average per customer acquisition cost, on a 12-month trailing average basis – reduced 24%	€99	€131
Contract customers as a percentage of total registered customer base	53%	53%
Average monthly customer churn rate – total registered customer base	2.6%	2.4%
Average monthly customer churn rate – total contract registered customer base	1.9%	1.7%
Active customers as a percentage of total registered customer base	83%	83%
Active contract customers as a percentage of total contract registered customer base	98%	96%

Key Business Indicators

Customer Base

	Registered Customers at 4 August 2010 ('000)			Registered Customer Growth (%) from 31 December 2009 to 30 June 2010		
	Prepaid	Postpaid	**Total**	Prepaid	Postpaid	**Total**
Italy	5,656	3,378	9,034	-1%	3%	-
UK	2,685	3,586	6,271	25%	-1%	9%
Australia(1)	3,253	4,237	7,490	9%	7%	8%
Sweden & Denmark	216	1,513	1,729	9%	9%	9%
Austria	236	737	973	13%	7%	8%
Ireland	332	222	554	17%	13%	15%
3 Group Total	12,378	13,673	26,051	7%	4%	6%
Hong Kong and Macau(2)	356	1,462	1,818	56%	4%	11%
Total	12,734	15,135	27,869	8%	4%	6%

Customer Service Revenue

	Revenue for the six months ended 30 June 2010 (millions)					Growth (%) compared to the six months ended 30 June 2009 Revenue		
	Prepaid	% of total Revenue	Postpaid	% of total Revenue	**Total**	Prepaid	Postpaid	**Total**
Italy	€170.2	20%	€674.7	80%	**€844.9**	-23%	10%	**1%**
UK	£81.6	12%	£604.9	88%	**£686.5**	10%	-11%	**-9%**
Australia(3)	A$256.2	24%	A$814.7	76%	**A$1,070.9**	204%	5%	**24%**
Sweden & Denmark	SEK85.6	3%	SEK3,057.9	97%	**SEK3,143.5**	50%	17%	**18%**
Austria	€3.3	3%	€95.0	97%	**€98.3**	46%	19%	**20%**
Ireland	€9.0	22%	€31.6	78%	**€40.6**	-6%	15%	**9%**

12-month Trailing Average Revenue per Active User ("ARPU")(4) to 30 June 2010

	Total				Non-voice	
	Prepaid	Postpaid	Blended Total	% Variance compared to 31 December 2009	ARPU	% of total ARPU
Italy	€10.18	€35.90	**€23.21**	-1%	**€9.08**	39%
UK	£9.15	£30.34	**£24.07**	-10%	**£9.07**	38%
Australia(3)	A$29.72	A$71.47	**A$53.48**	-4%	**A$21.07**	39%
Sweden & Denmark	SEK115.39	SEK357.04	**SEK338.39**	-3%	**SEK143.00**	42%
Austria	€9.69	€23.69	**€22.65**	-5%	**€11.43**	51%
Ireland	€13.11	€31.95	**€23.99**	1%	**€13.11**	55%
3 Group Average	€13.57	€37.66	**€28.58**	1%	**€11.35**	40%
3 Group Average (without FX impact)	€12.71	€35.86	**€27.14**	-4%	**€10.76**	40%

Note 1: Active customers (including customers of mobile virtual network operators ("MVNOs")) at 30 June 2010 as announced by listed subsidiary HTAL updated for net additions to 4 August 2010.
Note 2: Hong Kong and Macau active customers at 30 June 2010 as announced by listed subsidiary HTHKH, updated for net additions to 4 August 2010.
Note 3: Revenue and ARPU (excluding ARPU from MVNOs) at 30 June 2010 as announced by listed subsidiary HTAL.
Note 4: ARPU equals total revenue excluding handset and connection revenues, divided by the average number of active customers during the period, where an active customer is one that has generated revenue from either an outgoing or incoming call or 3G service in the preceding three months.

Italy

Customer service revenue, in EURO	increased 1%
LBIT, in EURO	reduced 65% to €73 million

LBIT includes a one-time contribution from certain suppliers of €50 million in the first six months of 2010.

	30 June 2010	30 June 2009
Contract customers as a percentage of total registered customer base	38%	34%
Average monthly customer churn rate – total registered customer base	2.3%	2.3%
Average monthly customer churn rate – total contract registered customer base (accounts for 80% of the revenue base)	2.2%	2.2%
Active customers as a percentage of total registered customer base	67%	66%
Active contract customers as a percentage of total contract registered customer base	95%	90%

UK

Customer service revenue, in GBP	decreased 9%
LBIT, in GBP	reduced 87% to £20 million

	30 June 2010	30 June 2009
Contract customers as a percentage of total registered customer base	58%	70%
Average monthly customer churn rate – total registered customer base	3.2%	3.0%
Average monthly customer churn rate – total contract registered customer base (accounts for 88% of the revenue base)	2.3%	1.7%
Active customers as a percentage of total registered customer base	84%	91%
Active contract customers as a percentage of total contract registered customer base	97%	97%

Hutchison Telecommunications Australia ("HTAL"), subsidiary listed on Australian Securities Exchange

Announced service revenue, in AUD	increased 24%
Announced profit attributable to shareholders, in AUD of A$18 million (includes merger restructuring expenses)	turnaround to profit attributable to shareholders position of A$18 million compared to a loss of A$36 million, excluding the comparable period's gain of A$587 million on the merger of **3** Australia with Vodafone Australia in June 2009
HTAL's EBIT contribution to the Group's results	turnaround to EBIT of A$65 million compared to a LBIT of A$37 million, excluding the comparable period's gain of A$587 million as mentioned above

Sweden and Denmark (combined)

Combined customer service revenue, in SEK	increased 18%
Combined LBIT turnaround to EBIT, in SEK	turnaround 105% to EBIT of SEK16 million

	30 June 2010	**30 June 2009**
Contract customers as a percentage of total registered customer base	88%	89%
Average monthly customer churn rate – total registered customer base	2.2%	2.1%
Active customers as a percentage of total registered customer base	96%	96%
Active contract customers as a percentage of total contract registered customer base	100%	100%

Austria

Customer service revenue, in EURO	increased 20%
LBIT turnaround to EBIT, in EURO	turnaround 108% to EBIT of €3 million

EBIT includes a one-time contribution from certain suppliers of €52 million in the first six months of 2010.

	30 June 2010	**30 June 2009**
Contract customers as a percentage of total registered customer base	77%	76%
Average monthly customer churn rate – total registered customer base	1.1%	1.4%
Active customers as a percentage of total registered customer base	83%	80%
Active contract customers as a percentage of total contract registered customer base	100%	99%

Ireland

Customer service revenue, in EURO	increased 9%
LBIT, in EURO	reduced 15% to €19 million

	30 June 2010	30 June 2009
Contract customers as a percentage of total registered customer base	40%	41%
Average monthly customer churn rate – total registered customer base	0.9%	1.0%
Active customers as a percentage of total registered customer base	56%	67%
Active contract customers as a percentage of total contract registered customer base	83%	89%

Hutchison Whampoa Limited
Condensed Consolidated Income Statement
for the six months ended 30 June 2010

	Note	**Unaudited** **2010** **HK$ millions**	2009 HK$ millions
Company and subsidiary companies:			
Revenue	3	**97,760**	100,530
Cost of inventories sold		**(36,565)**	(34,680)
Staff costs		**(13,655)**	(13,940)
Telecommunications customer acquisition costs		**(6,394)**	(8,440)
Depreciation and amortisation	3	**(7,287)**	(9,789)
Other operating expenses		**(25,251)**	(28,964)
Change in fair value of investment properties		**-**	67
Profit on disposal of investments and others	4	**-**	4,655
Share of profits less losses after tax of:			
Associated companies		**2,424**	2,688
Jointly controlled entities		**3,163**	2,469
	3	**14,195**	14,596
Interest and other finance costs	5	**(4,059)**	(5,078)
Profit before tax		**10,136**	9,518
Current tax charge	6	**(1,513)**	(1,438)
Deferred tax credit	6	**76**	301
Profit after tax		**8,699**	8,381
Allocated as : Profit attributable to non-controlling interests		**(2,249)**	(2,621)
Profit attributable to shareholders of the Company	7	**6,450**	5,760
Earnings per share for profit attributable to shareholders of the Company	8	**HK$ 1.51**	HK$ 1.35

Details of interim dividend payable to the shareholders of the Company are set out in note 9.

Hutchison Whampoa Limited
Condensed Consolidated Statement of Financial Position
at 30 June 2010

	Note	**Unaudited 30 June 2010 HK$ millions**	As restated Note 2 31 December 2009 HK$ millions
ASSETS			
Non-current assets			
Fixed assets		**166,457**	176,192
Investment properties		**42,334**	42,323
Leasehold land		**28,138**	29,191
Telecommunications licences		**63,427**	70,750
Goodwill		**26,110**	28,858
Brand names and other rights		**6,348**	7,351
Associated companies		**87,725**	84,748
Interests in joint ventures		**52,273**	51,568
Deferred tax assets		**13,588**	14,657
Other non-current assets		**7,639**	5,286
Liquid funds and other listed investments		**23,611**	23,213
		517,650	534,137
Current assets			
Cash and cash equivalents	10	**82,899**	92,521
Trade and other receivables	11	**50,418**	48,146
Inventories		**15,634**	16,593
		148,951	157,260
Current liabilities			
Trade and other payables	12	**69,732**	73,029
Bank and other debts		**23,632**	17,589
Current tax liabilities		**3,183**	3,249
		96,547	93,867
Net current assets		**52,404**	63,393
Total assets less current liabilities		**570,054**	597,530
Non-current liabilities			
Bank and other debts		**231,864**	242,851
Interest bearing loans from non-controlling shareholders		**13,303**	13,424
Deferred tax liabilities		**13,298**	13,355
Pension obligations		**2,192**	2,436
Other non-current liabilities		**3,760**	4,520
		264,417	276,586
Net assets		**305,637**	320,944
CAPITAL AND RESERVES			
Share capital		**1,066**	1,066
Reserves		**271,921**	282,465
Total shareholders' funds		**272,987**	283,531
Non-controlling interests		**32,650**	37,413
Total equity		**305,637**	320,944

Notes

1 Basis of preparation

These unaudited condensed interim accounts are prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HKSE"). These interim accounts should be read in conjunction with the 2009 annual accounts.

2 Significant accounting policies

These interim accounts have been prepared under the historical cost convention except for certain properties and financial instruments which are stated at fair values.

In the current period, the Group has adopted all of the new and revised standards, amendments and interpretations issued by the HKICPA that are relevant to the Group's operations and mandatory for annual periods beginning 1 January 2010. The adoption of these new and revised standards, amendments and interpretations has introduced certain changes to the terminology in the Group's accounts in 2010 (where the terms "non-controlling interests" and "non-controlling shareholders" replace "minority interests" and "minority shareholders", respectively) and has also resulted in a change to the Group's accounting policies in respect of classification of land leases, business combinations, and acquisitions and disposals of ownership interests in subsidiaries, associated companies and joint ventures that has affected the amount reported for the current period. Except for these changes, the accounting policies applied in these interim accounts are consistent with those applied in the 2009 annual accounts.

Classification of leases of land

The amendments to HKAS 17 "Leases" are effective for the Group with effect from 1 January 2010. Amendments to HKAS 17 require that the classification of leases is based on the extent to which the risks and rewards incidental to ownership of an asset lie with the lessor or the lessee. In particular, the amendments deleted the specific guidance in the standard which previously required that the land element in a lease is normally classified as an operating lease unless title to the land is expected to be passed to the lessee by the end of the lease term. Under the amended HKAS 17, a lease of land is classified as fixed assets if the lease transfers substantially all the risks and rewards incidental to ownership of the leasehold land to the lessee. The amendments to HKAS 17 are required to be applied retrospectively. Comparative information has been restated to reflect this change in accounting policy. The effect of the adoption of this change in accounting policy is a reclassification of certain leasehold land to fixed assets in the statement of financial position, as follows:

	30 June 2010 HK$ millions	31 December 2009 HK$ millions	1 January 2009 HK$ millions
Decrease in leasehold land	**(4,754)**	(4,793)	(4,897)
Increase in fixed assets	**4,754**	4,793	4,897
	-	-	-

2 Significant accounting policies (continued)

Business combinations, and acquisitions and disposals of ownership interests in subsidiaries, associated companies and joint ventures

HKFRS 3 (Revised) "Business combinations" and consequential amendments to HKAS 27 "Consolidated and separate financial statements" are effective for the Group prospectively with effect from 1 January 2010.

HKFRS 3 (Revised) introduces significant changes in the Group's accounting for business combinations. Changes affect the valuation of non-controlling interests, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration. These changes impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results. Furthermore, the revised standard changes the accounting for business combinations achieved in stages. Under HKFRS 3 (Revised), the Group's previously held interests in the acquired entity are re-measured to fair value at the date the Group attains control and the resulting gain or loss, if any, is recognised in the income statement, and any comprehensive income recognised in prior periods in relation to the previously held interests is also reclassified to the income statement, as if those interests were directly disposed of. Previously, the resulting gain or loss would have been dealt with as a movement in the revaluation surplus account in reserves, and the amount recognised in other comprehensive income in prior periods in relation to the previously held interests is not reclassified to the income statement. The principle adopted under HKFRS 3 (Revised) in relation to business combinations achieved in stages is applicable to acquisitions of associated and joint venture companies in stages.

HKAS 27 (Revised) requires that an increase or a decrease in ownership interest in a subsidiary that does not result in the Group losing control over the subsidiary is accounted for as a transaction with owners in their capacity as owners and is dealt with in reserves and attributed to the shareholders of the Company, with no impact to goodwill or income statement. Previously, such transactions impact goodwill and give rise to gains or losses. When control of a subsidiary is lost as a result of a transaction, event or other circumstances, HKAS 27 (Revised) requires that the Group derecognises all assets, liabilities and non-controlling interests at their carrying amounts. Any retained interest in the former subsidiary is recognised at its fair value at the date when the control is lost, with the resulting fair value re-measurement gain or loss being recognised in the income statement. Previously, the retained interest in the former subsidiary is recognised at its carrying amount at the date when the control is lost and it does not give rise to fair value re-measurement gain or loss.

The adoption of these revised standards has affected the accounting for acquisitions and transactions with non-controlling interests during the current period. Had the Group's previous accounting been followed, the Group's profit after tax for the period, before non-controlling interests, would be HK$225 million lower and the Group's profit attributable to shareholders would be HK$115 million lower.

3 Operating segment information

The following presents information regarding the Group's operating segments for the six months ended 30 June 2010 and 2009. The column headed as Company and Subsidiaries refers to the Company and subsidiary companies' respective items. The column headed as Associates and JCE refers to the Group's share of associated companies' and jointly controlled entities' respective items.

Revenue from external customers is after elimination of inter-segment revenue. The amount eliminated attributable to Ports and related services is HK$23 million (30 June 2009 - HK$6 million), Property and hotels is HK$156 million (30 June 2009 - HK$186 million), Finance & Investments is HK$8 million (30 June 2009 - HK$5 million), Hutchison Telecommunications Hong Kong is HK$62 million (30 June 2009 - nil), and Others is HK$323 million (30 June 2009 - HK$209 million).

The following is an analysis of the Group's revenue and results by operating segment:

	Revenue							
	Six months ended 30 June 2010				Six months ended 30 June 2009			
	Company and Subsidiaries	**Associates and JCE**	**Total**		Company and Subsidiaries	Associates and JCE	Total	
	HK$ millions	**HK$ millions**	**HK$ millions**	**%[(a)]**	HK$ millions	HK$ millions	HK$ millions	%[(a)]
ESTABLISHED BUSINESSES								
Ports and related services	**15,664**	**2,033**	**17,697**	**14%**	13,635	1,921	15,556	13%
Property and hotels	**2,775**	**4,352**	**7,127**	**6%**	2,588	4,040	6,628	6%
Retail	**47,752**	**9,758**	**57,510**	**47%**	44,917	8,527	53,444	47%
Cheung Kong Infrastructure	**1,373**	**6,185**	**7,558**	**6%**	1,062	6,466	7,528	6%
Husky Energy	**-**	**23,513**	**23,513**	**19%**	-	16,965	16,965	15%
Finance & Investments	**757**	**180**	**937**	**1%**	863	170	1,033	1%
Hutchison Telecommunications Hong Kong	**4,283**	**-**	**4,283**	**3%**	4,097	-	4,097	3%
Hutchison Telecommunications International	**1,195**	**-**	**1,195**	**1%**	801	-	801	1%
Hutchison Telecommunications International - Israeli Operation	**-**	**-**	**-**	**-**	5,610	-	5,610	5%
Others	**1,825**	**1,428**	**3,253**	**3%**	1,796	1,190	2,986	3%
Subtotal - Established businesses	**75,624**	**47,449**	**123,073**	**100%**	75,369	39,279	114,648	100%
TELECOMMUNICATIONS - 3 Group	**22,136**	**7,723**	**29,859**		25,161	1,219	26,380	
	97,760	**55,172**	**152,932**		100,530	40,498	141,028	

3 Operating segment information (continued)

	EBIT (LBIT) (b)							
	Six months ended 30 June 2010				Six months ended 30 June 2009			
	Company and Subsidiaries	**Associates and JCE**	**Total**		Company and Subsidiaries	Associates and JCE	Total	
	HK$ millions	**HK$ millions**	**HK$ millions**	**%(a)**	HK$ millions	HK$ millions	HK$ millions	%(a)
ESTABLISHED BUSINESSES								
Ports and related services(c)	**5,339**	**733**	**6,072**	**34%**	3,823	664	4,487	25%
Property and hotels	**1,643**	**1,785**	**3,428**	**19%**	1,464	1,775	3,239	18%
Retail	**2,342**	**511**	**2,853**	**16%**	1,486	387	1,873	10%
Cheung Kong Infrastructure	**577**	**2,831**	**3,408**	**19%**	827	2,836	3,663	20%
Husky Energy	**-**	**1,722**	**1,722**	**10%**	-	1,998	1,998	11%
Finance & Investments	**755**	**180**	**935**	**5%**	2,317	161	2,478	14%
Hutchison Telecommunications Hong Kong	**546**	**(21)**	**525**	**3%**	316	(8)	308	2%
Hutchison Telecommunications International(d)	**(869)**	**-**	**(869)**	**-5%**	(1,011)	-	(1,011)	-6%
Hutchison Telecommunications International - Israeli Operation	**-**	**-**	**-**	**-**	1,177	-	1,177	7%
Others	**(271)**	**188**	**(83)**	**-1%**	(243)	159	(84)	-1%
EBIT - Established businesses(b)	**10,062**	**7,929**	**17,991**	**100%**	10,156	7,972	18,128	100%
TELECOMMUNICATIONS - 3 Group(e)								
EBIT before depreciation, amortisation and telecommunications CACs	**7,872**	**3,530**	**11,402**		7,575	498	8,073	
Telecommunications CACs	**(5,707)**	**(2,068)**	**(7,775)**		(7,554)	(339)	(7,893)	
EBIT before depreciation and amortisation and after telecommunications CACs	**2,165**	**1,462**	**3,627**		21	159	180	
Depreciation	**(3,279)**	**(624)**	**(3,903)**		(3,554)	(139)	(3,693)	
Amortisation of licence fees and other rights	**(340)**	**(382)**	**(722)**		(1,906)	(32)	(1,938)	
EBIT (LBIT) - Telecommunications - 3 Group(b)	**(1,454)**	**456**	**(998)**		(5,439)	(12)	(5,451)	
Change in fair value of investment properties	**-**	**910**	**910**		67	633	700	
Profit on disposal of investments and others (see note 4)	**-**	**-**	**-**		4,655	-	4,655	
EBIT	**8,608**	**9,295**	**17,903**		9,439	8,593	18,032	
Group's share of the following income statement items of associated companies and jointly controlled entities:								
Interest and other finance costs	**-**	**(2,078)**	**(2,078)**		-	(1,435)	(1,435)	
Current tax	**-**	**(1,299)**	**(1,299)**		-	(2,397)	(2,397)	
Deferred tax	**-**	**(329)**	**(329)**		-	395	395	
Non-controlling interests	**-**	**(2)**	**(2)**		-	1	1	
	8,608	**5,587**	**14,195**		9,439	5,157	14,596	

3 Operating segment information (continued)

	Depreciation and amortisation					
	Six months ended 30 June 2010			Six months ended 30 June 2009		
	Company and Subsidiaries HK$ millions	**Associates and JCE HK$ millions**	**Total HK$ millions**	Company and Subsidiaries HK$ millions	Associates and JCE HK$ millions	Total HK$ millions
ESTABLISHED BUSINESSES						
Ports and related services	**1,581**	**289**	**1,870**	1,499	281	1,780
Property and hotels	**142**	**72**	**214**	138	74	212
Retail	**910**	**194**	**1,104**	939	177	1,116
Cheung Kong Infrastructure	**71**	**1,087**	**1,158**	60	960	1,020
Husky Energy	**-**	**3,522**	**3,522**	-	2,744	2,744
Finance & Investments	**33**	**-**	**33**	33	-	33
Hutchison Telecommunications Hong Kong	**531**	**1**	**532**	654	1	655
Hutchison Telecommunications International	**367**	**-**	**367**	231	-	231
Hutchison Telecommunications International - Israeli Operation	**-**	**-**	**-**	736	-	736
Others	**33**	**51**	**84**	39	22	61
Subtotal - Established businesses	**3,668**	**5,216**	**8,884**	4,329	4,259	8,588
TELECOMMUNICATIONS - 3 Group	**3,619**	**1,006**	**4,625**	5,460	171	5,631
	7,287	**6,222**	**13,509**	9,789	4,430	14,219

	Capital expenditure			
	Six months ended 30 June 2010			
	Fixed assets, investment properties and leasehold land HK$ millions	**Telecom-munications licences HK$ millions**	**Brand names and other rights HK$ millions**	**Total HK$ millions**
ESTABLISHED BUSINESSES				
Ports and related services	**2,480**	**-**	**-**	**2,480**
Property and hotels	**27**	**-**	**-**	**27**
Retail	**470**	**-**	**-**	**470**
Cheung Kong Infrastructure	**20**	**-**	**-**	**20**
Husky Energy	**-**	**-**	**-**	**-**
Finance & Investments	**1**	**-**	**-**	**1**
Hutchison Telecommunications Hong Kong	**488**	**-**	**8**	**496**
Hutchison Telecommunications International	**1,020**	**-**	**-**	**1,020**
Hutchison Telecommunications International - Israeli Operation	**-**	**-**	**-**	**-**
Others	**63**	**-**	**-**	**63**
Subtotal - Established businesses	**4,569**	**-**	**8**	**4,577**
TELECOMMUNICATIONS - 3 Group	**3,797**	**10**	**9**	**3,816**
	8,366	**10**	**17**	**8,393**

	Capital expenditure			
	Six months ended 30 June 2009			
	Fixed assets, investment properties and leasehold land HK$ millions	Telecom-munications licences HK$ millions	Brand names and other rights HK$ millions	Total HK$ millions
ESTABLISHED BUSINESSES				
Ports and related services	2,104	-	-	2,104
Property and hotels	32	-	-	32
Retail	357	-	-	357
Cheung Kong Infrastructure	38	-	-	38
Husky Energy	-	-	-	-
Finance & Investments	10	-	-	10
Hutchison Telecommunications Hong Kong	560	-	23	583
Hutchison Telecommunications International	1,706	-	-	1,706
Hutchison Telecommunications International - Israeli Operation	735	-	-	735
Others	17	-	-	17
Subtotal - Established businesses	5,559	-	23	5,582
TELECOMMUNICATIONS - 3 Group	3,299	-	15	3,314
	8,858	-	38	8,896

3 Operating segment information (continued)

Additional disclosures on geographical location are shown below:

Revenue

	Six months ended 30 June 2010				Six months ended 30 June 2009			
	Company and Subsidiaries HK$ millions	**Associates and JCE HK$ millions**	**Total HK$ millions**	**%**	Company and Subsidiaries HK$ millions	Associates and JCE HK$ millions	Total HK$ millions	%
Hong Kong	**21,603**	**5,796**	**27,399**	**18%**	19,935	4,909	24,844	18%
Mainland China	**11,932**	**4,913**	**16,845**	**11%**	9,891	6,605	16,496	12%
Asia and Australia	**9,945**	**11,107**	**21,052**	**14%**	17,738	3,036	20,774	15%
Europe	**50,847**	**9,620**	**60,467**	**39%**	49,909	8,546	58,455	41%
Americas and others	**3,433**	**23,736**	**27,169**	**18%**	3,057	17,402	20,459	14%
	97,760	**55,172**	**152,932**	**100%**	100,530	40,498	141,028	100%

EBIT (LBIT) (b)

	Six months ended 30 June 2010				Six months ended 30 June 2009			
	Company and Subsidiaries HK$ millions	**Associates and JCE HK$ millions**	**Total HK$ millions**	**%**	Company and Subsidiaries HK$ millions	Associates and JCE HK$ millions	Total HK$ millions	%
Hong Kong	**4,223**	**2,327**	**6,550**	**36%**	2,389	2,018	4,407	24%
Mainland China	**2,704**	**1,780**	**4,484**	**25%**	2,152	2,679	4,831	27%
Asia and Australia	**1,322**	**1,661**	**2,983**	**17%**	2,323	502	2,825	16%
Europe	**37**	**870**	**907**	**5%**	(3,756)	757	(2,999)	-17%
Americas and others	**322**	**1,747**	**2,069**	**12%**	1,609	2,004	3,613	20%
Change in fair value of investment properties	**-**	**910**	**910**	**5%**	67	633	700	4%
Profit on disposal of investments and others (see note 4)	**-**	**-**	**-**	**-**	4,655	-	4,655	26%
EBIT	**8,608**	**9,295**	**17,903**	**100%**	9,439	8,593	18,032	100%
Group's share of the following income statement items of associated companies and jointly controlled entities:								
Interest and other finance costs	**-**	**(2,078)**	**(2,078)**		-	(1,435)	(1,435)	
Current tax	**-**	**(1,299)**	**(1,299)**		-	(2,397)	(2,397)	
Deferred tax	**-**	**(329)**	**(329)**		-	395	395	
Non-controlling interests	**-**	**(2)**	**(2)**		-	1	1	
	8,608	**5,587**	**14,195**		9,439	5,157	14,596	

3 Operating segment information (continued)

	Capital expenditure			
	Six months ended 30 June 2010			
	Fixed assets, investment properties and leasehold land HK$ millions	**Telecom-munications licences HK$ millions**	**Brand names and other rights HK$ millions**	**Total HK$ millions**
Hong Kong	**616**	**-**	**7**	**623**
Mainland China	**361**	**-**	**-**	**361**
Asia and Australia	**1,260**	**-**	**-**	**1,260**
Europe	**5,167**	**10**	**9**	**5,186**
Americas and others	**962**	**-**	**1**	**963**
	8,366	**10**	**17**	**8,393**

	Capital expenditure			
	Six months ended 30 June 2009			
	Fixed assets, investment properties and leasehold land HK$ millions	Telecom-munications licences HK$ millions	Brand names and other rights HK$ millions	Total HK$ millions
Hong Kong	697	-	23	720
Mainland China	221	-	-	221
Asia and Australia	3,122	-	-	3,122
Europe	4,166	-	15	4,181
Americas and others	652	-	-	652
	8,858	-	38	8,896

(a) The percentages shown represent the contributions to total revenues and EBIT of established businesses.

(b) Earnings (losses) before interest expense and tax ("EBIT" or "LBIT") represents the EBIT (LBIT) of the Company and subsidiary companies as well as the Group's share of the EBIT (LBIT) of associated companies and jointly controlled entities. EBIT (LBIT) is defined as earnings (losses) before interest expense and other finance costs and tax. Information concerning EBIT (LBIT) has been included in the Group's financial information and consolidated financial statements and is used by many industries and investors as one measure of profit (loss) from operations. The Group considers EBIT (LBIT) to be an important performance measure which is used in the Group's internal financial and management reporting to monitor business performance. EBIT (LBIT) is therefore presented as a measure of segment profit or loss in accordance with HKFRS 8. EBIT (LBIT) is not a measure of financial performance under generally accepted accounting principles in Hong Kong and the EBIT (LBIT) measures used by the Group may not be comparable to other similarly titled measures of other companies. EBIT (LBIT) should not necessarily be construed as an alternative to profit (loss) from operations as determined in accordance with generally accepted accounting principles in Hong Kong.

"EBIT - Established businesses" and "EBIT (LBIT) - Telecommunications - **3** Group" are presented before the change in fair value of investment properties and profit on disposal of investments and others.

(c) Included in EBIT of Ports and related services for the six months ended 30 June 2010 are valuation gains totalling HK$550 million in relation to an available-for-sale investment. These gains were previously recorded directly into reserves but are currently recognised in this period's income statement as a result of the investment becoming an associated company in the period (see note 2).

(d) Included in EBIT of Hutchison Telecommunications International for the six months ended 30 June 2010 are contributions from certain suppliers amounting to HK$624 million (30 June 2009 - HK$66 million).

(e) Included in EBIT (LBIT) of Telecommunications - **3** Group for the six months ended 30 June 2010 are contributions from certain suppliers amounting to HK$1,012 million (30 June 2009 - nil). Included in comparable EBIT (LBIT) of Telecommunications - **3** Group for the six months ended 30 June 2009 is amortisation of **3** UK's licence costs of HK$1,400 million. As reported in the 2009 annual accounts, the amortisation of **3** UK licence ceased following the introduction of a Statutory Instrument to the UK houses of Parliament, which inter alia changes the life of the licence to indefinite.

4 Profit on disposal of investments and others

	Six months ended 30 June	
	2010	2009
	HK$ millions	HK$ millions
ESTABLISHED BUSINESSES		
Gain on disposal of equity interest in three power plants in Mainland China	**-**	847
Profit on disposal of certain telecommunications tower assets in Indonesia	**-**	167
TELECOMMUNICATIONS - 3 Group		
Gain on merger of 3 Australia with Vodafone's Australian operations	**-**	3,641
	-	4,655

5 Interest and other finance costs

	Six months ended 30 June	
	2010	2009
	HK$ millions	HK$ millions
Interest on borrowings	**3,789**	4,803
Amortisation of loan facilities fees and premiums or discounts relating to borrowings	**117**	120
Notional non-cash interest accretion	**202**	179
Other finance costs	**42**	141
	4,150	5,243
Less: interest capitalised	**(91)**	(165)
	4,059	5,078

Notional non-cash interest accretion represents notional adjustments to accrete the carrying amount of certain obligations recognised in the statement of financial position such as asset retirement obligation to the present value of the estimated future cash flows expected to be required for their settlement in the future.

6 Tax

	Six months ended 30 June	
	2010	2009
	HK$ millions	HK$ millions
Current tax charge		
Hong Kong	**264**	245
Outside Hong Kong	**1,249**	1,193
	1,513	1,438
Deferred tax charge (credit)		
Hong Kong	**140**	(255)
Outside Hong Kong	**(216)**	(46)
	(76)	(301)
	1,437	1,137

Hong Kong profits tax has been provided for at the rate of 16.5% (30 June 2009 - 16.5%) on the estimated assessable profits less estimated available tax losses. Tax outside Hong Kong has been provided for at the applicable rate on the estimated assessable profits less estimated available tax losses.

7 Profit attributable to shareholders of the Company

Included in profit attributable to shareholders is a surplus of HK$678 million (30 June 2009 - HK$85 million) transferred from revaluation reserves upon disposal of the relevant investments.

8 Earnings per share for profit attributable to shareholders of the Company

The calculation of earnings per share is based on profit attributable to shareholders of the Company HK$6,450 million (30 June 2009 - HK$5,760 million) and on 4,263,370,780 shares in issue during the first half of 2010 (30 June 2009 - 4,263,370,780 shares).

The Company has no share option scheme. Certain of the Company's subsidiary and associated companies have employee share options outstanding as at 30 June 2010. The employee share options of these subsidiary and associated companies outstanding as at 30 June 2010 did not have a dilutive effect on earnings per share.

9 Dividends

	Six months ended 30 June	
	2010	2009
	HK$ millions	HK$ millions
Interim dividend	**2,174**	2,174
Interim dividend per share	**HK$ 0.51**	HK$ 0.51

In addition, final dividend in respect of the 2009 year of HK$1.22 per share (2008 - HK$1.22 per share) totalling HK$5,201 million (2008 - HK$5,201 million) was approved and paid during the interim period.

10 Cash and cash equivalents

	30 June 2010	31 December 2009
	HK$ millions	HK$ millions
Cash at bank and in hand	**21,621**	23,472
Short term bank deposits	**61,278**	69,049
	82,899	92,521

11 Trade and other receivables

	30 June 2010 HK$ millions	31 December 2009 HK$ millions
Trade receivables	**28,726**	29,081
Less: provision for estimated impairment losses for bad debts	**(5,518)**	(5,852)
Trade receivables - net	**23,208**	23,229
Other receivables and prepayments	**27,106**	24,481
Cash flow hedges		
Forward foreign exchange contracts	**104**	436
	50,418	48,146

Trade and other receivables are stated at the expected recoverable amount, net of any estimated impairment losses for bad debts where it is deemed that a receivable may not be fully recoverable.

At end of period, the ageing analysis of the trade receivables is as follows:

	30 June 2010 HK$ millions	31 December 2009 HK$ millions
Less than 31 days	**11,032**	11,147
Within 31 to 60 days	**1,926**	1,982
Within 61 to 90 days	**907**	826
Over 90 days	**14,861**	15,126
	28,726	29,081

Trade receivables exposures are managed locally in the operating units where they arise and credit limits are set as deemed appropriate for the customer. The Group has established credit policies for customers in each of its core businesses. The average credit period granted for trade receivables ranges from 30 to 45 days. The carrying amount of these assets approximates their fair value. As stated above trade receivables which are past due at the end of the reporting period are stated at the expected recoverable amount, net of provision for estimated impairment losses for bad debts. Given the profile of our customers and the Group's different types of businesses, the Group generally does not hold collateral over these balances.

12 Trade and other payables

	30 June 2010 HK$ millions	31 December 2009 HK$ millions
Trade payables	**18,132**	18,409
Other payables and accruals	**48,197**	50,108
Provisions	**1,139**	2,378
Interest free loans from non-controlling shareholders	**2,083**	2,099
Cash flow hedges		
Interest rate swaps	**7**	20
Cross currency interest rate swaps	**-**	5
Forward foreign exchange contracts	**174**	10
	69,732	73,029

At end of period, the ageing analysis of the trade payables is as follows:

	30 June 2010 HK$ millions	31 December 2009 HK$ millions
Less than 31 days	**8,939**	8,828
Within 31 to 60 days	**3,064**	2,701
Within 61 to 90 days	**1,054**	964
Over 90 days	**5,075**	5,916
	18,132	18,409

GROUP CAPITAL RESOURCES AND LIQUIDITY

Treasury Management

The Group's treasury function sets financial risk management policies in accordance with policies and procedures that are approved by the Executive Directors, and which are also subject to periodic review by the Group's internal audit function. The Group's treasury policies are designed to mitigate the impact of fluctuations in interest rates and exchange rates and to minimise the Group's financial risks. The Group's treasury function operates as a centralised service for managing financial risks, including interest rate and foreign exchange risks, and for providing cost-efficient funding to the Group and its companies. It manages the majority of the Group's funding needs, interest rate, foreign currency and credit risk exposures. The Group cautiously uses derivatives, principally interest rate and foreign currency swaps and forward currency contracts as appropriate for risk management purposes only, for hedging transactions and for managing the Group's assets and liabilities. It is the Group's policy not to enter into derivative transactions for speculative purposes. It is also the Group's policy not to invest liquidity in financial products, including hedge funds or similar vehicles, with significant underlying leverage or derivative exposure.

Cash Management and Funding

The Group operates a central cash management system for all of its unlisted subsidiaries. Except for listed and certain overseas entities conducting businesses in non-HK or non-US dollar currencies, the Group generally obtains long-term financing at the Group level to on-lend or contribute as equity to its subsidiaries and associates to meet their funding requirements and provide more cost-efficient financing. These borrowings include a range of capital market issues and bank borrowings, which change depending upon financial market conditions and projected interest rates. The Group regularly and closely monitors its overall debt position and reviews its funding costs and maturity profile to facilitate refinancing.

Interest Rate Exposure

The Group manages its interest rate exposure with a focus on reducing the Group's overall cost of debt and exposure to changes in interest rates. When considered appropriate, the Group uses derivatives such as interest rate swaps and forward rate agreements to manage its interest rate exposure. The Group's main interest rate exposure relates to US dollar, British Pound, Euro and HK dollar borrowings.

At 30 June 2010, approximately 38% of the Group's total principal amount of bank and other debts were at floating rates and the remaining 62% were at fixed rates. The Group has entered into various interest rate agreements with major financial institution counterparties to swap approximately HK$98,913 million principal amount of fixed interest rate borrowings to effectively become floating interest rate borrowings. In addition, HK$3,784 million principal amount of floating interest rate borrowings were swapped to fixed interest rate borrowings. After taking into consideration these interest rate swaps, approximately 76% of the Group's total principal amount of bank and other debts were at floating rates and the remaining 24% were at fixed rates at 30 June 2010.

Foreign Currency Exposure

For overseas subsidiaries and associates and other investments, which consist of non-HK dollar or non-US dollar assets, the Group generally endeavours to establish a natural hedge for debt financing with an appropriate level of borrowings in those same currencies. For overseas businesses that are in the development phase, or where borrowings in local currency are not or are no longer attractive, the Group may not borrow in the local currency or may repay existing borrowings and monitor the development of the businesses' cashflow and the relevant debt markets with a view to refinancing these businesses with local currency borrowings in the future when conditions are more appropriate. Exposure to movements in exchange rates for individual transactions (such as major procurement contracts) directly related to the underlying businesses is minimised by using forward foreign exchange contracts and currency swaps where active markets for the relevant currencies exist. The Group generally does not enter into foreign currency hedges in respect of its long-term equity investments in overseas subsidiaries and associates. During the period, the currencies of certain countries, notably the Euro and British Pound, where the Group has overseas operations weakened against the Hong Kong dollar. This gave rise to an unrealised loss of approximately HK$11,800 million (30 June 2009: gain of approximately HK$12,200 million) on translation of these operations' net assets to the Group's Hong Kong dollar reporting currency, including the Group's share of the translation gains and losses of associated companies and jointly controlled entities. This unrealised loss was reflected as a movement in the Consolidated Statement of Changes in Equity under the heading of exchange reserve.

At 30 June 2010, the Group had currency swap arrangements with banks to swap US dollar principal amount of borrowings equivalent to HK$28,593 million to Hong Kong dollar principal amount of borrowings to match the currency exposures of the underlying businesses. The Group's total principal amount of bank and other debts, after the above swaps, are denominated as follows: 31% in HK dollars, 32% in US dollars, 26% in Euro, 5% in British Pounds and 6% in other currencies.

Credit Exposure

The Group's holdings of cash, managed funds and other liquid investments, and interest rate and foreign currency swaps and forward currency contracts with financial institutions expose the Group to credit risk of counterparties. The Group controls its credit risk to non-performance by its counterparties through monitoring their equity share price movements, credit ratings and setting approved counterparty credit limits that are regularly reviewed.

The Group is also exposed to counterparties credit risk from its operating activities, which is continuously monitored by the local operational management.

Credit Profile

The Group aims to maintain a capital structure that is appropriate for long-term investment grade ratings of A3 on the Moody's Investor Service scale, A- on the Standard & Poor's Rating Services scale and A- on the Fitch Ratings scale. Actual credit ratings may depart from these levels from time to time due to economic circumstances. At 30 June 2010, our long-term credit ratings were A3 from Moody's, A- from Standard & Poor's and A- from Fitch.

Market Price Risk

The Group's main market price risk exposures relate to listed debt and equity securities described in "Liquid Assets" below and the interest rate swaps as described in "Interest Rate Exposure" above. The Group's holding of listed / traded debt and equity securities represented approximately 21% (31 December 2009: approximately 19%) of the cash, liquid funds and other listed investments ("liquid assets"). The Group controls this risk through monitoring the price movements and changes in market conditions that may have an impact on the value of these financial assets and instruments.

Liquid Assets

The Group continues to be in a healthy financial position. Liquid assets amounted to HK$106,510 million at 30 June 2010, an 8% reduction from the balance as at 31 December 2009 of HK$115,734 million, mainly due to the utilisation of cash for dividend payments and the payment in June 2010 of HK$4,199 million to non-controlling interests of Hutchison Telecommunications International ("HTIL") pursuant to the scheme to privatise HTIL. Liquid assets were denominated as to 9% in HK dollars, 52% in US dollars, 17% in Renminbi, 6% in Euro, 4% in British Pounds and 12% in other currencies.

Cash and cash equivalents represented 78% (31 December 2009: 80%) of the liquid assets, US Treasury notes and listed / traded debt securities 16% (31 December 2009: 15%), listed equity securities 5% (31 December 2009: 4%) and long-term deposits and others 1% (31 December 2009: 1%).

The US Treasury notes and listed / traded debt securities, including those held under managed funds, consisted of government guaranteed notes (49%), supranational notes (22%), government related entities issued notes (11%), notes issued by the Group's associated company, Husky Energy Inc. (5%), US Treasury notes (1%) and others (12%). Of these US Treasury notes and listed / traded debt securities, 78% are rated at Aaa/AAA with an average maturity of 1.3 years on the overall portfolio. The Group has no exposure in mortgage backed securities, collateralised debt obligations or similar asset classes.

Cash Flow

Consolidated EBITDA before and after all telecommunications CACs amounted to HK$38,964 million and HK$30,502 million respectively for the first half of 2010, growing 7% and 9% respectively compared to the first half of last year. Total CACs of all of the Group's telecommunications operations amounted to HK$8,462 million for the first six months of the year, in line with that for the same period last year and reflecting a 24% reduction in **3** Group's unit cost to acquire a customer, offset by an increase in the number of customers acquired and retained during the period. Consolidated funds from operations ("FFO") after all telecommunications CACs but before cash profits from disposals, capital expenditures and changes in working capital amounted to HK$14,295 million, a 18% increase compared to the first half of last year.

In the first half of 2010, the Group's capital expenditures decreased 6% to total HK$8,393 million (30 June 2009: HK$8,896 million). The increase in **3** Group's capital expenditures on network capability enhancements was offset by the effect of reduced expenditure after HTIL's disposal of its entire shareholding in Partner Communications in Israel in October 2009 and the deconsolidation of **3** Australia after it became a jointly controlled entity from June 2009 onwards. Capital expenditures for the ports and related services division amounted to HK$2,480 million (30 June 2009: HK$2,104 million); for the property and hotels division

HK$27 million (30 June 2009: HK$32 million); for the retail division HK$470 million (30 June 2009: HK$357 million); for the energy and infrastructure division HK$20 million (30 June 2009: HK$38 million); for the finance and investments division HK$1 million (30 June 2009: HK$10 million); for HTHKH HK$496 million (30 June 2009: HK$583 million); for HTIL HK$1,020 million (30 June 2009: HK$2,441 million); for others HK$63 million (30 June 2009: HK$17 million); and for **3** Group HK$3,816 million (30 June 2009: HK$3,314 million).

The capital expenditures of the Group are primarily funded by cash generated from operations, cash on hand and to the extent appropriate, by external borrowings.

Debt Maturity and Currency Profile

The Group's total principal amount of bank and other debts at 30 June 2010 decreased 3% to total HK$250,695 million (31 December 2009: HK$259,089 million) of which 61% (31 December 2009: 62%) are notes and bonds and 39% (31 December 2009: 38%) are bank and other loans. The net decrease in principal amount of bank and other debts was primarily due to the repayment of debts as they matured and also early repayment of certain debts maturing in 2010 and beyond totalling HK$15,846 million, as well as the favourable effect of the translation of foreign currency denominated loans to Hong Kong dollars of HK$11,374 million, partially offset by new borrowings of HK$18,743 million. The Group's weighted average cost of debt for the six months ended 30 June 2010 reduced 0.3% to 2.9% (year ended 31 December 2009: 3.2%). Interest bearing loans from non-controlling interests (formerly called minority shareholders), which are viewed as quasi-equity, totalled HK$13,303 million at 30 June 2010 (31 December 2009: HK$13,424 million).

The maturity profile of the Group's total principal amount of bank and other debts at 30 June 2010 is set out below:

	HK$	US$	Euro	GBP	Others	Total
Within 6 months	-	3%	1%	-	1%	5%
In 2011	7%	4%	2%	1%	-	14%
In 2012	2%	1%	1%	-	4%	8%
In 2013	4%	10%	8%	-	-	22%
In 2014	4%	4%	1%	-	-	9%
In years 6 to 10	14%	5%	13%	2%	-	34%
In years 11 to 20	-	1%	-	2%	-	3%
Beyond 20 years	-	4%	-	-	1%	5%
Total	31%	32%	26%	5%	6%	100%

The non-HK dollar and non-US dollar denominated loans are either directly related to the Group's businesses in the countries of the currencies concerned, or the loans are balanced by assets in the same currencies. None of the Group's consolidated borrowings, as a matter of policy, have credit rating triggers that would accelerate the maturity dates of the debt outstanding.

Changes in Financing

The significant financing activities in the first half of 2010 were as follows:

- In February, obtained a five-year, floating rate loan facility of HK$1,000 million to refinance existing indebtedness;
- In March, obtained a five-year, floating rate loan facility of HK$1,000 million to refinance existing indebtedness;
- In March, obtained a five-year, floating rate syndicated loan facility of HK$3,800 million to refinance existing indebtedness;
- In March, prepaid a HK$5,000 million loan facility maturing later in 2010;
- In April, obtained two five-year, floating rate loan facilities, each of HK$1,000 million, to refinance existing indebtedness;
- In June, listed subsidiary CKI obtained a two-year, floating rate term syndicated bank loan facility of A$210 million (approximately HK$1,334 million) to refinance existing indebtedness;
- In June, obtained a five-year, floating rate loan of THB4,905 million (approximately HK$1,180 million) and repaid a floating rate term loan facility of THB5,660 million (approximately HK$1,361 million) on maturity; and
- In June, prepaid a HK$3,800 million loan facility maturing later in 2010.

Capital, Net Debt and Interest Coverage Ratios

The Group's total shareholders' funds decreased 4% to HK$272,987 million at 30 June 2010, compared to HK$283,531 million at 31 December 2009, reflecting the profits for the six months ended 30 June 2010 net of dividends paid and the non-cash adverse effect of approximately HK$11,800 million arising from the translation of overseas subsidiaries' net assets and the Group's share of translation gains and losses of associated companies and jointly controlled entities at 30 June 2010 exchange rates, mainly due to the weakening of the Euro and the British Pound against the Hong Kong dollar compared to the prior year end. At 30 June 2010, the consolidated net debt of the Group, excluding interest bearing loans from non-controlling interests which are viewed as quasi-equity, unamortised loan facilities fees and premiums or discounts on issue and fair value changes of interest rate swap contracts, was HK$144,185 million (31 December 2009: HK$143,355 million), a less than 1% increase compared to the net debt at the beginning of the year. The Group's net debt to net total capital ratio at 30 June 2010 is 31.0% (31 December 2009: 29.9%). This ratio is affected by foreign currency translation effects on shareholders' funds and on debt balances as shown below.

The following table shows the net debt to net total capital ratio calculated on the basis of including interest bearing loans from non-controlling interests and also with the Group's investments in its listed subsidiaries and associated companies marked to market value at 30 June 2010.

Net debt / Net total capital ratios at 30 June 2010:	**Before the effect of foreign currency translation and other non-cash movements**	**After the effect of foreign currency translation and other non-cash movements**
A1: excluding interest bearing loans from non-controlling interests from debt	31.7%	31.0%
A2: as in A1 above and investments in listed subsidiaries and associated companies marked to market value	29.8%	29.0%
B1: including interest bearing loans from non-controlling interests as debt	34.5%	33.9%
B2: as in B1 above and investments in listed subsidiaries and associated companies marked to market value	32.4%	31.7%

The Group's consolidated gross interest expense and other finance costs of subsidiaries, before capitalisation for the first six months of 2010, decreased 21% to total HK$4,150 million, compared to HK$5,243 million for the same period last year, mainly due to lower effective market interest rate, partially offset by higher average borrowings during the first half of this year.

Consolidated EBITDA and FFO before all CACs for the period covered consolidated net interest expense and other finance costs 12.9 times and 7.9 times respectively (31 December 2009: 11.6 times and 6.9 times).

Secured Financing

At 30 June 2010, assets of the Group totalling HK$1,054 million (31 December 2009: HK$2,503 million) were pledged as security for bank and other debts.

Borrowing Facilities Available

Committed borrowing facilities available to Group companies but not drawn at 30 June 2010 amounted to the equivalent of HK$14,116 million (31 December 2009: HK$20,340 million).

Contingent Liabilities

At 30 June 2010, the Group provided guarantees in respect of bank and other borrowing facilities to its associated companies and jointly controlled entities totalling HK$5,802 million (31 December 2009: HK$13,081 million), of which HK$4,994 million (31 December 2009: HK$12,527 million) has been drawn down as at 30 June 2010, and also provided performance and other guarantees of HK$4,596 million (31 December 2009: HK$5,039 million).

PURCHASE, SALE OR REDEMPTION OF SHARES

During the six months ended 30 June 2010, neither the Company nor any of its subsidiaries has purchased or sold any of the Company's ordinary shares. In addition, the Company has not redeemed any of its ordinary shares during the period.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company strives to attain the highest standards of corporate governance. Throughout the six months ended 30 June 2010, the Company has been fully compliant with all code provisions of the Code on Corporate Governance Practices contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 to the Listing Rules as the Group's code of conduct regarding Directors' securities transactions. All Directors of the Company have confirmed that throughout the six months ended 30 June 2010, they have complied with the provisions of such Model Code.

REVIEW OF ACCOUNTS

The unaudited condensed consolidated accounts of the Company and its subsidiary companies for the six months ended 30 June 2010 have been reviewed by the Company's auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The auditor's independent review report will be included in the Interim Report to shareholders. The unaudited condensed consolidated accounts of the Company and its subsidiary companies for the six months ended 30 June 2010 have also been reviewed by the Audit Committee of the Company.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 9 September 2010 to Thursday, 16 September 2010, both dates inclusive. In order to qualify for the interim dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrars, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 pm on Wednesday, 8 September 2010.

As at the date of this announcement, the Directors of the Company are:

Executive Directors:
Mr LI Ka-shing *(Chairman)*
Mr LI Tzar Kuoi, Victor *(Deputy Chairman)*
Mr FOK Kin-ning, Canning
Mrs CHOW WOO Mo Fong, Susan
Mr Frank John SIXT
Mr LAI Kai Ming, Dominic
Mr KAM Hing Lam

Non-executive Directors:
Mr George Colin MAGNUS
Mr William SHURNIAK

Independent Non-executive Directors:
The Hon Sir Michael David KADOORIE
Mr Holger KLUGE
Mrs Margaret LEUNG KO May Yee
Mr William Elkin MOCATTA
(Alternate to The Hon Sir Michael David Kadoorie)
Mr WONG Chung Hin