Cheung Kong Infrastructure Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1038)

INTERIM RESULTS FOR 2011

	HK$ Million		Variance	Contribution Percentage	
	1H 2011	1H 2010		**1H 2011**	1H 2010
Profit contribution from:					
- Power Assets	**1,564**	1,057	+48%	**34%**	47%
- United Kingdom portfolio	**1,879**	216	+770%	**41%**	10%
- Australia portfolio	**694**	513	+35%	**15%**	23%
- Mainland China portfolio	**215**	211	+2%	**5%**	9%
- Canada portfolio	**52**	51	+2%	**1%**	2%
- New Zealand portfolio	**26**	38	-32%	**1%**	2%
- Materials business	**162**	147	+10%	**3%**	7%
	4,592	2,233	+106%	**100%**	100%
Profit attributable to shareholders	**3,983**	2,029	+96%		
Interim dividend per share	**HK$0.365**	HK$0.33	+11%		

Cheung Kong Infrastructure Holdings Limited ("CKI" or the "Group") delivered an excellent performance during the first half of 2011.

Unaudited profit attributable to shareholders was HK$3,983 million, nearly doubling that of the same period last year.

This significant growth is mainly attributed to the contribution from UK Power Networks, an electricity distribution business which was acquired by a consortium led by CKI in October 2010, with CKI and its associate, Power Assets Holdings Limited ("Power Assets") each holding a 40 per cent stake. This business has substantially increased the Group's income base. The combination of UK Power Networks' direct profit contribution to CKI, together with an indirect profit contribution through Power Assets has generated about HK$2 billion during the period under review.

The Board of Directors of CKI (the "Board") has declared an interim dividend for 2011 of HK$0.365 per share (2010: HK$0.33), representing an increase of 11 per cent over the same period last year. This continues the Group's trend of annual dividend growth for the past fifteen years since listing. The interim dividend will be paid on Friday, 9th September, 2011 to shareholders whose names appear on the Register of Members of the Company on Thursday, 8th September, 2011.

BUSINESS REVIEW

Power Assets

Power Assets generated HK$1,564 million in profit contribution, a 48 per cent increase over the same period last year.

The international businesses recorded growth of 133 per cent, which included full six-month contributions from Seabank Power and UK Power Networks, which were acquired in 2010.

Meanwhile, the Hong Kong business remained comparable to the same period last year, only generating a 0.3 per cent increase.

The proportion of profit contribution derived from international businesses has increased from 36 per cent in 2010 to 56 per cent in 2011. The contribution from the Hong Kong business now comprises less than half of Power Assets' total income. The shift reflects Power Assets' ongoing strategic focus of expanding its portfolio outside of Hong Kong.

United Kingdom Infrastructure

In the United Kingdom, profit contribution was HK$1,879 million, a significant increase of 770 per cent as compared to the same period last year.

The outstanding growth is mainly led by earnings generated by the additions of Seabank Power and UK Power Networks, the two businesses acquired in 2010. In particular, UK Power Networks represents a major capital investment in a sizeable electricity network business which has significantly expanded the Group's earnings base. During the period under review, UK Power Networks and Seabank Power contributed their first full six-month results to CKI.

Northern Gas Networks, Cambridge Water and Southern Water continued to provide acceptable returns during the period under review.

Australia Infrastructure

CKI's Australian portfolio generated profit contribution of HK$694 million, a 35 per cent increase over the previous year.

The electricity distribution businesses, comprising ETSA Utilities, CitiPower and Powercor, all reported stable operating performances under a new regulatory tariff regime which will secure predictable returns in the next five years.

The Group's investment in Spark Infrastructure generated good returns. The disposal of the Group's interest in the Manager of Spark Infrastructure generated a one-off gain of HK$145 million for CKI.

Envestra, a regulated business in gas distribution, also delivered stable income during the period under review.

Mainland China Infrastructure

The Group's portfolio in Mainland China generated profit contribution of HK$215 million, a 2 per cent increase over the same period last year.

The toll road projects recorded a double-digit increase in toll revenue.

Canada Infrastructure

Profit contribution from the Group's portfolio in Canada was HK$52 million, an increase of 2 per cent as compared to the corresponding period last year.

Overall, Stanley Power's portfolio of power plants in Ontario, Alberta and Saskatchewan achieved good operational improvement during the period under review and continued to provide a steady income stream to the Group. Following completion in April, the acquisition of an increased stake in the Meridian Cogeneration Plant provided three months of profit contribution to the Group.

New Zealand Infrastructure

In New Zealand, profit contribution from Wellington Electricity distribution network was HK$26 million, a decrease of 32 per cent compared to the same period last year. This is mainly attributable to the negative impact caused by the conversion of the project loan from a short-term floating interest rate to a five-year fixed interest rate arrangement in May 2010.

Materials Business

The materials business achieved profit contribution of HK$162 million, a 10 per cent increase over the corresponding period in 2010. Growth was recorded in both volume and pricing.

STRONG FINANCIAL POSITION

The Group continues to maintain a sound financial position, with an "A - / Stable " credit rating from Standard & Poor's. With cash on hand of HK$5 billion and a net debt to equity ratio of 7 per cent as of 30th June, 2011, CKI is well-positioned to fund any future acquisitions and expansion opportunities.

SUBSEQUENT EVENT

In July 2011, CKI issued 84.5 million shares via a share placement exercise. The net proceeds were about HK$3.4 billion and net debt to equity ratio was reduced to less than 1 per cent. This marks CKI's first placement since listing in 1996 and has provided the Group with additional funding for further expansion.

On 27th June, 2011, CKI released a voluntary announcement confirming that the Group was in the preliminary stage of assessing a potential cash offer for Northumbrian Water Group plc ("Northumbrian"), the ordinary shares of which are traded on the London Stock Exchange. On 11th July, 2011, Northumbrian announced that CKI had made a revised non-binding proposal for Northumbrian and that the Board of Northumbrian agreed to grant CKI a limited period to undertake confirmatory due diligence. The announcement further provided that there could be no certainty that an offer would ultimately be forthcoming and further announcement would be made by Northumbrian as and when appropriate.

OUTLOOK

During the first half of 2011, the Group achieved a strong performance that was powered by the positive impact of the UK Power Networks acquisition. This significant acquisition has substantially expanded CKI's global portfolio and greatly enhanced the earnings base. At the same time, good overall results and organic growth have been achieved throughout CKI's portfolio.

Over the years, CKI's unique investment strategy of focusing on businesses which provide steady cashflow and secure returns has borne fruit. The Group has exceeded the critical mass befitting that of a global infrastructure player. Today, in the capital-intensive infrastructure arena, CKI ranks amongst eligible candidates for almost all emerging opportunities.

With a strong balance sheet and extensive acquisition experience, CKI will continue to advance our acquisition trail and pursue more investment opportunities. We are currently assessing a number of new projects around the world.

The Group will follow our traditional prudent approach and apply stringent discipline when evaluating acquisition targets – our emphasis has always been placed on project fundamentals and not on a "must-win" mentality.

I would like to take this opportunity to thank the Board, management and staff for their contributions, as well as our shareholders for their continued support.

Li Tzar Kuoi, Victor
Chairman

Hong Kong, 28th July, 2011

FINANCIAL REVIEW

Financial Resources, Treasury Activities and Gearing Ratio

The Group's capital expenditure and investments were funded from cash on hand, internal cash generation, syndicated loans, notes issued and other project loans.

As at 30th June, 2011, total borrowings of the Group amounted to HK$8,783 million, which were all denominated in foreign currencies. Of the total borrowings, 14 per cent were repayable in 2011, 52 per cent were repayable between 2012 and 2015 and 34 per cent repayable beyond 2015. The Group's financing activities continue to be well received and fully supported by its bankers.

The Group adopts conservative treasury policies in cash and financial management. To achieve better risk control and minimise the cost of funds, the Group's treasury activities are centralised. Cash is generally placed in short-term deposits mostly denominated in U.S. dollars, Hong Kong dollars, Australian dollars, New Zealand dollars or Pounds Sterling. The Group's liquidity and financing requirements are reviewed regularly. The Group will continue to maintain a strong capital structure when considering financing for new investments or maturity of bank loans.

As at 30th June, 2011, the Group maintained a net debt to equity ratio of 7 per cent, which was based on its net debt of HK$3,728 million and total equity of HK$56,261 million. This ratio was slightly higher than the net debt to equity ratio of 6 per cent at the year end of 2010.

To minimise currency risk exposure in respect of its investments in other countries, the Group generally hedges those investments with the appropriate level of borrowings denominated in the local currencies of those countries. The Group also entered into certain interest rate and currency swaps to mitigate interest rate and other currency exposure risks. As at 30th June, 2011, the notional amounts of these derivative instruments amounted to HK$25,565 million.

Charge on Group Assets

As at 30th June, 2011:

- the Group's obligations under finance leases totalling HK$90 million were secured by charges over the leased assets with carrying value of HK$277 million; and

- certain plant and machinery of the Group with carrying value of HK$54 million were pledged to secure bank borrowings totalling HK$30 million granted to the Group.

Contingent Liabilities

As at 30th June, 2011, the Group was subject to the following contingent liabilities:

HK$ million	
Guarantee in respect of a bank loan drawn by an affiliated company	1,331
Other guarantees given in respect of affiliated companies	1,443
Sub-contractor warranties	21
Total	2,795

Employees

The Group, including its subsidiaries but excluding affiliated companies, employs a total of 1,080 employees. Employees' cost (excluding directors' emoluments) amounted to HK$149 million. The Group ensures that the pay levels of its employees are competitive and that its employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system.

Preferential subscription of 2,978,000 new shares of the Company was given to those employees who had subscribed for shares of HK$1.00 each in the Company at HK$12.65 per share on the flotation of the Company in 1996. The Group does not have any share option scheme for employees.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30th June, 2011, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

Code on Corporate Governance Practices

The Board of Directors ("Board") and the management of the Company are committed to the maintenance of good corporate governance practices and procedures. The corporate governance principles of the Company emphasise a quality Board, sound internal controls, and transparency and accountability to all shareholders. The Company has applied the principles and complied with all code provisions and, where applicable, the recommended best practices of the Code on Corporate Governance Practices ("Code on CG Practices") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited throughout the six months ended 30th June, 2011.

Audit Committee

The Company established an audit committee ("Audit Committee") in December 1998 and has formulated its written terms of reference, which may from time to time be modified, in accordance with the provisions set out in the Code on CG Practices. The Audit Committee comprises five Independent Non-executive Directors, namely, Mr. Colin Stevens Russel (Chairman of the Audit Committee), Mr. Cheong Ying Chew, Henry, Mrs. Kwok Eva Lee, Mrs. Sng Sow-mei alias Poon Sow Mei and Mr. Lan Hong Tsung, David. The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting system and internal control procedures, review of the Group's financial information and review of the relationship with the external auditor of the Company.

The Group's interim results for the six months ended 30th June, 2011 have been reviewed by the Audit Committee.

Remuneration Committee

According to the Code on CG Practices, the Company established its remuneration committee ("Remuneration Committee") on 1st January, 2005 with a majority of the members thereof being Independent Non-executive Directors. The Remuneration Committee comprises the Chairman of the Board, Mr. Li Tzar Kuoi, Victor (Chairman of the Remuneration Committee), and two Independent Non-executive Directors, namely, Mr. Colin Stevens Russel and Mr. Cheong Ying Chew, Henry.

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NOTICE OF PAYMENT OF INTERIM DIVIDEND, 2011

The Board of Directors of Cheung Kong Infrastructure Holdings Limited announces that the Group's unaudited profit attributable to shareholders for the six months ended 30th June, 2011 amounted to HK$3,983 million which represents earnings of HK$1.77 per share. The Directors have resolved to pay an interim dividend for 2011 of HK$0.365 per share to shareholders whose names appear on the Register of Members of the Company on Thursday, 8th September, 2011. The dividend will be paid on Friday, 9th September, 2011.

The Register of Members of the Company will be closed from Thursday, 1st September, 2011 to Thursday, 8th September, 2011, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all share certificates with completed transfer forms, either overleaf or separately, must be lodged with the Company's Branch Share Registrar, Computershare Hong Kong Investor Services Limited, Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Wednesday, 31st August, 2011.

By Order of the Board
CHEUNG KONG INFRASTRUCTURE HOLDINGS LIMITED
Eirene Yeung
Company Secretary

Hong Kong, 28th July, 2011

As at the date hereof, the Executive Directors of the Company are Mr. LI Tzar Kuoi, Victor (Chairman), Mr. KAM Hing Lam (Group Managing Director), Mr. IP Tak Chuen, Edmond (Deputy Chairman), Mr. FOK Kin Ning, Canning (Deputy Chairman), Mr. Andrew John HUNTER (Deputy Managing Director), Mr. CHAN Loi Shun (Chief Financial Officer), Mrs. CHOW WOO Mo Fong, Susan (also Alternate Director to Mr. FOK Kin Ning, Canning and Mr. Frank John SIXT), Mr. Frank John SIXT and Mr. TSO Kai Sum; the Non-executive Directors are Mr. CHEONG Ying Chew, Henry (Independent Non-executive Director), Mrs. KWOK Eva Lee (Independent Non-executive Director), Mrs. SNG Sow-mei alias POON Sow Mei (Independent Non-executive Director), Mr. Colin Stevens RUSSEL (Independent Non-executive Director), Mr. LAN Hong Tsung, David (Independent Non-executive Director), Mrs. LEE Pui Ling, Angelina, Mr. Barrie COOK and Mr. George Colin MAGNUS; and the Alternate Directors are Mr. MAN Ka Keung, Simon (Alternate Director to Mr. IP Tak Chuen, Edmond) and Ms. Eirene YEUNG (Alternate Director to Mr. KAM Hing Lam).

CONSOLIDATED INCOME STATEMENT

for the six months ended 30th June

HK$ million	Notes	Unaudited **2011**	2010
Group turnover	2	**1,677**	1,294
Share of turnover of jointly controlled entities	2	**709**	597
		2,386	1,891
Group turnover	2	**1,677**	1,294
Other income	3	**387**	227
Operating costs	4	**(1,122)**	(778)
Finance costs		**(277)**	(205)
Exchange gain / (loss)		**110**	(76)
Share of results of associates		**3,273**	1,399
Share of results of jointly controlled entities		**213**	178
Profit before taxation		**4,261**	2,039
Taxation	5	**(16)**	(8)
Profit for the period	6	**4,245**	2,031
Attributable to:			
Shareholders of the Company		**3,983**	2,029
Owners of perpetual capital securities		**259**	-
Non-controlling interests		**3**	2
		4,245	2,031
Earnings per share	7	**HK$1.77**	HK$0.90

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

HK$ million	Notes	**Unaudited 30/6/2011**	Audited 31/12/2010
Property, plant and equipment		**1,382**	1,276
Investment properties		**186**	186
Interests in associates		**53,395**	50,573
Interests in jointly controlled entities		**866**	707
Investments in securities		**5,560**	4,824
Derivative financial instruments		**6**	209
Goodwill		**158**	151
Deferred tax assets		**9**	9
Other non-current assets		**28**	29
Total non-current assets		**61,590**	57,964
Inventories		**191**	143
Derivative financial instruments		**112**	186
Debtors and prepayments	9	**639**	529
Bank balances and deposits		**5,055**	5,438
Total current assets		**5,997**	6,296
Bank and other loans		**1,273**	1,228
Derivative financial instruments		**39**	53
Creditors and accruals	10	**1,911**	1,670
Taxation		**109**	107
Total current liabilities		**3,332**	3,058
Net current assets		**2,665**	3,238
Total assets less current liabilities		**64,255**	61,202
Bank and other loans		**7,510**	7,259
Derivative financial instruments		**147**	2
Deferred tax liabilities		**337**	254
Total non-current liabilities		**7,994**	7,515
Net assets		**56,261**	53,687
Representing:			
Share capital		**2,254**	2,254
Reserves		**45,988**	43,419
Equity attributable to shareholders of the Company		**48,242**	45,673
Perpetual capital securities		**7,933**	7,933
Non-controlling interests		**86**	81
Total equity		**56,261**	53,687

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The accounting policies adopted for the preparation of the consolidated interim financial statements are consistent with those set out in the Group's consolidated annual financial statements for the year ended 31st December, 2010, except for adoption of new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants which are effective to the Group for accounting periods beginning on or after 1st January, 2011. The adoption of the new HKFRSs has no material impact on the Group's results and financial position for the current or prior periods.

2. GROUP TURNOVER AND SHARE OF TURNOVER OF JOINTLY CONTROLLED ENTITIES

Group turnover represents net sales of infrastructure materials, income from the supply of water, interest income from loans granted to associates, and distribution from investments in securities classified as infrastructure investments.

In addition, the Group presents its proportionate share of turnover of jointly controlled entities. Turnover of associates is not included.

The Group turnover and share of turnover of jointly controlled entities for the current period is analysed as follows:

	Six months ended 30th June	
HK$ million	**2011**	2010
Sales of infrastructure materials	**769**	713
Income from the supply of water	**144**	125
Interest income from loans granted to associates	**636**	354
Distribution from investments in securities	**128**	102
Group turnover	**1,677**	1,294
Share of turnover of jointly controlled entities	**709**	597
	2,386	1,891

3. OTHER INCOME

Other income includes the following:

HK$ million	Six months ended 30th June **2011**	2010
Bank and other interest income	**114**	123
Gain on disposal of an associate	**145**	-

4. OPERATING COSTS

Operating costs include the following:

HK$ million	Six months ended 30th June **2011**	2010
Depreciation of property, plant and equipment	**40**	39
Cost of inventories sold	**740**	687
Change in fair values of investments in securities	**4**	2
Change in fair values of derivative financial instruments	**12**	(22)

5. TAXATION

Overseas tax is provided for at the applicable tax rate on the estimated assessable profits less available tax losses. Deferred taxation is provided on temporary differences under the liability method using tax rates applicable to the Group's operations in different countries.

HK$ million	Six months ended 30th June **2011**	2010
Current taxation – overseas tax	**10**	(4)
Deferred taxation	**6**	12
Total	**16**	8

6. SEGMENT INFORMATION

for the six months ended 30th June

HK$ million	Investment in Power Assets*		Infrastructure Investments										Infrastructure related business		Unallocated items		Total	
			United Kingdom		Australia		Mainland China		Canada and New Zealand		Sub-total							
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
Group turnover	**-**	-	**401**	147	**377**	312	**-**	-	**130**	122	**908**	581	**769**	713	**-**	-	**1,677**	1,294
Share of turnover of jointly controlled entities	**-**	-	**-**	-	**-**	-	**322**	270	**-**	-	**322**	270	**387**	327	**-**	-	**709**	597
	-	-	**401**	147	**377**	312	**322**	270	**130**	122	**1,230**	851	**1,156**	1,040	**-**	-	**2,386**	1,891
Group turnover	**-**	-	**401**	147	**377**	312	**-**	-	**130**	122	**908**	581	**769**	713	**-**	-	**1,677**	1,294
Bank and other interest income	**-**	-	**9**	4	**-**	-	**-**	-	**-**	-	**9**	4	**39**	33	**66**	86	**114**	123
Gain on disposal of an associate	**-**	-	**-**	-	**145**	-	**-**	-	**-**	-	**145**	-	**-**	-	**-**	-	**145**	-
Other income	**-**	-	**25**	7	**-**	-	**64**	74	**-**	-	**89**	81	**37**	21	**2**	2	**128**	104
Change in fair values of investments in securities and derivative financial instruments	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	1	**(16)**	19	**(16)**	20
Depreciation	**-**	-	**(17)**	(16)	**-**	-	**-**	-	**-**	-	**(17)**	(16)	**(23)**	(23)	**-**	-	**(40)**	(39)
Other operating expenses	**-**	-	**(102)**	(80)	**-**	-	**(2)**	(1)	**-**	-	**(104)**	(81)	**(709)**	(628)	**(253)**	(50)	**(1,066)**	(759)
Finance costs	**-**	-	**(16)**	(18)	**-**	-	**-**	-	**-**	-	**(16)**	(18)	**(2)**	(2)	**(259)**	(185)	**(277)**	(205)
Exchange gain / (loss)	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**110**	(76)	**110**	(76)
Share of results of associates and jointly controlled entities	**1,564**	1,057	**1,591**	177	**172**	201	**158**	142	**(52)**	(33)	**1,869**	487	**53**	33	**-**	-	**3,486**	1,577
Profit / (Loss) before taxation	**1,564**	1,057	**1,891**	221	**694**	513	**220**	215	**78**	89	**2,883**	1,038	**164**	148	**(350)**	(204)	**4,261**	2,039
Taxation	**-**	-	**(12)**	(5)	**-**	-	**(5)**	(4)	**-**	-	**(17)**	(9)	**1**	1	**-**	-	**(16)**	(8)
Profit / (Loss) for the period	**1,564**	1,057	**1,879**	216	**694**	513	**215**	211	**78**	89	**2,866**	1,029	**165**	149	**(350)**	(204)	**4,245**	2,031
Attributable to:																		
Shareholders of the Company	**1,564**	1,057	**1,879**	216	**694**	513	**215**	211	**78**	89	**2,866**	1,029	**162**	147	**(609)**	(204)	**3,983**	2,029
Owners of perpetual capital securities	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**259**	-	**259**	-
Non-controlling interests	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**3**	2	**-**	-	**3**	2
	1,564	1,057	**1,879**	216	**694**	513	**215**	211	**78**	89	**2,866**	1,029	**165**	149	**(350)**	(204)	**4,245**	2,031

* During the period, the Group has a 38.87 per cent (2010: 38.87 per cent) equity interest in Power Assets Holdings Limited ("Power Assets"), which is listed on The Stock Exchange of Hong Kong Limited.

6. SEGMENT INFORMATION (Cont'd)

Segment profit attributable to shareholders of the Company represents the profit earned by each segment after the profit attributable to owners of perpetual capital securities and non-controlling interests without allocation of gains or losses from treasury activities, corporate overheads and other expenses of the Group's head office.

7. EARNINGS PER SHARE

The calculation of earnings per share is based on the profit attributable to shareholders of the Company of HK$3,983 million (2010: HK$2,029 million) and on 2,254,209,945 shares (2010: 2,254,209,945 shares) in issue during the interim period.

8. INTERIM DIVIDEND

The interim dividend declared by the Board of Directors is as follows:

	Six months ended 30th June	
HK$ million	**2011**	2010
Interim dividend of HK$0.365 per share (2010: HK$0.33 per share)	**854**	744

9. DEBTORS AND PREPAYMENTS

Included in debtors and prepayments are trade debtors of HK$329 million (HK$267 million at 31st December, 2010) and their aging analysis is as follows:

HK$ million	**30/6/2011**	31/12/2010
Current	**231**	129
Less than 1 month past due	**33**	73
1 to 3 months past due	**28**	48
More than 3 months but less than 12 months past due	**42**	21
More than 12 months past due	**50**	51
Amount past due	**153**	193
Allowance for doubtful debts	**(55)**	(55)
Total after allowance	**329**	267

Trade with customers for infrastructure materials is carried out largely on credit, except for new customers and customers with unsatisfactory payment records, where payment in advance is normally required. Trade with metered customers for water supply is carried out largely on credit and with unmetered customers largely by payment in advance. Invoices are normally due within 1 month of issuance, except for certain well-established customers, where the terms are extended to 2 months, and certain customers with disputed items, where the terms are negotiated individually. Each customer has a maximum credit limit, which was granted and approved by senior management in accordance with the laid-down credit review policy and procedures.

10. CREDITORS AND ACCRUALS

Included in creditors and accruals are trade creditors of HK$181 million (HK$154 million at 31st December, 2010) and their aging analysis is as follows:

HK$ million	**30/6/2011**	31/12/2010
Current	**129**	105
1 month	**23**	24
2 to 3 months	**3**	2
Over 3 months	**26**	23
Total	**181**	154

11. EVENT AFTER THE REPORTING PERIOD

On 19th July, 2011 and 26th July, 2011, Hutchison Infrastructure Holdings Limited ("HIHL"), a controlling shareholder of the Company, sold 84,500,000 existing shares of the Company via a share placement exercise at a price of HK$40.41 per share, and has subscribed for 84,500,000 new shares of the Company at a price which is equivalent to the placing price less the costs and expenses incurred in connection with the placing and subscription, respectively. The net proceeds from the subscription were approximately HK$3,411 million. After the completion of the subscription, the issued share capital of the Company has been increased from 2,254,209,945 shares to 2,338,709,945 shares and the shareholding of HIHL in the Company has been changed from approximately 84.58% to approximately 81.53%.

12. REVIEW OF INTERIM FINANCIAL STATEMENTS

The interim financial statements are unaudited, but have been reviewed by the Audit Committee.