Hutchison Whampoa Limited

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

UNAUDITED RESULTS FOR THE PERIOD ENDED 30 JUNE 2013
HIGHLIGHTS

	For the six months ended June 2013 HK$ millions	For the six months ended June 2012 (restated) [1] HK$ millions	Change
Total revenue[2]	**199,079**	194,993	+2%
EBITDA[2]	**44,939**	40,351	+11%
EBIT[2]	**29,888**	25,831	+16%
Profit attributable to ordinary shareholders, before property revaluation and profits on disposal of investments and others	**12,010**	9,709	+24%
Property revaluation, after tax	**32**	383	-92%
Profits on disposal of investments and others, after tax[3]	**356**	-	
Profit attributable to ordinary shareholders	**12,398**	10,092	+23%
Earnings per share	**HK$2.91**	HK$2.37	+23%
Recurring earnings per share[4]	**HK$2.82**	HK$2.27	+24%
Interim dividend per share	**HK$0.60**	HK$0.55	+9%

Note 1: The comparatives have been restated to reflect the effect of adoption of new and revised accounting policies in 2013. See Note 2 to the accounts.

Note 2: Total revenue, earnings before interest expenses and other finance costs, tax, depreciation and amortisation ("EBITDA") and earnings before interest expenses and other finance costs and tax ("EBIT") include the Group's proportionate share of associated companies' and joint ventures' respective items. Total revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust for the six months ended 30 June 2013 and 2012. See Note 3 of the accounts on the details of the adjustments.

Note 3: The profits on disposal of investments and others, after tax for the six months ended 30 June 2013 reflect the recognition of the one-time net gain, after tax of HK$958 million, arising from the completion of the Orange Austria transaction, which comprises the gain on disposal of Yesss! in Austria net of one-time provisions relating to the restructuring of **3** Austria's business on the acquisition of Orange Austria and the related tax impact, as well as the Group's share of operating losses of Vodafone Hutchison Australia ("VHA") for the first half of 2013 of HK$602 million. No profits on disposal of investments and others, after tax were recorded in the comparable period last year.

Note 4: Recurring earnings per share is calculated based on profits attributable to ordinary shareholders before property revaluation after tax and profits on disposal of investments and others after tax.

- Total revenue grew 2% to HK$199,079 million.
- EBITDA and EBIT, before property revaluation and profits on disposal of investments and others, grew 11% and 16% respectively.
- Profit attributable to ordinary shareholders and recurring earnings per share, before property revaluation and profits on disposal of investments and others, grew 24%.
- Profit attributable to ordinary shareholders and earnings per share grew 23% to HK$12,398 million and HK$2.91 respectively.

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 operations continued to perform well in the first half of 2013. Despite difficult conditions in many of the major economies in which the Group operates, our businesses overall achieved solid growth. With the exception of our joint venture Vodafone Hutchison Australia ("VHA") and ports and related services division, all other major operating divisions reported increased recurring earnings.

Results

The Group's recurring profit attributable to ordinary shareholders for the period ended 30 June 2013, before property revaluation gains and profits on disposal of investments and others, was HK$12,010 million, a 24% increase compared to the first half of 2012's profit of HK$9,709 million. Recurring earnings per share was HK$2.82 as compared to HK$2.27 in the first half of 2012.

The Group also reported profit on investment properties revaluation, after tax of HK$32 million for the period ended 30 June 2013 as compared to HK$383 million in 2012. Profits on disposal of investments and others, after tax in the first half of 2013 of HK$356 million comprises the one-time net gain, after tax of HK$958 million recognised on completion of the Orange Austria acquisition transaction, as well as Hutchison Telecommunications (Australia)'s 50% share of VHA's operating losses for the first half of 2013. No profits on disposal of investments and others were recorded in the first half of 2012.

Profit attributable to ordinary shareholders reported for the period ended 30 June 2013 was HK$12,398 million as compared to HK$10,092 million for the first half of 2012, as a result of the one-time items mentioned above.

Dividends

The Board declares the payment of an interim dividend of HK$0.60 per share (30 June 2012 – HK$0.55 per share), an increase of 9%, payable on Wednesday, 11 September 2013 to those persons registered as shareholders of the Company on Monday, 2 September 2013, being the record date for determining the shareholders' entitlement to the interim dividend.

Ports and Related Services[1]

The ports and related services division's throughput grew 2% to 37.9 million twenty-foot equivalent units ("TEU") in the first six months of 2013. Total revenue of HK$16,891 million was 6% higher than the same period last year reflecting higher average revenue per TEU and throughput growth in most operations other than the HPH Trust's operations in Hong Kong during the period, where volumes at Kwai Tsing were adversely impacted by an industrial action in the second quarter. As a result of increasing energy and labour costs and the effect of start-up expenses in new and expanded port facilities, EBITDA of HK$5,410 million was flat when compared to the first six months in 2012. EBIT of HK$3,449 million was 5% lower than the same period last year mainly due to higher depreciation charges of HK$181 million, mainly relating to one new berth and expanded facilities in five container terminals located in Europe and Asia, Australia and other regions.

Note 1 : Total revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust for the six months ended 30 June 2013 and 2012.

The division opened an additional berth each at Westports Malaysia and Lazaro Cardenas in Mexico in the first half of 2013. Two new berths in Sydney, Australia are also expected to come into operation in late 2013. The division is expected to maintain a steady performance for the remainder of the year and to resume growth in subsequent years as the new berths and ports reach fully operational status, which is typically around two to three years from launch of commercial operation.

Property and Hotels
The property and hotels division reported total revenue of HK$11,186 million, a 21% increase compared to the first half of 2012. EBITDA and EBIT increased 19% and 20% to HK$5,918 million and HK$5,742 million respectively.

The division's 12.0 million square foot portfolio of rental properties in Hong Kong, together with our attributable share of 2.0 million square foot portfolio in the Mainland and overseas, reported solid occupancy and steady rental growth during the first six months of the year. Reported rental income, including the share of rental income from the commercial properties of our hotels division, increased 14% from the same period last year to HK$2,073 million mainly due to higher rental renewal rates. EBITDA and EBIT from investment properties both increased 15% to HK$1,847 million and HK$1,821 million respectively. Our portfolio is of a high quality and is well located. It is expected to continue performing well in the second half of 2013.

The division's hotel portfolio comprising 11 hotels of over 8,500 rooms in which the Group has an average effective interest of approximately 63%, reported a 2% decrease in both EBITDA and EBIT to HK$634 million and HK$500 million respectively mainly due to lower occupancy and average room rates in the hotels in the Mainland.

Our current property development activities are principally focused on the Mainland and Singapore. In the first half of 2013, we completed an attributable share of approximately 2.8 million square feet in gross floor area of residential and commercial properties. In addition, the Group also achieved contracted sales of an attributable interest of approximately 3.8 million square feet during the period and recognised sales on an attributable interest of approximately 3.4 million square feet of developed properties, primarily in the Mainland. EBITDA and EBIT from development properties, gains on disposals and others both grew by 27% to HK$3,437 million and HK$3,421 million respectively. The division's current attributable interest in landbank, largely held through joint ventures with Cheung Kong (Holdings) Ltd, can be developed into approximately 89 million square feet of mainly residential property. In the Mainland, Government initiatives aimed at preventing residential property price inflation continued to dampen market sentiment. We target to complete an attributable share of approximately 6.6 million square feet gross floor area of residential and commercial properties during the second half of 2013 in 10 cities in the Mainland.

Retail
The retail division delivered another period of strong revenue, earnings and cashflow growth in the first half of 2013. Store numbers totalling 11,093 stores in 33 markets increased 8% compared to 30 June 2012. Total revenue of HK$75,761 million, EBITDA of HK$5,609 million and EBIT of HK$4,319 million, were 7%, 9% and 9% higher respectively than the first half of 2012. Excluding the impact attributable to the expiration of Nuance-Watson's two core licences at the Hong Kong International Airport in late 2012, total revenue, EBITDA and EBIT of the Group's retail businesses, grew by 8%, 12% and 13% respectively. The division reported like-for-like sales growth of 2.7% in Asia and 2.9% in Europe for the first half of 2013.

Despite the difficult trading environment in several European economies, the operations in the region overall were able to increase earnings contribution with EBITDA and EBIT growth of 10% and 13% respectively, through a 4% increase in the portfolio of stores compared to 30 June 2012, comparable store sales growth as mentioned above and effective cost control measures.

With the slower than expected growth in the Mainland, the Health and Beauty China operations reported 1.4% comparable store sales growth in the period. However, total revenue growth remained robust at 17% as all store openings continued to perform well. EBITDA and EBIT growth remained strong at 14% and 12% respectively.

In the second half of 2013 and beyond, the A S Watson Group will continue to selectively expand its store base in regions with high growth potential, including the Mainland and selected Asian and European countries.

Cheung Kong Infrastructure

Cheung Kong Infrastructure Holdings Limited ("CKI"), our Hong Kong listed subsidiary, announced profit attributable to shareholders of HK$5,169 million, a growth of 10% over the same period last year.

CKI's investment in Wales & West Utilities Limited, which was acquired in the last quarter of 2012, together with earnings growth from Power Assets and UK Power Networks, provided positive profit contributions to the Group in the first half of 2013. CKI will continue to look for opportunities to expand its portfolio by acquiring businesses with strong recurrent returns whilst maintaining a strong balance sheet, steady cashflow and low gearing ratios.

In June 2013, a consortium led by CKI together with Power Assets Holdings Limited, Cheung Kong (Holdings) Limited and Li Ka Shing Foundation Limited with respective shareholdings of 35%, 20%, 35% and 10% has entered into an agreement to acquire AVR Afvalverwerking B.V. ("AVR") in the Netherlands. The enterprise value of the transaction is approximately HK$9.7 billion (€940 million). AVR is the largest "energy from waste" business in the Netherlands. It is the country's market leader, commanding a 23% market share of the waste processing industry. The completion of this transaction is conditional on regulatory approval.

Husky Energy

Husky Energy, our associated company listed in Canada, announced profit attributable to shareholders of C$1,140 million, a growth of 12% over the same period last year. Average production in the first six months of 2013 was 315,600 barrels of oil equivalent per day ("BOEs per day") compared to 301,000 BOEs per day in the first six months of 2012.

Husky Energy is progressing on two very substantial capital projects, the Liwan deep-water natural gas development ("Liwan project") located in the South China Sea and the Sunrise Energy oil sands development ("Sunrise Project") in Canada. The Liwan project continues to advance as scheduled towards first gas in late 2013 / early 2014. Production from the Liwan 3-1 and Liuhua 34-2 fields of Block 29/26 of the Liwan project is planned to ramp up through 2014 towards approximately 300 million cubic feet per day (50,000 BOEs per day). The first phase of the Sunrise Project is advancing towards first production in 2014 and is expected to produce approximately 60,000 barrels per day (30,000 barrels per day net to Husky Energy's 50% share).

Hutchison Telecommunications Hong Kong
Hutchison Telecommunications Hong Kong Holdings ("HTHKH"), our Hong Kong listed telecommunications subsidiary operating in Hong Kong and in Macau, announced profit attributable to shareholders of HK$572 million and earnings per share of 11.87 HK cents, an increase of 2% compared to same period last year.

As of 30 June 2013, active mobile customers were approximately 3.78 million in Hong Kong and Macau. Fixed line operations have also continued to grow with increasing data traffic across all networks in Hong Kong.

HTHKH will continue to maintain its competitive edge and ensuring a sustainable market leader position in the mobile businesses.

Hutchison Asia Telecommunications
As of 30 June 2013, Hutchison Asia Telecommunications ("HAT") had a registered customer base of over 41.6 million, of which approximately 36.0 million were active[2]. Reported total revenue of HK$2,981 million was an increase of 83% compared to the same period last year, reflecting the increase in customer base as a result of the 3G network rollout in Indonesia. LBITDA of HK$59 million and LBIT of HK$697 million, increased 26% and 3% respectively compared to the same period last year, due to increased start-up losses and the delay in network ramp up which affected customer acquisitions in Indonesia.

The ramp up in Indonesia's network in both speed and coverage will accelerate in the third quarter and targeted to be fully completed by the end of this year. As a result, HAT expects to continue to grow its customer base and customer service revenues, and targets to achieve operational breakeven on a monthly basis by the end of the year.

3 Group Europe
The Group's registered 3G customer base in Europe increased 9% during the period and totals over 25.6 million customers as at 30 June 2013, of which approximately 21.0 million were active[2]. **3** Group Europe reported total revenue of HK$30,101 million, an 8% increase over last year, and net customer service margin improved 20% to HK$16,831 million. EBITDA and EBIT grew by 38% and 35% to HK$5,661 million and HK$1,854 million respectively. **3** Group Europe has achieved another important milestone and reported positive EBITDA less capex for the period. The significant improvement in its underlying operating results reflects the Group's strong market position in the smartphone and mobile data segments, the increased contribution from **3** Austria upon the completion of the acquisition of Orange Austria in January 2013, and a well-disciplined capital expenditure profile.

In June 2013, **3** Ireland entered into an agreement with Telefonica to acquire O2, Telefonica's mobile business in Ireland, for €780 million with an additional deferred payment of €70 million payable dependent upon achievement of agreed financial targets. The completion of this transaction is subject to regulatory approval. After the acquisition is completed, **3** Ireland will become the second largest mobile operator in the country.

Note 2 : An active customer is one that generated revenue from an outgoing call, an incoming call or 3G service in the preceding three months.

Looking forward, **3** Group Europe operations will increase market share and continue to operate efficiently. In **3** Austria, where restructuring activities are currently underway to merge the acquired Orange Austria operations, these are closely monitored to ensure synergies from the acquisition are maximised. Further progress in the transition to a non-subsidised handset model in its customer base, together with gradual stabilisation of European mobile termination regimes, are expected to further increase the division's contributions to the Group's overall results going forward.

Finance & Investments and Others

Contribution from this division represents returns earned on the Group's holdings of cash and liquid investments as well as results of other small operating units. The increase in contribution in first six months of 2013 was mainly due to higher realised foreign exchange gains and higher overall interest income.

During the first six months of 2013, the Group raised HK$41,099 million from the debt and capital markets and repaid debts as they matured and repaid early certain long-term borrowings and notes of HK$44,935 million. As a result of refinancing at lower interest rates, the Group's weighted average cost of debt reduced from 3.5% for 30 June 2012 to 3.2% for the period. At 30 June 2013, the Group's consolidated cash and liquid investments totalled HK$114,260 million and consolidated debt amounted to HK$231,957 million, resulting in consolidated net debt of HK$117,697 million and net debt to net total capital ratio of 20.5%. The Group's consolidated cash and liquid investments as at 30 June were sufficient to repay all outstanding consolidated Group debt maturing through 2015 and approximately 53% of the maturities in 2016.

The Group will continue to closely monitor its liquidity and debt profile and expects its net debt to net total capital ratio to remain below 25%.

Outlook

In the first half, economic uncertainty continued to affect several markets and geographies in which the Group operates. Despite these and other externalities, such as government policies and restrictions, our core businesses, which are spread over 52 countries continued to demonstrate resilience and achieved sustainable recurring profit growth. Whilst uncertainty will remain a challenge for the second half of 2013, major economies are showing signs of stabilisation and gradual recovery. The Group will continue to pursue a strategy of "Growth with Stability", with equal emphasis on achieving sustainable recurring earnings growth and maintaining the Group's strong financial profile. Each of our major operating divisions will continue to invest and expand its core business operations under strict financial disciplines. I expect, barring material adverse developments in our major markets, the Group will continue to grow in the second half of 2013. I have confidence in the Group's prospects.

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

Li Ka-shing
Chairman
Hong Kong, 1 August 2013

Hutchison Whampoa Limited
Condensed Consolidated Income Statement
for the six months ended 30 June 2013

	Note	Unaudited **2013** **HK$ millions**	As restated Note 2 2012 HK$ millions
Revenue	3	**123,262**	115,726
Cost of inventories sold		**(48,655)**	(46,869)
Staff costs		**(16,524)**	(15,744)
Telecommunications customer acquisition costs		**(11,751)**	(11,340)
Depreciation and amortisation	3	**(7,699)**	(6,820)
Other operating expenses	3	**(26,166)**	(24,747)
Change in fair value of investment properties		**7**	-
Profits on disposal of investments and others	4	**(116)**	-
Share of profits less losses after tax of:			
Associated companies		**7,573**	7,254
Joint ventures		**3,161**	2,119
	3	**23,092**	19,579
Interest expenses and other finance costs	5	**(4,335)**	(4,445)
Profit before tax		**18,757**	15,134
Current tax	6	**(1,925)**	(1,056)
Deferred tax	6	**(896)**	(948)
Profit after tax		**15,936**	13,130
Allocated as : Profit attributable to non-controlling interests and holders of perpetual capital securities		**(3,538)**	(3,038)
Profit attributable to ordinary shareholders of the Company		**12,398**	10,092
Earnings per share for profit attributable to ordinary shareholders of the Company	7	**HK$ 2.91**	HK$ 2.37

Details of interim dividend payable to the ordinary shareholders of the Company are set out in note 8.

Hutchison Whampoa Limited
Condensed Consolidated Statement of Comprehensive Income
for the six months ended 30 June 2013

	Unaudited	
		As restated Note 2
	2013	2012
	HK$ millions	HK$ millions
Profit after tax	**15,936**	13,130
Other comprehensive income (losses)		
Items that will not be reclassified to profit or loss:		
Remeasurement of defined benefit obligations recognised directly in reserves	**116**	(81)
Share of other comprehensive income (losses) of associated companies for the period	**(128)**	(35)
Share of other comprehensive income of joint ventures for the period	**8**	3
Tax relating to items that will not be reclassified to profit or loss	**2**	18
	(2)	(95)
Items that have been reclassified or may be subsequently reclassified to profit or loss:		
Available-for-sale investments		
Valuation gains recognised directly in reserves	**127**	593
Valuation gains previously in reserves recognised in income statement for the period	**(57)**	(210)
Gains (losses) on cash flow hedges arising from forward foreign currency contracts and interest rate swap contracts recognised directly in reserves for the period	**157**	(62)
Losses on translating overseas subsidiaries' net assets recognised directly in reserves	**(7,802)**	(3,780)
Share of other comprehensive income (losses) of associated companies for the period	**(4,742)**	(153)
Share of other comprehensive income (losses) of joint ventures for the period	**(418)**	(508)
Tax relating to items that have been reclassified or may be subsequently reclassified to profit or loss	**(18)**	(25)
	(12,753)	(4,145)
Other comprehensive income (losses) after tax	**(12,755)**	(4,240)
Total comprehensive income	**3,181**	8,890
Allocated as : Attributable to non-controlling interests and holders of perpetual capital securities	**(2,827)**	(2,780)
Attributable to ordinary shareholders of the Company	**354**	6,110

Hutchison Whampoa Limited
Condensed Consolidated Statement of Financial Position
at 30 June 2013

	Note	**Unaudited 30 June 2013 HK$ millions**	As restated Note 2 31 December 2012 HK$ millions
ASSETS			
Non-current assets			
Fixed assets		**167,093**	167,588
Investment properties		**43,702**	43,652
Leasehold land		**9,186**	9,495
Telecommunications licences		**79,011**	78,655
Goodwill		**37,057**	26,492
Brand names and other rights		**18,194**	15,328
Associated companies		**147,776**	151,860
Interests in joint ventures		**62,888**	70,395
Deferred tax assets		**17,874**	18,059
Other non-current assets		**8,305**	9,579
Liquid funds and other listed investments		**17,164**	23,499
		608,250	614,602
Current assets			
Cash and cash equivalents	9	**97,096**	107,948
Trade and other receivables	10	**64,455**	61,788
Inventories		**19,408**	19,533
		180,959	189,269
Current liabilities			
Trade and other payables	11	**78,739**	78,471
Bank and other debts		**22,135**	39,596
Current tax liabilities		**2,860**	2,856
		103,734	120,923
Net current assets		**77,225**	68,346
Total assets less current liabilities		**685,475**	682,948
Non-current liabilities			
Bank and other debts		**211,941**	220,440
Interest bearing loans from non-controlling shareholders		**5,572**	6,307
Deferred tax liabilities		**10,682**	8,968
Pension obligations		**3,515**	3,616
Other non-current liabilities		**5,055**	5,076
		236,765	244,407
Net assets		**448,710**	438,541
CAPITAL AND RESERVES			
Share capital		**1,066**	1,066
Perpetual capital securities		**39,833**	23,400
Reserves		**360,760**	367,053
Total ordinary shareholders' funds and perpetual capital securities		**401,659**	391,519
Non-controlling interests		**47,051**	47,022
Total equity		**448,710**	438,541

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") . These interim accounts should be read in conjunction with the 2012 annual accounts, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

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.

The accounting policies applied and methods of computation used in the preparation of these interim accounts are consistent with those used in the 2012 annual accounts, except for the adoption 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 accounting periods beginning 1 January 2013.

Except as described below, the adoption of these new and revised standards, amendments and interpretations does not have an impact on the Group's accounting policies.

HKFRS 10 *Consolidated Financial Statements* and HKAS 27 *Separate Financial Statements*

HKFRS 10 establishes a single control model that applies to all entities including special purpose entities. HKFRS 10 replaces the parts of previously existing HKAS 27 Consolidated and Separate Financial Statements that dealt with consolidated financial statements and SIC-12 Consolidation – Special Purpose Entities. HKFRS 10 changes the definition of control such that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. To meet the definition of control in HKFRS 10, all three criteria must be met, including: (a) an investor has power over an investee; (b) the investor has exposure, or rights, to variable returns from its involvement with the investee; and (c) the investor has the ability to use its power over the investee to affect the amount of the investor's returns. HKFRS 10 had no impact on the consolidation of investments held by the Group.

HKFRS 11 *Joint Arrangements* and HKAS 28 *Investment in Associates and Joint Ventures*

HKFRS 11 replaces HKAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers.

Under HKFRS 11 investments in joint arrangements are classified either as joint operations or joint ventures, depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. Unlike HKAS 31, the use of "proportionate consolidation" to account for joint ventures is not permitted. The application of this new standard had no impact on the Group's results of operations or financial position.

HKFRS 13 *Fair Value Measurement*

HKFRS 13 establishes a single source of guidance under HKFRS for all fair value measurements. HKFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under HKFRS when fair value is required or permitted. The application of HKFRS 13 has not materially impacted the fair value measurements carried out by the Group.

HKFRS 13 also requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including HKFRS 7 Financial Instruments: Disclosures. Some of these disclosures are specifically required in interim financial statements for financial instruments; accordingly, the Group provides these disclosures in Note 24 to the interim accounts.

2 Significant accounting policies (continued)

HKAS 1 ***Presentation of Items of Other Comprehensive Income – Amendments to HKAS 1***

The amendments to HKAS 1 introduce a grouping of items presented in other comprehensive income ("OCI"). Items that could be reclassified to profit or loss at a future point in time now have to be presented separately from items that will never be reclassified. The adoption of these amendments affected presentation only and had no impact on the Group's results of operations or financial position.

HKAS 19 ***Employee Benefits (Revised 2011)*** **("HKAS 19 (2011)")**

HKAS 19 (2011) includes a number of amendments to the accounting for defined benefit plans, including actuarial gains and losses that are now recognised in OCI and permanently excluded from profit or loss; expected returns on plan assets are no longer recognised in profit or loss and instead, interest on the net defined benefit liability (asset) is in profit or loss, calculated using the discount rate used to measure the defined benefit obligation and; unvested past service costs are now recognised in profit or loss in the period and not amortised over the vesting period. Other amendments include new disclosures, such as, quantitative sensitivity disclosures.

HKAS 19 (2011) requires retrospective application. The adoption of HKAS 19 (2011) had an impact on the net defined benefit plan obligations primarily due to the difference in accounting for interest on plan assets. The effect of the adoption of HKAS 19 (2011) is explained below.

2 Significant accounting policies (continued)

(i) Estimated effect on the consolidated income statement for the six months ended 30 June 2013

	HKAS 19 (2011) "Employees Benefits" HK$ millions
Revenue	-
Cost of inventories sold	-
Staff costs	(147)
Telecommunications customer acquisition costs	-
Depreciation and amortisation	-
Other operating expenses	-
Change in fair value of investment properties	-
Profits on disposal of investments and others	-
Share of profits less losses after tax of:	
Associated companies	(11)
Joint ventures	(2)
	(160)
Interest and other finance costs	-
Profit before tax	(160)
Current tax	-
Deferred tax	9
Profit after tax	(151)
Allocated as : Profit attributable to non-controlling interests and holders of perpetual capital securities	13
Profit attributable to ordinary shareholders of the Company	(138)
Earnings per share for profit attributable to ordinary shareholders of the Company	(HK$ 0.03)

(ii) Estimated effect on the consolidated statement of comprehensive income for the six months ended 30 June 2013

	HKAS 19 (2011) "Employees Benefits" HK$ millions
Profit after tax	(151)
Other comprehensive income (losses)	
Items that will not be reclassified to profit or loss:	
Remeasurement of defined benefit obligations recognised directly in reserves	146
Share of other comprehensive income (losses) of associated companies for the period	35
Share of other comprehensive income of joint ventures for the period	2
Tax relating to items that will not be reclassified to profit or loss	(9)
	174
Items that have been reclassified or may be subsequently reclassified to profit or loss:	
Available-for-sale investments	
Valuation gains recognised directly in reserves	-
Valuation gains previously in reserves recognised in income statement for the period	-
Gains (losses) on cash flow hedges arising from forward foreign currency contracts and interest rate swap contracts recognised directly in reserves for the period	-
Losses on translating overseas subsidiaries' net assets recognised directly in reserves	-
Share of other comprehensive income (losses) of associated companies for the period	-
Share of other comprehensive income (losses) of joint ventures for the period	-
Tax relating to items that have been reclassified or may be subsequently reclassified to profit or loss	-
	-
Other comprehensive income (losses) after tax	174
Total comprehensive income	23
Allocated as : Attributable to non-controlling interests and holders of perpetual capital securities	-
Attributable to ordinary shareholders of the Company	23

2 Significant accounting policies (continued)

(iii) Estimated effect on the consolidated statement of financial position as at 30 June 2013

	HKAS 19 (2011) "Employees Benefits" HK$ millions
ASSETS	
Non-current assets	
Fixed assets	-
Investment properties	-
Leasehold land	-
Telecommunications licences	-
Goodwill	-
Brand names and other rights	-
Associated companies	24
Interests in joint ventures	(2)
Deferred tax assets	(8)
Other non-current assets	-
Liquid funds and other listed investments	-
	14
Current assets	
Cash and cash equivalents	-
Trade and other receivables	-
Inventories	-
	-
Current liabilities	
Trade and other payables	-
Bank and other debts	-
Current tax liabilities	-
	-
Net current assets	-
Total assets less current liabilities	14
Non-current liabilities	
Bank and other debts	-
Interest bearing loans from non-controlling shareholders	-
Deferred tax liabilities	(5)
Pension obligations	47
Other non-current liabilities	-
	42
Net assets	(28)
CAPITAL AND RESERVES	
Share capital	-
Perpetual capital securities	-
Reserves	(17)
Total ordinary shareholders' funds and perpetual capital securities	(17)
Non-controlling interests	(11)
Total equity	(28)

2 Significant accounting policies (continued)

(iv) Effect on the consolidated income statement for the six months ended 30 June 2012

	As previously reported HK$ millions	HKAS 19 (2011) "Employees Benefits" HK$ millions	As restated HK$ millions
Revenue	115,726	-	115,726
Cost of inventories sold	(46,869)	-	(46,869)
Staff costs	(15,621)	(123)	(15,744)
Telecommunications customer acquisition costs	(11,340)	-	(11,340)
Depreciation and amortisation	(6,820)	-	(6,820)
Other operating expenses	(24,747)	-	(24,747)
Change in fair value of investment properties	-	-	-
Profits on disposal of investments and others	-	-	-
Share of profits less losses after tax of:			
Associated companies	7,264	(10)	7,254
Joint ventures	2,122	(3)	2,119
	19,715	(136)	19,579
Interest and other finance costs	(4,445)	-	(4,445)
Profit before tax	15,270	(136)	15,134
Current tax	(1,056)	-	(1,056)
Deferred tax	(957)	9	(948)
Profit after tax	13,257	(127)	13,130
Allocated as : Profit attributable to non-controlling interests and holders of perpetual capital securities	(3,049)	11	(3,038)
Profit attributable to ordinary shareholders of the Company	10,208	(116)	10,092
Earnings per share for profit attributable to ordinary shareholders of the Company	HK$ 2.39	(HK$ 0.02)	HK$ 2.37

(v) Effect on the consolidated statement of comprehensive income for the six months ended 30 June 2012

	As previously reported HK$ millions	HKAS 19 (2011) "Employees Benefits" HK$ millions	As restated HK$ millions
Profit after tax	13,257	(127)	13,130
Other comprehensive income (losses)			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit obligations recognised directly in reserves	(214)	133	(81)
Share of other comprehensive income (losses) of associated companies for the period	(45)	10	(35)
Share of other comprehensive income of joint ventures for the period	-	3	3
Tax relating to items that will not be reclassified to profit or loss	28	(10)	18
	(231)	136	(95)
Items that have been reclassified or may be subsequently reclassified to profit or loss:			
Available-for-sale investments			
Valuation gains recognised directly in reserves	593	-	593
Valuation gains previously in reserves recognised in income statement for the period	(210)	-	(210)
Gains (losses) on cash flow hedges arising from forward foreign currency contracts and interest rate swap contracts recognised directly in reserves for the period	(62)	-	(62)
Losses on translating overseas subsidiaries' net assets recognised directly in reserves	(3,780)	-	(3,780)
Share of other comprehensive income (losses) of associated companies for the period	(153)	-	(153)
Share of other comprehensive income (losses) of joint ventures for the period	(508)	-	(508)
Tax relating to items that have been reclassified or may be subsequently reclassified to profit or loss	(25)	-	(25)
	(4,145)	-	(4,145)
Other comprehensive income (losses) after tax	(4,376)	136	(4,240)
Total comprehensive income	8,881	9	8,890
Allocated as : Attributable to non-controlling interests and holders of perpetual capital securities	(2,780)	-	(2,780)
Attributable to ordinary shareholders of the Company	6,101	9	6,110

2 Significant accounting policies (continued)

(vi) Effect on the consolidated statement of financial position as at 31 December 2012

	As previously reported HK$ millions	HKAS 19 (2011) "Employees Benefits" HK$ millions	As restated HK$ millions
ASSETS			
Non-current assets			
Fixed assets	167,588	-	167,588
Investment properties	43,652	-	43,652
Leasehold land	9,495	-	9,495
Telecommunications licences	78,655	-	78,655
Goodwill	26,492	-	26,492
Brand names and other rights	15,328	-	15,328
Associated companies	151,860	-	151,860
Interests in joint ventures	70,397	(2)	70,395
Deferred tax assets	18,067	(8)	18,059
Other non-current assets	9,579	-	9,579
Liquid funds and other listed investments	23,499	-	23,499
	614,612	(10)	614,602
Current assets			
Cash and cash equivalents	107,948	-	107,948
Trade and other receivables	61,788	-	61,788
Inventories	19,533	-	19,533
	189,269	-	189,269
Current liabilities			
Trade and other payables	78,471	-	78,471
Bank and other debts	39,596	-	39,596
Current tax liabilities	2,856	-	2,856
	120,923	-	120,923
Net current assets	68,346	-	68,346
Total assets less current liabilities	682,958	(10)	682,948
Non-current liabilities			
Bank and other debts	220,440	-	220,440
Interest bearing loans from non-controlling shareholders	6,307	-	6,307
Deferred tax liabilities	8,973	(5)	8,968
Pension obligations	3,570	46	3,616
Other non-current liabilities	5,076	-	5,076
	244,366	41	244,407
Net assets	438,592	(51)	438,541
CAPITAL AND RESERVES			
Share capital	1,066	-	1,066
Perpetual capital securities	23,400	-	23,400
Reserves	367,093	(40)	367,053
Total ordinary shareholders' funds and perpetual capital securities	391,559	(40)	391,519
Non-controlling interests	47,033	(11)	47,022
Total equity	438,592	(51)	438,541

3 Operating segment information

The following presents information regarding the Group's operating segments for the six months ended 30 June 2013 and 2012. Saved as disclosed in the notes below, the column headed as Company and Subsidiaries refers to the Company and subsidiary companies' respective items and the column headed as Associates and JV refers to the Group's share of associated companies' and joint ventures' respective items.

The Group's telecommunications division consists of a 65.01% interest in Hutchison Telecommunications Hong Kong Holdings, which is listed on the Stock Exchange of Hong Kong, Hutchison Asia Telecommunications, an 87.87% interest in the Australian Securities Exchange listed Hutchison Telecommunications (Australia) ("HTAL"), which has a 50% interest in a joint venture company, Vodafone Hutchison Australia Pty Limited ("VHA"), and **3** Group Europe with businesses in 6 countries in Europe.

VHA is undergoing a shareholder-sponsored restructuring under the leadership of the other shareholder under the applicable terms of the shareholders' agreement. In order to assist in providing a meaningful analysis of the ongoing operating activities, HTAL's share of VHA's results for the six months ended 30 June 2013 is presented as a separate item within the income statement line item titled profits on disposal of investments and others to separately identify it from the recurring earnings profile during this phase. The comparable share of VHA's results for the six months ended 30 June 2012 is presented in this segmental analysis as the "Reconciliation item" to reconcile segment results to consolidated results of the Company.

Finance & Investments and others represents returns earned on the Group's holdings of cash and liquid investments and includes Hutchison Whampoa (China), Hutchison E-Commerce operations, listed subsidiary Hutchison China MediTech Limited, listed subsidiary Hutchison Harbour Ring and listed associate TOM Group and others, and is presented to reconcile to the totals included in the Group's income statement and statement of financial position.

Revenue from external customers is after elimination of inter-segment revenue. The amount eliminated mainly attributable to Property and hotels is HK$190 million (30 June 2012 - HK$170 million) and Hutchison Telecommunications Hong Kong Holdings is HK$70 million (30 June 2012 - HK$53 million).

(a) The following is an analysis of the Group's revenue by operating segments:

	Revenue							
	Six months ended 30 June 2013				Six months ended 30 June 2012			
	Company and Subsidiaries HK$ millions	**Associates and JV HK$ millions**	**Total HK$ millions**	**%**	Company and Subsidiaries HK$ millions	Associates and JV HK$ millions	Total HK$ millions	%
Ports and related services	**13,182**	**3,709**	**16,891**	**9%**	12,457	3,490	15,947	8%
Hutchison Ports Group other than HPH Trust	**13,119**	**2,410**	**15,529**	**8%**	12,447	2,170	14,617	7%
HPH Trust#	**63**	**1,299**	**1,362**	**1%**	10	1,320	1,330	1%
Property and hotels	**3,319**	**7,867**	**11,186**	**6%**	3,038	6,173	9,211	5%
Retail	**61,973**	**13,788**	**75,761**	**38%**	58,347	12,712	71,059	36%
Cheung Kong Infrastructure	**2,246**	**17,887**	**20,133**	**10%**	2,094	16,900	18,994	10%
Husky Energy	**-**	**29,911**	**29,911**	**15%**	-	29,768	29,768	15%
Hutchison Telecommunications Hong Kong Holdings	**6,149**	**-**	**6,149**	**3%**	6,730	-	6,730	4%
Hutchison Asia Telecommunications	**2,981**	**-**	**2,981**	**1%**	1,628	-	1,628	1%
3 Group Europe	**30,098**	**3**	**30,101**	**15%**	27,990	-	27,990	14%
Finance & Investments and others	**3,314**	**2,652**	**5,966**	**3%**	3,442	2,576	6,018	3%
	123,262	**75,817**	**199,079**	**100%**	115,726	71,619	187,345	96%
Reconciliation item@	**-**	**-**	**-**	**-**	-	7,648	7,648	4%
	123,262	**75,817**	**199,079**	**100%**	115,726	79,267	194,993	100%
Non-controlling interests' share of HPH Trust's revenue	**-**	**413**	**413**		-	406	406	
	123,262	**76,230**	**199,492**		115,726	79,673	195,399	

\# represents the Group's attributable share of HPH Trust's revenue based on the effective shareholdings in HPH Trust during 2013. Revenue reduced by HK$413 million and HK$406 million for the six months ended 30 June 2013 and 2012 respectively, being adjustments to exclude non-controlling interests' share of revenue of HPH Trust.

@ the reconciliation item represents revenue of HTAL and its share of VHA for the first half of 2012 of HK$7,648 million.

3 Operating segment information (continued)

(b) The Group uses two measures of segment results, EBITDA (see note 3(m)) and EBIT (see note 3(n)). The following is an analysis of the Group's results by operating segments by EBITDA:

	EBITDA (LBITDA)[(m)]							
	Six months ended 30 June 2013				Six months ended 30 June 2012			
	Company and Subsidiaries HK$ millions	**Associates and JV HK$ millions**	**Total HK$ millions**	**%**	Company and Subsidiaries HK$ millions	Associates and JV HK$ millions	Total HK$ millions	%
Ports and related services	**3,653**	**1,757**	**5,410**	**12%**	3,635	1,792	5,427	13%
Hutchison Ports Group other than HPH Trust	**3,594**	**1,118**	**4,712**	**10%**	3,629	1,099	4,728	11%
HPH Trust[#]	**59**	**639**	**698**	**2%**	6	693	699	2%
Property and hotels	**2,798**	**3,120**	**5,918**	**13%**	2,081	2,885	4,966	12%
Retail	**4,491**	**1,118**	**5,609**	**12%**	4,136	1,016	5,152	13%
Cheung Kong Infrastructure	**1,264**	**10,205**	**11,469**	**26%**	932	9,149	10,081	25%
Husky Energy	**-**	**7,991**	**7,991**	**18%**	-	7,212	7,212	18%
Hutchison Telecommunications Hong Kong Holdings	**1,480**	**29**	**1,509**	**3%**	1,445	6	1,451	4%
Hutchison Asia Telecommunications	**(59)**	**-**	**(59)**	**-**	(47)	-	(47)	-
3 Group Europe	**5,676**	**(15)**	**5,661**	**13%**	4,104	(5)	4,099	10%
Finance & Investments and others	**863**	**568**	**1,431**	**3%**	300	842	1,142	3%
	20,166	**24,773**	**44,939**	**100%**	16,586	22,897	39,483	98%
Reconciliation item[@]	**-**	**-**	**-**	**-**	(7)	875	868	2%
EBITDA before property revaluation and profits on disposal of investments and others	**20,166**	**24,773**	**44,939**	**100%**	16,579	23,772	40,351	100%
Profits on disposal of investments (see note 4)	**569**	**-**	**569**		-	-	-	
Non-controlling interests' share of HPH Trust's EBITDA	**-**	**290**	**290**		-	277	277	
EBITDA	**20,735**	**25,063**	**45,798**		16,579	24,049	40,628	
Less: Depreciation and amortisation	**(7,699)**	**(7,462)**	**(15,161)**		(6,820)	(8,256)	(15,076)	
Add: One-time gains[(o)]	**-**	**-**	**-**		447	-	447	
Change in fair value of investment properties	**7**	**27**	**34**		-	383	383	
Others (see note 4)	**-**	**(685)**	**(685)**		-	-	-	
Group's share of the following income statement items of associated companies and joint ventures:								
Interest expenses and other finance costs	**-**	**(2,927)**	**(2,927)**		-	(3,431)	(3,431)	
Current tax	**-**	**(3,298)**	**(3,298)**		-	(2,472)	(2,472)	
Deferred tax	**-**	**(511)**	**(511)**		-	(747)	(747)	
Non-controlling interests	**-**	**(158)**	**(158)**		-	(153)	(153)	
	13,043	**10,049**	**23,092**		10,206	9,373	19,579	

\# represents the Group's attributable share of HPH Trust's EBITDA based on the effective shareholdings in HPH Trust during 2013. EBITDA reduced by HK$290 million and HK$277 million for the six months ended 30 June 2013 and 2012 respectively, being adjustments to exclude non-controlling interests' share of EBITDA of HPH Trust.

@ the reconciliation item represents EBITDA of HTAL and its share of VHA for the first half of 2012 of HK$868 million.

3 Operating segment information (continued)

(c) The following is an analysis of the Group's results by operating segments by EBIT:

	EBIT (LBIT)[n]							
	Six months ended 30 June 2013				Six months ended 30 June 2012			
	Company and Subsidiaries HK$ millions	**Associates and JV HK$ millions**	**Total HK$ millions**	**%**	Company and Subsidiaries HK$ millions	Associates and JV HK$ millions	Total HK$ millions	%
Ports and related services	**2,327**	**1,122**	**3,449**	**12%**	2,452	1,195	3,647	14%
Hutchison Ports Group other than HPH Trust	**2,268**	**781**	**3,049**	**10%**	2,446	789	3,235	12%
HPH Trust#	**59**	**341**	**400**	**2%**	6	406	412	2%
Property and hotels	**2,682**	**3,060**	**5,742**	**19%**	1,956	2,824	4,780	19%
Retail	**3,474**	**845**	**4,319**	**14%**	3,183	769	3,952	15%
Cheung Kong Infrastructure	**1,167**	**7,773**	**8,940**	**30%**	871	6,992	7,863	30%
Husky Energy	**-**	**4,152**	**4,152**	**14%**	-	3,725	3,725	14%
Hutchison Telecommunications Hong Kong Holdings	**829**	**5**	**834**	**3%**	800	1	801	3%
Hutchison Asia Telecommunications	**(697)**	**-**	**(697)**	**-2%**	(675)	-	(675)	-2%
3 Group Europe[o]								
EBITDA before the following non-cash items:	**5,676**	**(15)**	**5,661**		4,104	(5)	4,099	
Depreciation	**(3,370)**	**-**	**(3,370)**		(3,075)	-	(3,075)	
Amortisation of licence fees and other rights	**(437)**	**-**	**(437)**		(100)	-	(100)	
One-time gains[o]	**-**	**-**	**-**		447	-	447	
EBIT (LBIT) - **3** Group Europe[o]	**1,869**	**(15)**	**1,854**	**6%**	1,376	(5)	1,371	5%
Finance & Investments and others	**816**	**479**	**1,295**	**4%**	250	684	934	4%
	12,467	**17,421**	**29,888**	**100%**	10,213	16,185	26,398	102%
Reconciliation item@	**-**	**-**	**-**	**-**	(7)	(560)	(567)	-2%
EBIT before property revaluation and profits on disposal of investments and others	**12,467**	**17,421**	**29,888**	**100%**	10,206	15,625	25,831	100%
Change in fair value of investment properties	**7**	**27**	**34**		-	383	383	
EBIT	**12,474**	**17,448**	**29,922**		10,206	16,008	26,214	
Profits on disposal of investments and others (see note 4)	**569**	**(685)**	**(116)**		-	-	-	
Non-controlling interests' share of HPH Trust's EBIT	**-**	**180**	**180**		-	168	168	
Group's share of the following income statement items of associated companies and joint ventures:								
Interest expenses and other finance costs	**-**	**(2,927)**	**(2,927)**		-	(3,431)	(3,431)	
Current tax	**-**	**(3,298)**	**(3,298)**		-	(2,472)	(2,472)	
Deferred tax	**-**	**(511)**	**(511)**		-	(747)	(747)	
Non-controlling interests	**-**	**(158)**	**(158)**		-	(153)	(153)	
	13,043	**10,049**	**23,092**		10,206	9,373	19,579	

\# represents the Group's attributable share of HPH Trust's EBIT based on the effective shareholdings in HPH Trust during 2013. EBIT reduced by HK$180 million and HK$168 million for the six months ended 30 June 2013 and 2012 respectively, being adjustments to exclude non-controlling interests' share of EBIT of HPH Trust.

@ the reconciliation item represents LBIT of HTAL and its share of VHA for the first half of 2012 of HK$567 million.

3 Operating segment information (continued)

(d) The following is an analysis of the Group's depreciation and amortisation by operating segments:

	Depreciation and amortisation					
	Six months ended 30 June 2013			Six months ended 30 June 2012		
	Company and Subsidiaries HK$ millions	**Associates and JV HK$ millions**	**Total HK$ millions**	Company and Subsidiaries HK$ millions	Associates and JV HK$ millions	Total HK$ millions
Ports and related services	**1,326**	**635**	**1,961**	1,183	597	1,780
Hutchison Ports Group other than HPH Trust	**1,326**	**337**	**1,663**	1,183	310	1,493
HPH Trust#	**-**	**298**	**298**	-	287	287
Property and hotels	**116**	**60**	**176**	125	61	186
Retail	**1,017**	**273**	**1,290**	953	247	1,200
Cheung Kong Infrastructure	**97**	**2,432**	**2,529**	61	2,157	2,218
Husky Energy	**-**	**3,839**	**3,839**	-	3,487	3,487
Hutchison Telecommunications Hong Kong Holdings	**651**	**24**	**675**	645	5	650
Hutchison Asia Telecommunications	**638**	**-**	**638**	628	-	628
3 Group Europe	**3,807**	**-**	**3,807**	3,175	-	3,175
Finance & Investments and others	**47**	**89**	**136**	50	158	208
	7,699	**7,352**	**15,051**	6,820	6,712	13,532
Reconciliation item@	**-**	**-**	**-**	-	1,435	1,435
	7,699	**7,352**	**15,051**	6,820	8,147	14,967
Non-controlling interests' share of HPH Trust's depreciation and amortisation	**-**	**110**	**110**	-	109	109
	7,699	**7,462**	**15,161**	6,820	8,256	15,076

\# represents the Group's attributable share of HPH Trust's depreciation and amortisation based on the effective shareholdings in HPH Trust during 2013. Depreciation and amortisation reduced by HK$110 million and HK$109 million for the six months ended 30 June 2013 and 2012 respectively, being adjustments to exclude non-controlling interests' share of depreciation and amortisation of HPH Trust.

@ the reconciliation item represents depreciation and amortisation of HTAL and its share of VHA for the first half of 2012 of HK$1,435 million.

(e) The following is an analysis of the Group's capital expenditure by operating segments:

	Capital expenditure							
	Six months ended 30 June 2013				Six months ended 30 June 2012			
	Fixed assets, investment properties and leasehold land HK$ millions	**Telecom-munications licences HK$ millions**	**Brand names and other rights HK$ millions**	**Total HK$ millions**	Fixed assets, investment properties and leasehold land HK$ millions	Telecom-munications licences HK$ millions	Brand names and other rights HK$ millions	Total HK$ millions
Ports and related services	**1,799**	**-**	**1**	**1,800**	1,943	-	-	1,943
Hutchison Ports Group other than HPH Trust	**1,799**	**-**	**1**	**1,800**	1,943	-	-	1,943
HPH Trust	**-**	**-**	**-**	**-**	-	-	-	-
Property and hotels	**247**	**-**	**-**	**247**	66	-	-	66
Retail	**804**	**-**	**-**	**804**	745	-	-	745
Cheung Kong Infrastructure	**173**	**-**	**-**	**173**	385	-	-	385
Husky Energy	**-**	**-**	**-**	**-**	-	-	-	-
Hutchison Telecommunications Hong Kong Holdings	**562**	**2**	**16**	**580**	567	150	4	721
Hutchison Asia Telecommunications	**608**	**-**	**-**	**608**	1,138	1	49	1,188
3 Group Europe(p)	**4,154**	**2,674**	**13**	**6,841**	5,446	1,443	11	6,900
Finance & Investments and others	**14**	**-**	**-**	**14**	13	-	-	13
	8,361	**2,676**	**30**	**11,067**	10,303	1,594	64	11,961

3 Operating segment information (continued)

(f) The following is an analysis of the Group's total assets by operating segments:

	Total assets							
	30 June 2013				31 December 2012			
	Company and Subsidiaries		**Investments in associated companies and interests in joint ventures**		Company and Subsidiaries		Investments in associated companies and interests in joint ventures	
	Segment assets[q]	**Deferred tax assets**		**Total assets**	Segment assets[q]	Deferred tax assets		Total assets
	HK$ millions	**HK$ millions**	**HK$ millions**	**HK$ millions**	HK$ millions	HK$ millions	HK$ millions	HK$ millions
Ports and related services	**65,686**	**189**	**27,682**	**93,557**	66,021	165	27,936	94,122
Hutchison Ports Group other than HPH Trust	**65,686**	**189**	**13,489**	**79,364**	66,021	165	13,332	79,518
HPH Trust	**-**	**-**	**14,193**	**14,193**	-	-	14,604	14,604
Property and hotels	**51,279**	**21**	**41,087**	**92,387**	51,344	40	41,379	92,763
Retail	**49,433**	**630**	**6,392**	**56,455**	50,297	545	6,444	57,286
Cheung Kong Infrastructure	**19,833**	**21**	**75,296**	**95,150**	17,406	22	77,111	94,539
Husky Energy	**-**	**-**	**52,516**	**52,516**	-	-	54,023	54,023
Hutchison Telecommunications Hong Kong Holdings	**19,390**	**369**	**619**	**20,378**	19,296	369	484	20,149
Hutchison Asia Telecommunications	**22,340**	**1**	**-**	**22,341**	21,387	1	-	21,388
3 Group Europe[r]	**220,090**	**16,607**	**12**	**236,709**	208,310	16,850	9	225,169
Finance & Investments and others	**112,549**	**14**	**2,860**	**115,423**	129,473	32	2,865	132,370
	560,600	**17,852**	**206,464**	**784,916**	563,534	18,024	210,251	791,809
Reconciliation item[@]	**71**	**22**	**4,200**	**4,293**	23	35	12,004	12,062
	560,671	**17,874**	**210,664**	**789,209**	563,557	18,059	222,255	803,871

@ the reconciliation item comprises total assets of HTAL.

(g) The following is an analysis of the Group's total liabilities by operating segments:

	Total liabilities							
	30 June 2013				31 December 2012			
	Segment liabilities[s]	**Current & non-current borrowings[t] and other non-current liabilities**	**Current & deferred tax liabilities**	**Total liabilities**	Segment liabilities[s]	Current & non-current borrowings[t] and other non-current liabilities	Current & deferred tax liabilities	Total liabilities
	HK$ millions	**HK$ millions**	**HK$ millions**	**HK$ millions**	HK$ millions	HK$ millions	HK$ millions	HK$ millions
Ports and related services	**14,936**	**27,794**	**4,855**	**47,585**	16,158	27,945	5,038	49,141
Hutchison Ports Group other than HPH Trust	**14,936**	**27,794**	**4,855**	**47,585**	16,158	27,945	5,038	49,141
HPH Trust	**-**	**-**	**-**	**-**	-	-	-	-
Property and hotels	**2,796**	**454**	**2,621**	**5,871**	2,384	450	2,364	5,198
Retail	**24,036**	**6,182**	**883**	**31,101**	25,775	6,307	1,231	33,313
Cheung Kong Infrastructure	**3,666**	**11,041**	**1,419**	**16,126**	3,453	11,599	1,010	16,062
Husky Energy	**-**	**-**	**-**	**-**	-	-	-	-
Hutchison Telecommunications Hong Kong Holdings	**4,318**	**5,286**	**328**	**9,932**	4,820	4,691	289	9,800
Hutchison Asia Telecommunications	**3,075**	**1,903**	**2**	**4,980**	2,953	2,142	2	5,097
3 Group Europe	**24,283**	**99,928**	**930**	**125,141**	20,979	128,645	213	149,837
Finance & Investments and others	**4,984**	**92,115**	**2,504**	**99,603**	5,382	89,640	1,677	96,699
	82,094	**244,703**	**13,542**	**340,339**	81,904	271,419	11,824	365,147
Reconciliation item[@]	**160**	**-**	**-**	**160**	183	-	-	183
	82,254	**244,703**	**13,542**	**340,499**	82,087	271,419	11,824	365,330

@ the reconciliation item comprises total liabilities of HTAL.

3 Operating segment information (continued)

Additional information in respect of geographical locations

(h) Additional disclosures of the Group's revenue by geographical location are shown below:

	Revenue							
	Six months ended 30 June 2013				Six months ended 30 June 2012			
	Company and Subsidiaries HK$ millions	**Associates and JV HK$ millions**	**Total HK$ millions**	**%**	Company and Subsidiaries HK$ millions	Associates and JV HK$ millions	Total HK$ millions	%
Hong Kong	**26,429**	**4,246**	**30,675**	**15%**	25,487	5,088	30,575	16%
Mainland China	**13,050**	**9,267**	**22,317**	**11%**	11,799	8,628	20,427	10%
Europe	**61,882**	**23,255**	**85,137**	**43%**	59,192	20,390	79,582	41%
Canada[(u)]	**49**	**29,983**	**30,032**	**15%**	57	29,717	29,774	15%
Asia, Australia and others	**18,538**	**6,414**	**24,952**	**13%**	15,749	12,868	28,617	15%
Finance & Investments and others	**3,314**	**2,652**	**5,966**	**3%**	3,442	2,576	6,018	3%
	123,262	**75,817**	**199,079** (1)	**100%**	115,726	79,267	194,993 (1)	100%

(1) see note 3(a) for reconciliation to total revenue included in the Group's income statement.

(i) Additional disclosures of the Group's EBITDA by geographical location are shown below:

	EBITDA[(m)]							
	Six months ended 30 June 2013				Six months ended 30 June 2012			
	Company and Subsidiaries HK$ millions	**Associates and JV HK$ millions**	**Total HK$ millions**	**%**	Company and Subsidiaries HK$ millions	Associates and JV HK$ millions	Total HK$ millions	%
Hong Kong	**4,470**	**2,187**	**6,657**	**15%**	3,428	2,282	5,710	14%
Mainland China	**2,061**	**4,009**	**6,070**	**13%**	2,087	4,286	6,373	16%
Europe	**8,388**	**7,398**	**15,786**	**35%**	6,884	6,234	13,118	32%
Canada[(u)]	**36**	**7,878**	**7,914**	**18%**	58	7,055	7,113	18%
Asia, Australia and others	**4,348**	**2,733**	**7,081**	**16%**	3,822	3,073	6,895	17%
Finance & Investments and others	**863**	**568**	**1,431**	**3%**	300	842	1,142	3%
EBITDA before property revaluation and profits on disposal of investments and others	**20,166**	**24,773**	**44,939** (2)	**100%**	16,579	23,772	40,351 (2)	100%

(2) see note 3(b) for reconciliation to total EBITDA included in the Group's income statement.

(j) Additional disclosures of the Group's EBIT by geographical location are shown below:

	EBIT[(n)]							
	Six months ended 30 June 2013				Six months ended 30 June 2012			
	Company and Subsidiaries HK$ millions	**Associates and JV HK$ millions**	**Total HK$ millions**	**%**	Company and Subsidiaries HK$ millions	Associates and JV HK$ millions	Total HK$ millions	%
Hong Kong	**3,540**	**1,440**	**4,980**	**17%**	2,521	1,580	4,101	16%
Mainland China	**1,769**	**3,507**	**5,276**	**18%**	1,835	3,821	5,656	22%
Europe	**3,566**	**5,943**	**9,509**	**31%**	3,190	5,018	8,208	31%
Canada[(u)]	**36**	**4,047**	**4,083**	**14%**	58	3,566	3,624	14%
Asia, Australia and others	**2,740**	**2,005**	**4,745**	**16%**	2,352	956	3,308	13%
Finance & Investments and others	**816**	**479**	**1,295**	**4%**	250	684	934	4%
EBIT before property revaluation and profits on disposal of investments and others	**12,467**	**17,421**	**29,888**	**100%**	10,206	15,625	25,831	100%
Change in fair value of investment properties	**7**	**27**	**34**		-	383	383	
EBIT	**12,474**	**17,448**	**29,922** (3)		10,206	16,008	26,214 (3)	

(3) see note 3(c) for reconciliation to total EBIT included in the Group's income statement.

3 Operating segment information (continued)

(k) Additional disclosures of the Group's capital expenditure by geographical location are shown below:

	Capital expenditure							
	Six months ended 30 June 2013				Six months ended 30 June 2012			
	Fixed assets, investment properties and leasehold land HK$ millions	**Telecom-munications licences HK$ millions**	**Brand names and other rights HK$ millions**	**Total HK$ millions**	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	**942**	**2**	**7**	**951**	760	150	4	914
Mainland China	**476**	**-**	**-**	**476**	770	-	-	770
Europe	**4,936**	**2,674**	**13**	**7,623**	6,406	1,443	11	7,860
Canada	**-**	**-**	**-**	**-**	-	-	-	-
Asia, Australia and others	**1,993**	**-**	**10**	**2,003**	2,354	1	49	2,404
Finance & Investments and others	**14**	**-**	**-**	**14**	13	-	-	13
	8,361	**2,676**	**30**	**11,067**	10,303	1,594	64	11,961

(l) Additional disclosures of the Group's total assets by geographical location are shown below:

	Total assets							
	30 June 2013				31 December 2012			
	Company and Subsidiaries				Company and Subsidiaries			
	Segment assets(q) HK$ millions	**Deferred tax assets HK$ millions**	**Investments in associated companies and interests in joint ventures HK$ millions**	**Total assets HK$ millions**	Segment assets(q) HK$ millions	Deferred tax assets HK$ millions	Investments in associated companies and interests in joint ventures HK$ millions	Total assets HK$ millions
Hong Kong	**75,710**	**418**	**30,918**	**107,046**	75,669	434	28,241	104,344
Mainland China	**12,342**	**412**	**63,938**	**76,692**	11,815	346	64,041	76,202
Europe	**289,137**	**16,789**	**45,655**	**351,581**	278,263	16,969	48,167	343,399
Canada(u)	**456**	**-**	**48,122**	**48,578**	410	-	50,325	50,735
Asia, Australia and others	**70,477**	**241**	**19,171**	**89,889**	67,927	278	28,616	96,821
Finance & Investments and others	**112,549**	**14**	**2,860**	**115,423**	129,473	32	2,865	132,370
	560,671	**17,874**	**210,664**	**789,209**	563,557	18,059	222,255	803,871

(m) EBITDA (LBITDA) represents the EBITDA (LBITDA) of the Company and subsidiary companies as well as the Group's share of the EBITDA (LBITDA) of associated companies and joint ventures except for HPH Trust which are included based on the Group's effective share of EBITDA for these operations. EBITDA (LBITDA) is defined as earnings (losses) before interest expenses and other finance costs, tax, depreciation and amortisation, and includes profits on disposal of investments and other earnings of a cash nature but excludes change in fair value of investment properties. Information concerning EBITDA (LBITDA) 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 gross cash flow generation. The Group considers EBITDA (LBITDA) to be an important performance measure which is used in the Group's internal financial and management reporting to monitor business performance. EBITDA (LBITDA) is therefore presented as a measure of segment results in accordance with HKFRS 8. EBITDA (LBITDA) is not a measure of cash liquidity or financial performance under generally accepted accounting principles in Hong Kong and the EBITDA (LBITDA) measures used by the Group may not be comparable to other similarly titled measures of other companies. EBITDA (LBITDA) should not necessarily be construed as an alternative to cash flows or results from operations as determined in accordance with generally accepted accounting principles in Hong Kong.

3 Operating segment information (continued)

(n) EBIT (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 joint ventures except for HPH Trust which are included based on the Group's effective share of EBIT for these operations. EBIT (LBIT) is defined as earnings (losses) before interest expenses 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 results 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 results 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 results from operations as determined in accordance with generally accepted accounting principles in Hong Kong.

(o) Included in comparable EBIT (LBIT) of **3** Group Europe for the six months ended 30 June 2012 is a one-time net gain of HK$447 million from a network sharing arrangement, which includes a benefit of HK$2,032 million from future cost savings arising from a right to share another Irish operator's mobile network, partially offset by a HK$1,585 million one-time provision mainly related to the restructuring of **3** Ireland's network infrastructure.

(p) Included in capital expenditures of **3** Group Europe for the six months ended 30 June 2013 is the effect of foreign exchange translation of overseas subsidiaries' fixed assets balances at 30 June 2013 which has an effect of decreasing total expenditures by HK$263 million (30 June 2012 - HK$171 million).

(q) Segment assets comprise fixed assets, investment properties, leasehold land, telecommunications licences, goodwill, brand names and other rights, other non-current assets, liquid funds and other listed investments, cash and cash equivalents and other current assets. As additional information, non-current assets (excluding financial instruments, deferred tax assets, post-employment benefits assets and assets from insurance contracts) for Hong Kong, Mainland China, Europe, Canada, and Asia, Australia and others amounted to HK$98,361 million (31 December 2012 - HK$95,803 million), HK$73,871 million (31 December 2012 - HK$73,676 million), HK$278,057 million (31 December 2012 - HK$270,566 million), HK$48,163 million (31 December 2012 - HK$50,366 million) and HK$66,455 million (31 December 2012 - HK$73,054 million) respectively.

(r) Included in total assets of **3** Group Europe is an unrealised foreign currency exchange loss arising on 30 June 2013 of HK$4,513 million (31 December 2012 - gain of HK$3,055 million) from the translation of overseas subsidiaries accounts to Hong Kong dollars with an offsetting amount recorded in exchange reserve.

(s) Segment liabilities comprise trade and other payables and pension obligations.

(t) Current and non-current borrowings comprise bank and other debts and interest bearing loans from non-controlling shareholders.

(u) Include contribution from the United States of America for Husky Energy.

4 Profits on disposal of investments and others

	Attributable to Ordinary shareholders of the Company HK$ millions	Holders of perpetual capital securities HK$ millions	Non-controlling interests HK$ millions	Total HK$ millions
Six months ended 30 June 2013				
Profits on disposal of investments[(a)]	**569**	**-**	**-**	**569**
Others				
HTAL - share of operating losses of joint venture VHA[(b)]	**(602)**	**-**	**(83)**	**(685)**
	(33)	**-**	**(83)**	**(116)**
Six months ended 30 June 2012	-	-	-	-

(a) During the six months ended 30 June 2013, the Group has recognised a one-time net gain, before tax, of HK$569 million, arising from the disposal of certain non-core telecommunications assets in Austria of HK$2,648 million, upon completion of the acquisition of Orange Austria, net with one-time costs of HK$2,079 million mainly relating to the restructuring of **3** Austria's business on the acquisition of Orange Austria.

(b) VHA is undergoing a shareholder-sponsored restructuring under the leadership of the other shareholder under the applicable terms of the shareholders' agreement. In order to assist in providing a meaningful analysis of the ongoing operating activities, HTAL's share of VHA's results for the six months ended 30 June 2013 is presented as a separate item above to separately identify it from the recurring earnings profile during this phase.

5 Interest expenses and other finance costs

	Six months ended 30 June **2013** HK$ millions	2012 HK$ millions
Interest on borrowings	**3,971**	4,074
Amortisation of loan facilities fees and premiums or discounts relating to borrowings	**128**	150
Notional non-cash interest accretion	**170**	242
Other finance costs	**138**	30
	4,407	4,496
Less: interest capitalised	**(72)**	(51)
	4,335	4,445

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	
	2013	2012
	HK$ millions	HK$ millions
Current tax		
Hong Kong	**259**	128
Outside Hong Kong	**1,666**	928
	1,925	1,056
Deferred tax		
Hong Kong	**98**	112
Outside Hong Kong	**798**	836
	896	948
	2,821	2,004

Hong Kong profits tax has been provided for at the rate of 16.5% (30 June 2012 - 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 Earnings per share for profit attributable to ordinary shareholders of the Company

The calculation of earnings per share is based on profit attributable to ordinary shareholders of the Company HK$12,398 million (30 June 2012 - HK$10,092 million) and on 4,263,370,780 shares in issue during the first half of 2013 (30 June 2012 - 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 2013. The employee share options of these subsidiary and associated companies outstanding as at 30 June 2013 did not have a dilutive effect on earnings per share.

8 Dividends

	Six months ended 30 June	
	2013	2012
	HK$ millions	HK$ millions
Interim dividend	**2,558**	2,345
Interim dividend per share	**HK$ 0.60**	HK$ 0.55

In addition, final dividend in respect of the 2012 year of HK$1.53 per share (2011 - HK$1.53 per share) totalling HK$6,523 million (2011 - HK$6,523 million) was approved and paid during the current period.

9 Cash and cash equivalents

	30 June 2013	31 December 2012
	HK$ millions	HK$ millions
Cash at bank and in hand	**42,378**	25,697
Short term bank deposits	**54,718**	82,251
	97,096	107,948

10 Trade and other receivables

	30 June 2013 HK$ millions	31 December 2012 HK$ millions
Trade receivables	**23,884**	23,953
Less: provision for estimated impairment losses for bad debts	**(4,246)**	(4,307)
Trade receivables - net	**19,638**	19,646
Other receivables and prepayments	**44,123**	41,979
Fair value hedges		
Interest rate swaps	**33**	116
Cross currency interest rate swaps	**196**	-
Cash flow hedges		
Forward foreign exchange contracts	**465**	47
	64,455	61,788

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. The carrying amount of these assets approximates their fair value.

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

	30 June 2013 HK$ millions	31 December 2012 HK$ millions
Less than 31 days	**13,329**	13,089
Within 31 to 60 days	**1,507**	1,689
Within 61 to 90 days	**890**	795
Over 90 days	**8,158**	8,380
	23,884	23,953

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. 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.

11 Trade and other payables

	30 June 2013 HK$ millions	31 December 2012 HK$ millions
Trade payables	**20,587**	20,742
Other payables and accruals	**55,915**	55,932
Provisions	**1,006**	1,120
Interest free loans from non-controlling shareholders	**1,156**	476
Cash flow hedges		
Forward foreign exchange contracts	**75**	201
	78,739	78,471

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

	30 June 2013 HK$ millions	31 December 2012 HK$ millions
Less than 31 days	**13,830**	13,842
Within 31 to 60 days	**3,167**	3,196
Within 61 to 90 days	**1,521**	1,457
Over 90 days	**2,069**	2,247
	20,587	20,742

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 on the Group's overall financial position 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 uses 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 will 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 2013, approximately 28% of the Group's total principal amount of bank and other debts were at floating rates and the remaining 72% were at fixed rates. The Group has entered into various interest rate agreements with major financial institution counterparties to swap approximately HK$63,923 million principal amount of fixed interest rate borrowings to effectively become floating interest rate borrowings. In addition, HK$8,099 million principal amount of floating interest rate borrowings were swapped to fixed interest rate borrowings. After taking into consideration these interest rate swaps, approximately 52% of the Group's total principal amount of bank and other debts were at floating rates and the remaining 48% were at fixed rates at 30 June 2013. All of the aforementioned interest rate derivatives are designated as hedges and these hedges are expected to be highly effective.

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 where the Group has overseas operations, including Euro, British Pound, the Canadian and Australian dollars as well as Renminbi in the Mainland, fluctuated against the Hong Kong dollar. This gave rise to an unrealised loss of approximately HK$12,451 million (30 June 2012 – HK$3,693 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 joint ventures. This unrealised loss is reflected as a movement in the Consolidated Statement of Changes in Equity under the heading of exchange reserve.

At 30 June 2013, 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: 36% in Euro, 30% in US dollars, 21% in HK dollars, 6% in British Pounds and 7% 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 2013, our long-term credit ratings were A3 from Moody's, A- from Standard & Poor's and A- from Fitch, with all three agencies maintaining stable outlooks on their ratings.

Market Price Risk

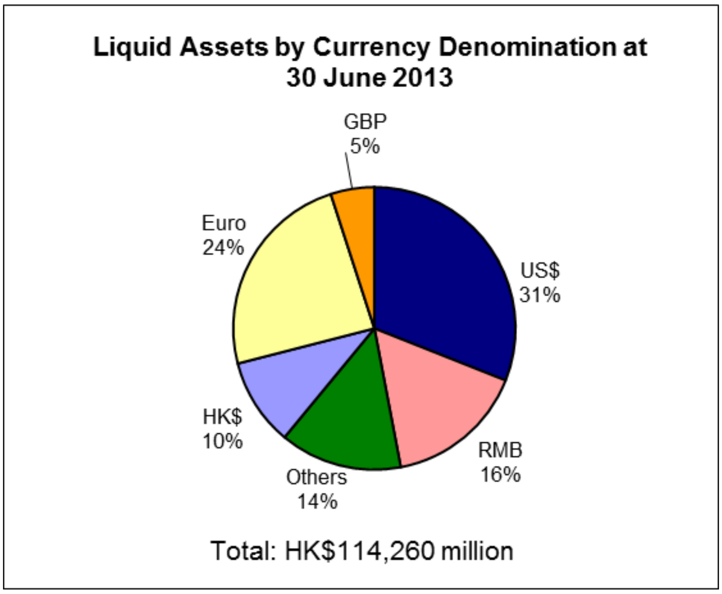
The Group's main market price risk exposures relate to listed / traded debt and equity securities described in "Liquid Assets" below and the interest rate swaps as described in "Interest Rate Exposure" above. The Group's holding of listed / traded debt and equity securities represented approximately 15% (31 December 2012 – approximately 18%) of the cash, liquid funds and other listed investments ("liquid assets"). The Group controls this risk through active monitoring of price movements and changes in market conditions that may have an impact on the value of these financial assets and instruments.

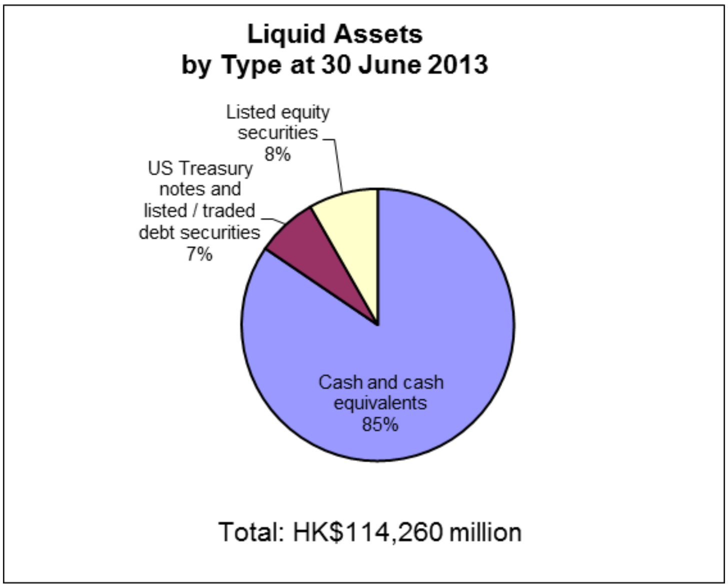
Liquid Assets

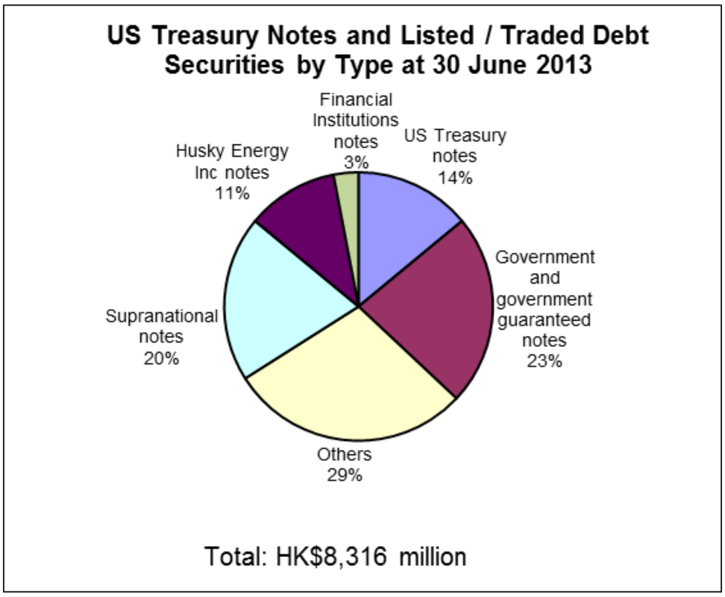
The Group continues to maintain a solid and healthy financial position. Liquid assets amounted to HK$114,260 million at 30 June 2013, a decrease of 13% from the balance of HK$131,447 million at 31 December 2012, mainly reflecting the utilisation of cash for the repayment and early repayment of certain borrowings, repurchased US$185 million (approximately HK$1,446 million) nominal amount of perpetual capital securities issued in 2010, dividend payments to ordinary and non-controlling shareholders as well as distributions to perpetual capital securities holders, acquisition of new investments, including the acquisition of Orange Austria, of HK$17,499 million, and acquisition of fixed assets and telecommunications licences of HK$11,067 million, net of the cash arising from positive funds from operations from the Group's businesses, cash from new borrowings and proceeds from the issue of €1,750 million perpetual capital securities during the period. Liquid assets were denominated as to 10% in HK dollars, 31% in US dollars, 16% in Renminbi, 24% in Euro, 5% in British Pounds and 14% in other currencies.

Cash and cash equivalents represented 85% (31 December 2012 – 82%) of the liquid assets, US Treasury notes and listed / traded debt securities 7% (31 December 2012 – 11%) and listed equity securities 8% (31 December 2012 – 7%).

The US Treasury notes and listed / traded debt securities, including those held under managed funds, consisted of US Treasury notes of 14%, government and government guaranteed notes of 23%, supranational notes of 20%, notes issued by the Group's associated company, Husky Energy Inc of 11%, notes issued by financial institutions of 3%, and others of 29%. Of these US Treasury notes and listed / traded debt securities, 54% are rated at Aaa/AAA or Aa1/AA+ with an average maturity of 2.6 years on the overall portfolio. The Group has no exposure in mortgage-backed securities, collateralised debt obligations or similar asset classes.


Liquid Assets by Currency Denomination at 30 June 2013
GBP 5%
Euro 24%
US$ 31%
HK$ 10%
RMB 16%
Others 14%
Total: HK$114,260 million


Liquid Assets by Type at 30 June 2013
Listed equity securities 8%
US Treasury notes and listed / traded debt securities 7%
Cash and cash equivalents 85%
Total: HK$114,260 million


US Treasury Notes and Listed / Traded Debt Securities by Type at 30 June 2013
Financial Institutions notes 3%
US Treasury notes 14%
Husky Energy Inc notes 11%
Government and government guaranteed notes 23%
Supranational notes 20%
Others 29%
Total: HK$8,316 million

Cash Flow

Consolidated EBITDA[1] amounted to HK$45,798 million, an increase of 13% compared to HK$40,628 million, as restated, for the same period last year. Consolidated funds from operations ("FFO") before cash profits from disposals, capital expenditures, investments and changes in working capital amounts to HK$23,088 million, a 54% increase compared to same period last year mainly due to higher FFO contributions by the Group's businesses and the increase in dividends and distributions received from associated companies and joint ventures.

The Group's capital expenditures decreased 7% to total HK$11,067 million during 2013 (30 June 2012 – HK$11,961 million), primarily due to lower capital expenditures for the acquisition of fixed assets, particularly in **3** Group Europe, partially offset by higher capital expenditures for the acquisition of telecommunications licenses in Europe. Capital expenditures on fixed assets for the ports and related services division amounted to HK$1,799 million (30 June 2012 – HK$1,943 million); for the property and hotels division HK$247 million (30 June 2012 – HK$66 million); for the retail division HK$804 million (30 June 2012 – HK$745 million); for CKI HK$173 million (30 June 2012 – HK$385 million); for HTHKH HK$562 million (30 June 2012 – HK$567 million); for HAT HK$608 million (30 June 2012 – HK$1,138 million); for **3** Group Europe HK$4,154 million (30 June 2012 – HK$5,446 million); and for the finance and investments and others HK$14 million (30 June 2012 – HK$13 million). Capital expenditures for telecommunications licences, brand names and other rights for the ports and related services division amounted to HK$1 million (30 June 2012 – nil), for HTHKH HK$18 million (30 June 2012 – HK$154 million); for HAT nil (30 June 2012 – HK$50 million) and for **3** Group Europe HK$2,687 million (30 June 2012 – HK$1,454 million).

Purchases of and advances to (net of deposits from) associated companies and joint ventures, net of repayments from associated companies and joint ventures, resulted in a net cash inflow of HK$3,988 million (30 June 2012: net cash outflow of HK$2,538 million) mainly due to the repayment of advances, together with deposits placed by associates and joint ventures in the first six months of 2013.

The capital expenditures and investments 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

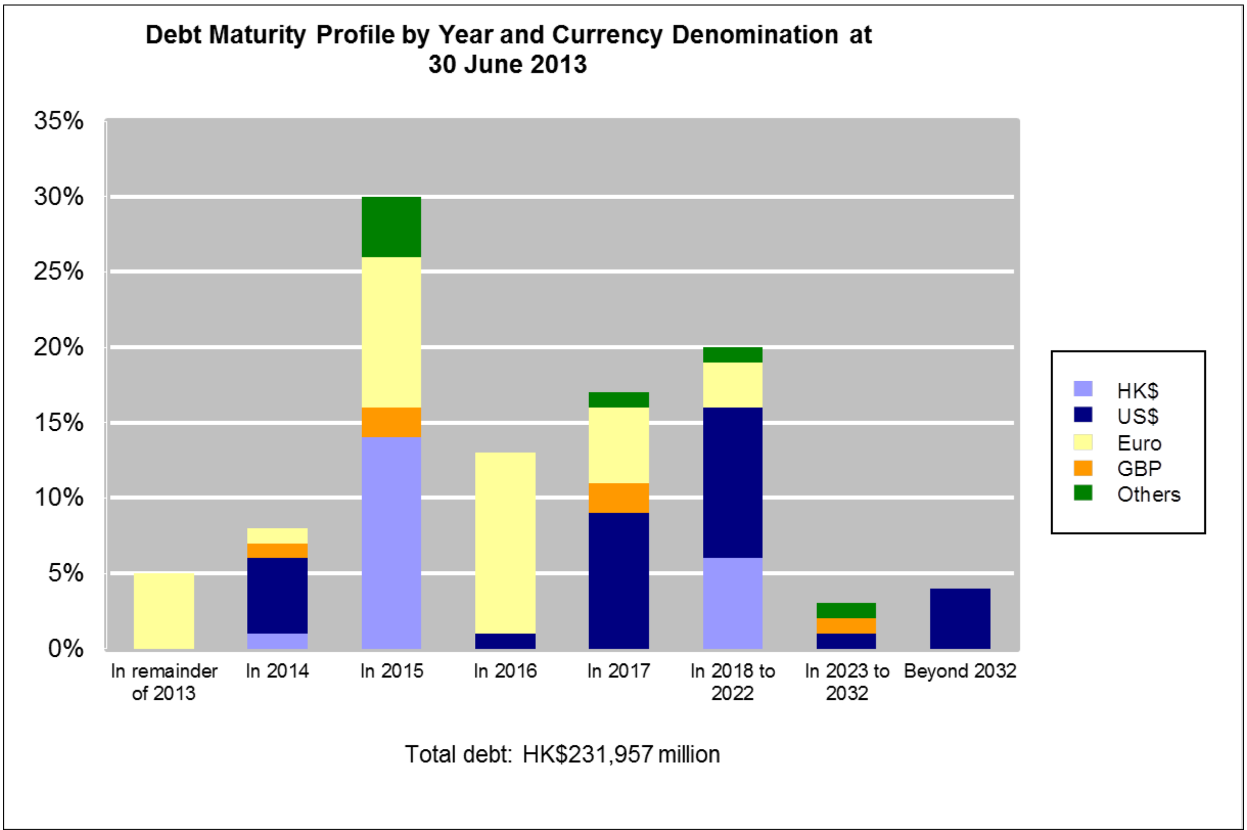
The Group's total principal amount of bank and other debts at 30 June 2013 decreased 9% to total HK$231,957 million (31 December 2012 – HK$256,152 million), of which 71% (31 December 2012 – 74%) are notes and bonds and 29% (31 December 2012 – 26%) are bank and other loans. The net decrease in principal amount of bank and other debts was primarily due to the repayment of debts as they matured as well as the early repayment of certain debts totalling HK$44,935 million and the favourable impact of HK$2,979 million upon translation of foreign currency-denominated loans to Hong Kong dollars, partially offset by new borrowings of HK$23,373 million. The Group's weighted average cost of debt at 30 June 2013 decreased by 0.2%-points to 3.2% (31 December 2012 – 3.4%). Interest bearing loans from non-controlling shareholders, which are viewed as quasi-equity, totalled HK$5,572 million at 30 June 2013 (31 December 2012 – HK$6,307 million).

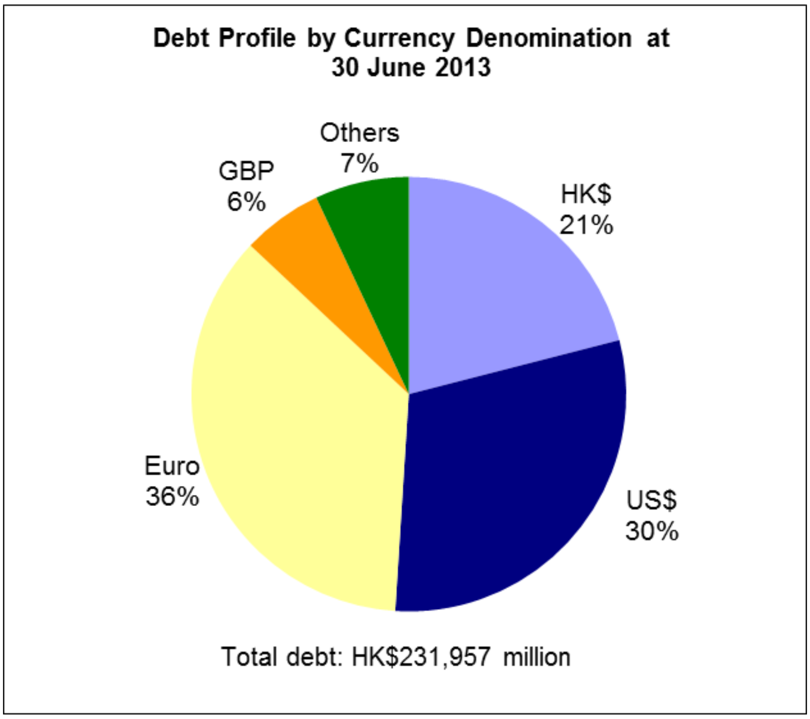
Note [1] EBITDA includes the non-controlling interests' share of HPH Trust's EBITDA.

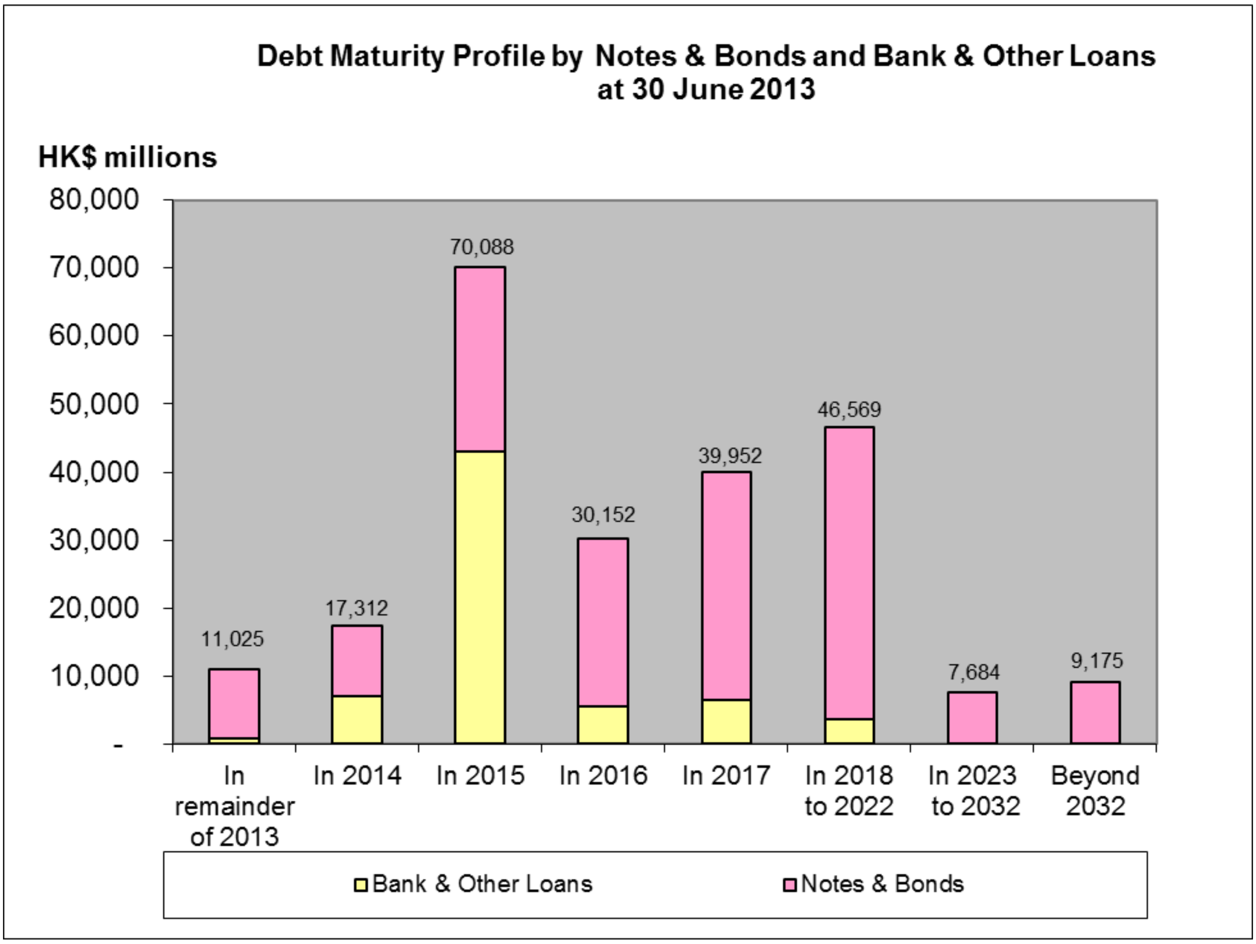
The maturity profile of the Group's total principal amount of bank and other debts at 30 June 2013 is set out below:

	HK$	US$	Euro	GBP	Others	Total
In remainder of 2013	-	-	5%	-	-	5%
In 2014	1%	5%	1%	1%	-	8%
In 2015	14%	-	10%	2%	4%	30%
In 2016	-	1%	12%	-	-	13%
In 2017	-	9%	5%	2%	1%	17%
In 2018 to 2022	6%	10%	3%	-	1%	20%
In 2023 to 2032	-	1%	-	1%	1%	3%
Beyond 2032	-	4%	-	-	-	4%
Total	21%	30%	36%	6%	7%	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.




Debt Profile by Currency Denomination at 30 June 2013
Others 7%
GBP 6%
HK$ 21%
Euro 36%
US$ 30%
Total debt: HK$231,957 million


Debt Maturity Profile by Notes & Bonds and Bank & Other Loans at 30 June 2013
HK$ millions
80,000
70,000
60,000
50,000
40,000
30,000
20,000
10,000
-
11,025
17,312
70,088
30,152
39,952
46,569
7,684
9,175
In remainder of 2013
In 2014
In 2015
In 2016
In 2017
In 2018 to 2022
In 2023 to 2032
Beyond 2032
Bank & Other Loans
Notes & Bonds

Changes in Financing

The significant financing activities in the first half of 2013 were as follows:

- In January, obtained a short term floating rate loan facility of €1,450 million (approximately HK$15,037 million) and was subsequently repaid on maturity in May 2013;

- In February, repaid on maturity US$3,110 million principal amount of fixed rate notes (approximately HK$24,257 million);

- In February, obtained a short term floating rate revolving loan facility of GBP550 million (approximately HK$6,523 million) which has already expired;

- In March, obtained a five-year floating rate loan facility of HK$1,400 million;

- In April, listed subsidiary CKI obtained a five-year loan facility of NZ$260 million (approximately HK$1,685 million), of which the project debt of NZ$150 million (approximately HK$972 million) was drawn in relation to the acquisition of Enviro Waste Services Limited;

- In April, prepaid a floating rate loan facility of HK$1,400 million that matured in May 2013;

- In April, prepaid a floating rate loan facility of HK$500 million maturing in October 2013; and

- In May, obtained a five-year floating rate loan facility of HK$2,000 million and repaid on maturity a floating rate loan facility of HK$1,500 million.

Subsequent to the period ended 30 June:

- In July, repaid €1,000 million principal amount of fixed rate notes (approximately HK$10,160 million) on maturity; and
- In July, prepaid a floating rate loan facility of €300 million (approximately HK$3,048 million) maturing in June 2015.

Capital, Net Debt and Interest Coverage Ratios

The Group's total ordinary shareholders' funds and perpetual capital securities increased 3% to HK$401,659 million at 30 June 2013, compared to HK$391,519 million, as restated, at 31 December 2012, reflecting the profits for the first half of 2013 as well as the issuance of €1,750 million perpetual capital securities in May 2013, partly offset by net exchange losses on translation of the Group's overseas 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 joint ventures, dividends and distributions paid and other items recognised directly in reserves. At 30 June 2013, the consolidated net debt of the Group, excluding interest bearing loans from non-controlling shareholders 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$117,697 million (31 December 2012 – HK$124,705 million), a reduction of 6% compared to the net debt at the beginning of the year. The Group's net debt to net total capital ratio at 30 June 2013 reduced to 20.5% (31 December 2012 – 21.9%).

The following table shows the net debt to net total capital ratio calculated on the basis of including interest bearing loans from non-controlling shareholders and also with the Group's investments in its listed subsidiaries and associated companies marked to market value at 30 June 2013. The net debt to net total capital ratio can be significantly affected by foreign currency translation effects on total ordinary shareholders' funds and perpetual capital securities and on debt balances. The ratios as at 30 June 2013 before and after the effect of foreign currency transaction and other non-cash movements for the period are shown below:

Net debt / Net total capital ratios at 30 June 2013:		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 shareholders from debt	20.2%	20.5%
A2:	as in A1 above and investments in listed subsidiaries and associated companies marked to market value	18.5%	18.7%
B1:	including interest bearing loans from non-controlling shareholders as debt	21.2%	21.5%
B2:	as in B1 above and investments in listed subsidiaries and associated companies marked to market value	19.4%	19.6%

The Group's consolidated gross interest expense and other finance costs of subsidiaries, before capitalisation, decreased 2% to total HK$4,407 million as compared to HK$4,496 million in the same period last year, mainly due to the weighted average cost of debt for the Group reducing from 3.5% for 30 June 2012 to 3.2% for the period partially offset by the higher average borrowings during the period.

Consolidated EBITDA and FFO for the period covered consolidated net interest expense and other finance costs 15.5 times and 8.9 times respectively (31 December 2012, as restated – 14.7 times and 7.1 times).

Secured Financing

At 30 June 2013, assets of the Group totalling HK$2,082 million (31 December 2012 – HK$824 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 2013 amounted to the equivalent of HK$5,231 million (31 December 2012 – HK$5,807 million).

Contingent Liabilities

At 30 June 2013, the Group provided guarantees in respect of bank and other borrowing facilities to its associated companies and joint ventures totalling HK$24,231 million (31 December 2012 – HK$11,920 million), of which HK$22,891 million (31 December 2012 – HK$10,485 million) has been drawn down as at 30 June 2013, and also provided performance and other guarantees of HK$4,528 million (31 December 2012 – HK$4,411 million).

PURCHASE, SALE OR REDEMPTION OF SHARES

During the six months ended 30 June 2013, 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 CORPORATE GOVERNANCE CODE

The Company strives to attain and maintain high standards of corporate governance best suited to the needs and interests of the Group as it believes that effective corporate governance practices are fundamental to safeguarding interests of shareholders and other stakeholders and enhancing shareholder value.

The Company has been compliant throughout the six months ended 30 June 2013 with all code provisions of the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), other than those in respect of the nomination committee. The Company has considered the merits of establishing a nomination committee but is of the view that it is in the best interests of the Company that the Board collectively reviews, deliberates on and approves the structure, size and composition of the Board and the appointment of any new Director, as and when appropriate. The Board is tasked with ensuring that it has a balanced composition of skills and experience appropriate for the requirements of the businesses of the Group and that appropriate individuals with the relevant expertise and leadership qualities are appointed to the Board to complement the capabilities of the existing Directors. In addition, the Board as a whole is also responsible for reviewing the succession plan for Directors, including the Chairman of the Board and the Group Managing Director.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF THE COMPANY

The Board adopted its own Model Code for Securities Transactions by Directors (the "Securities Code") on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules as the Group's code of conduct regarding Directors' securities transactions. In response to specific enquiries made, all Directors of the Company have confirmed that throughout the six months ended 30 June 2013, they have complied with the provisions of such Securities Code.

REVIEW OF ACCOUNTS

The unaudited condensed consolidated accounts of the Company and its subsidiary companies for the six months ended 30 June 2013 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 2013 have also been reviewed by the Audit Committee of the Company.

RECORD DATE FOR INTERIM DIVIDEND

The record date for the purpose of determining shareholders' entitlement to the interim dividend is Monday, 2 September 2013.

In order to qualify for the interim dividend payable on Wednesday, 11 September 2013, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar (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 Monday, 2 September 2013.

CORPORATE STRATEGY

The primary objective of the Company is to enhance long-term total return for our shareholders. To achieve this objective, the Group's strategy is to place equal emphasis on achieving sustainable recurring earnings growth and maintaining the Group's strong financial profile. The Chairman's Statement and the Operations Highlights contain discussions and analyses of the Group's performance and the basis on which the Group generates or preserves value over the longer term and the basis on which the Group will execute its strategy for delivering the Group's objective.

PAST PERFORMANCE AND FORWARD LOOKING STATEMENTS

The performance and the results of operations of the Group contained within this Interim Report are historical in nature, and past performance is no guarantee of the future results of the Group. Any forward-looking statements and opinions contained within this Interim Report are based on current plans, estimates and projections, and therefore involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements and opinions. The Group, the Directors, employees and agents of the Group assume (a) no obligation to correct or update the forward-looking statements or opinions contained in this Interim Report; and (b) no liability in the event that any of the forward-looking statements or opinions do not materialise or turn out to be incorrect.

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 LEE Yeh Kwong, Charles
Mr George Colin MAGNUS

Independent Non-executive Directors:
The Hon Sir Michael David KADOORIE
Mr Holger KLUGE
Ms LEE Wai Mun, Rose
Mr William Elkin MOCATTA
(Alternate to The Hon Sir Michael David Kadoorie)
Mr William SHURNIAK
Mr WONG Chung Hin

Financial Performance Summary

Note: All comparing against the performance in the first half of 2012 unless indicated otherwise

	For the six months ended 30 June 2013 HK$ millions	%	For the six months ended 30 June 2012 HK$ millions Restated	%	Change %
Total Revenue [1]					
Ports and related services	16,891	9%	15,947	8%	6%
Hutchison Ports Group other than HPH Trust	*15,529*	*8%*	*14,617*	*7%*	*6%*
HPH Trust	*1,362*	*1%*	*1,330*	*1%*	*2%*
Property and hotels	11,186	6%	9,211	5%	21%
Retail	75,761	38%	71,059	36%	7%
Cheung Kong Infrastructure	20,133	10%	18,994	10%	6%
Husky Energy	29,911	15%	29,768	15%	0%
Hutchison Telecommunications Hong Kong Holdings	6,149	3%	6,730	4%	-9%
Hutchison Asia Telecommunications	2,981	1%	1,628	1%	83%
3 Group Europe	30,101	15%	27,990	14%	8%
Finance & Investments and Others	5,966	3%	6,018	3%	-1%
Total Comparable Revenue [2]	199,079	100%	187,345	96%	6%
Reconciliation item [3]	-	0%	7,648	4%	-100%
Total Reported Revenue	199,079	100%	194,993	100%	2%
EBITDA [1]					
Ports and related services	5,410	12%	5,427	13%	0%
Hutchison Ports Group other than HPH Trust	*4,712*	*10%*	*4,728*	*11%*	*0%*
HPH Trust	*698*	*2%*	*699*	*2%*	*0%*
Property and hotels	5,918	13%	4,966	12%	19%
Retail	5,609	12%	5,152	13%	9%
Cheung Kong Infrastructure	11,469	26%	10,081	25%	14%
Husky Energy	7,991	18%	7,212	18%	11%
Hutchison Telecommunications Hong Kong Holdings	1,509	3%	1,451	4%	4%
Hutchison Asia Telecommunications	(59)	0%	(47)	0%	-26%
3 Group Europe	5,661	13%	4,099	10%	38%
Finance & Investments and Others	1,431	3%	1,142	3%	25%
Comparable EBITDA before profits on disposal of investments & others and property revaluation [2]	44,939	100%	39,483	98%	14%
Reconciliation item [3]	-	0%	868	2%	-100%
Reported EBITDA before profits on disposal of investments & others and property revaluation	44,939	100%	40,351	100%	11%
EBIT [1]					
Ports and related services	3,449	12%	3,647	14%	-5%
Hutchison Ports Group other than HPH Trust	*3,049*	*10%*	*3,235*	*12%*	*-6%*
HPH Trust	*400*	*2%*	*412*	*2%*	*-3%*
Property and hotels	5,742	19%	4,780	19%	20%
Retail	4,319	14%	3,952	15%	9%
Cheung Kong Infrastructure	8,940	30%	7,863	30%	14%
Husky Energy	4,152	14%	3,725	14%	11%
Hutchison Telecommunications Hong Kong Holdings	834	3%	801	3%	4%
Hutchison Asia Telecommunications	(697)	-2%	(675)	-2%	-3%
3 Group Europe	1,854	6%	1,371	5%	35%
Finance & Investments and Others	1,295	4%	934	4%	39%
Comparable EBIT before profits on disposal of investments & others and property revaluation [2]	29,888	100%	26,398	102%	13%
Reconciliation item [3]	-	0%	(567)	-2%	100%
Reported EBIT before profits on disposal of investments & others and property revaluation	29,888	100%	25,831	100%	16%
Interest expenses and other finance costs [1]	(7,262)		(7,876)		8%
Profit before tax	22,626		17,955		26%
Tax [1]					
- Current tax	(5,223)		(3,528)		-48%
- Deferred tax	(1,794)		(1,695)		-6%
	(7,017)		(5,223)		-34%
Profit after tax	15,609		12,732		23%
Non-controlling interests and perpetual capital securities holders' interests	(3,599)		(3,023)		-19%
Profit attributable to ordinary shareholders before profits on disposal of investments & others and property revaluation	12,010		9,709		24%
Property revaluation, after tax	32		383		-92%
Profits on disposal of investments & others, after tax [4]	356		-		NA
Profit attributable to ordinary shareholders	12,398		10,092		23%

(1) Total revenue, earnings before interest expenses and other finance costs, tax, depreciation and amortisation ("EBITDA") and earnings before interest expenses and other finance costs and tax ("EBIT"), interest expenses and other finance costs and tax include the Group's proportionate share of associated companies' and joint ventures' respective items. Total revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust for the six months ended 30 June 2013 and 2012.

(2) To enable a better comparison of underlying performance, comparable revenue, EBITDA and EBIT exclude Hutchison Telecommunications Australia ("HTAL")'s share of Vodafone Hutchison Australia ("VHA")'s results for the first half of 2012.

(3) The reconciliation items comprise revenue, EBITDA and EBIT adjustments that relate to HTAL, which represent the results of HTAL and its share of results of VHA for the first half of 2012. VHA's operating losses in the first half of 2013 are included as a charge under "profits on disposal of investments & others, after tax".

(4) The profits on disposal of investments and others, after tax for the six months ended 30 June 2013 reflect the recognition of the one-time net gain, after tax of HK$958 million (€95 million), arising from the completion of the Orange Austria transaction, which comprises the gain on disposal of Yesss! in Austria net of one-time provisions relating to the restructuring of 3 Austria's business on the acquisition of Orange Austria and the related tax impact, as well as the Group's share of operating losses of VHA for the first half of 2013 of HK$602 million. No profits on disposal of investments and others, after tax were recorded in the comparable period last year.

2013 Interim Results

Supplementary Information

Disclaimer

Potential investors and shareholders of the Company (the "Potential Investors and Shareholders") are reminded that information contained in this Presentation comprises extracts of operational data and financial information of the Group. The information included is solely for the use in this Presentation and certain information has not been independently verified. No representations or warranties, expressed or implied, are made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions presented or contained in this Presentation. Potential Investors and Shareholders should refer to the 2013 Interim Report for the unaudited results of the Company which are published in accordance with the listing rules of the Stock Exchange of Hong Kong Limited.

The performance and the results of operations of the Group contained within this Presentation are historical in nature, and past performance is no guarantee of the future results of the Group. Any forward-looking statements and opinions contained within this Presentation are based on current plans, estimates and projections, and therefore involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements and opinions. The Group, the Directors, employees and agents of the Group assume (a) no obligation to correct or update the forward-looking statements or opinions contained in this Presentation; and (b) no liability in the event that any of the forward-looking statements or opinions do not materialise or turn out to be incorrect.

Potential Investors and Shareholders should exercise caution when investing in or dealing in the securities of the Company.

Highlights 1H 2013

- Reported revenue grew 2% and reported earnings up 23% from the same period last year.
- Comparable revenue grew 6% and recurring earnings up 24% from the same period last year.
- Declared an interim dividend of HK$0.60 per share, a 9% increase.
- Strong financial performance demonstrates resilience of the Group's six core businesses.
- Sustainable growth without compromise to the balance sheet or liquidity.
- Despite continued weak market conditions in Europe, the Group's European operations, which are weighted in the UK and Western Europe and in utilities, mobile telecommunications, mass market health and beauty as well as ports reported EBITDA and EBIT growth of 20% and 16% respectively over the same period last year.

Performance in 1H 2013

Reported Revenue[(1)]	HK$199.1bn	+2%
Comparable Revenue Growth[(2)]		+6%
Reported EBITDA[(1)]	HK$44.9bn	+11%
Comparable EBITDA Growth[(2)]		+14%
Reported EBIT[(1)]	HK$29.9bn	+16%
Comparable EBIT Growth[(2)]		+13%
Reported Earnings	HK$12.4bn	+23%
Recurring Earnings[(3)]	HK$12.0bn	+24%
Reported Earnings per share	HK$2.91	+23%
Recurring Earnings per share[(3)]	HK$2.82	+24%
Interim Dividend per share	HK$0.60	+9%

Note (1): Reported revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust for the six months ended 30 June 2013 and 2012.

Note (2): For a like-for like comparison, the comparable growth excluded Hutchison Telecommunications (Australia)'s share of Vodafone Hutchison Australia ("VHA")'s results for 1H 2012.

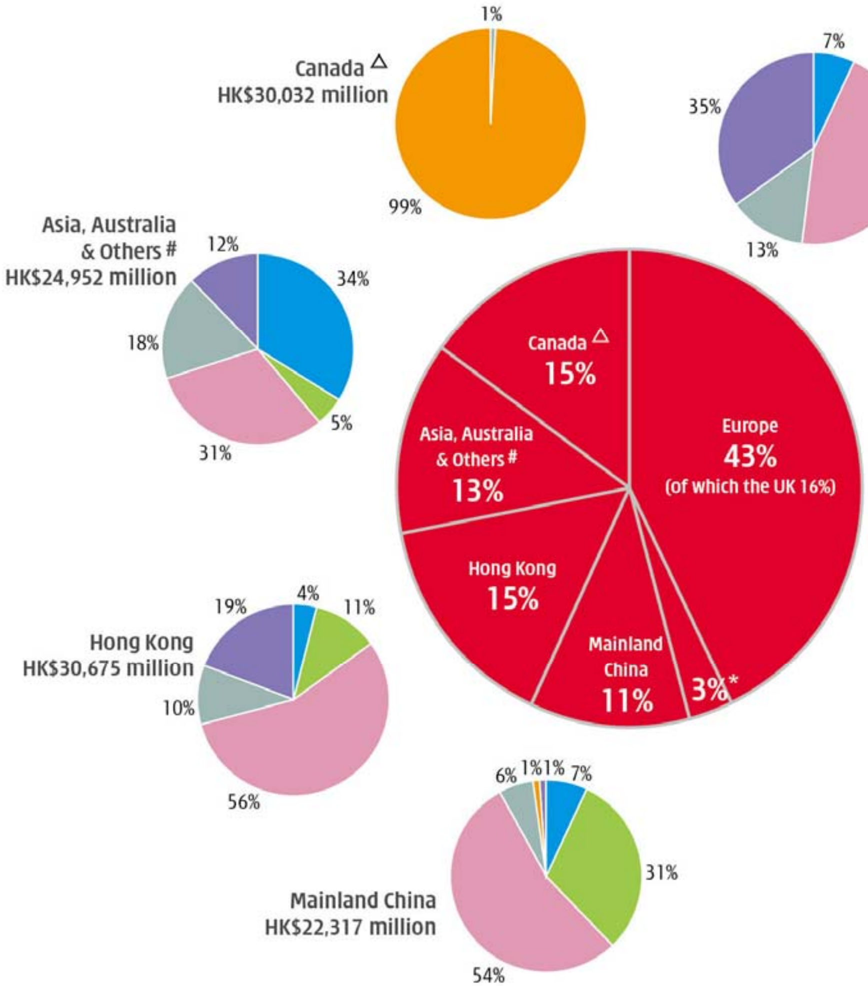
Note (3): Recurring earnings is before profits on disposal of investments and others and property revaluation, after tax. The profits on disposal of investments and others, after tax in 1H 2013 was HK$356 million which reflects the recognition of the one-time net gain, after tax of HK$958 million, arising from the completion of the Orange Austria transaction, which comprises the gain on disposal of Yesss! in Austria net of one-time provisions relating to the restructuring of **3** Austria's business on the acquisition of Orange Austria and the related tax impact, as well as the Group's share of operating losses of VHA for 1H 2013 of HK$602 million. Property revaluation gains, after tax for 1H 2013 totalled HK$32 million. There were no profits on disposal of investments and others, after tax in 1H 2012. Property revaluation gains, after tax for 1H 2012 totalled HK$383 million.

Business & Geographical Diversification

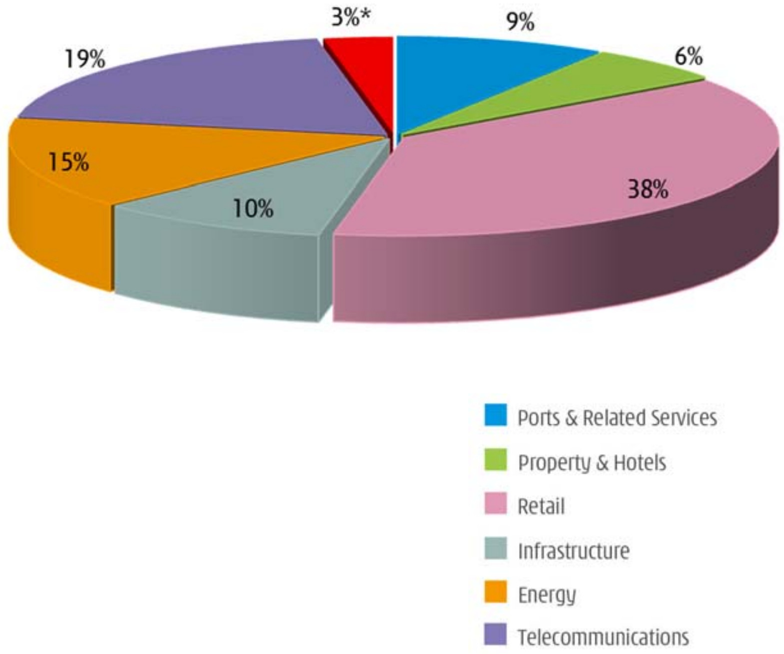
Total Revenue Contribution

1H 2013 Reported Revenue
HK$199,079 million
Growth of 2%

1H 2013 Revenue Contribution
by Geographical Location



1H 2013 Revenue Contribution
by Division



* Represents contribution from Finance & Investments and others

\# Includes Panama, Mexico & Middle East

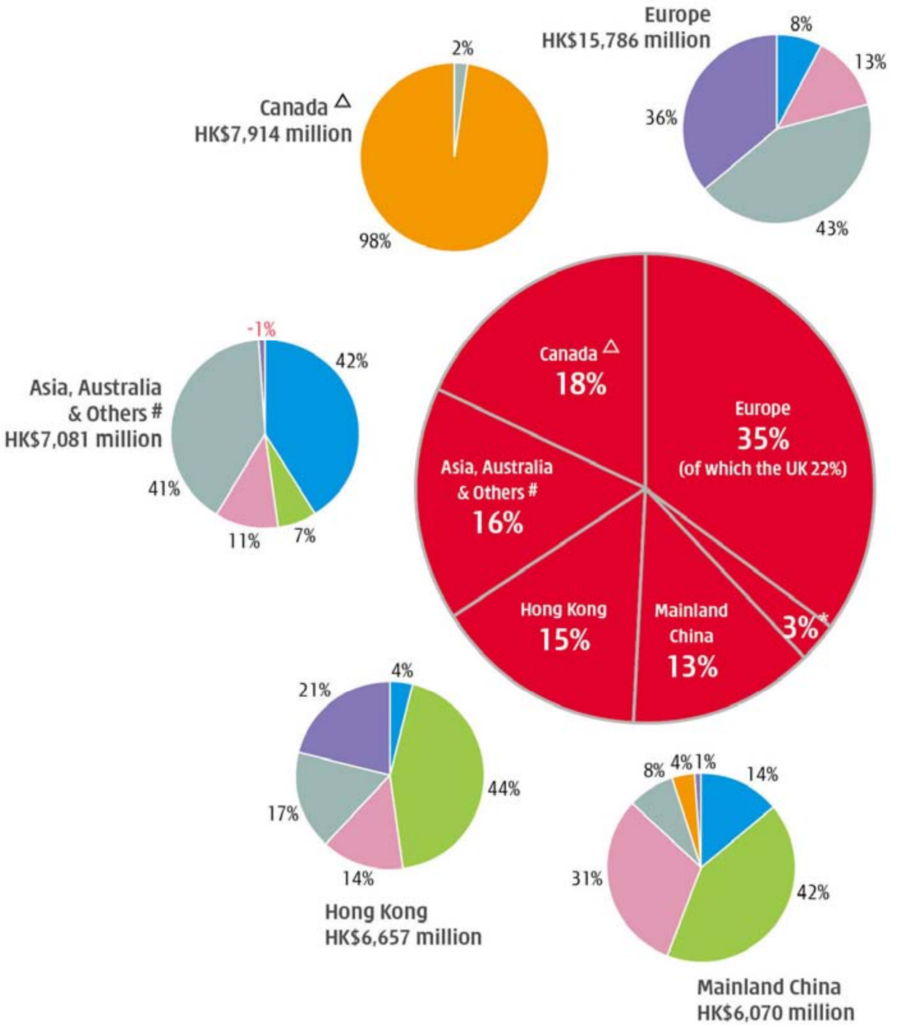
△ Includes contribution from the USA for Husky Energy

Business & Geographical Diversification

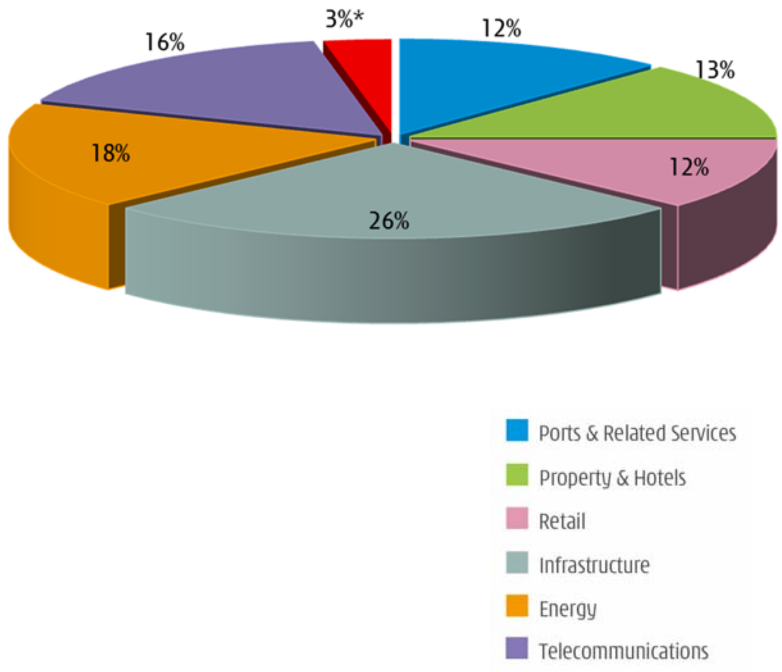
EBITDA Contribution

1H 2013 Reported EBITDA
HK$44,939 million
Growth of 11%

1H 2013 EBITDA Contribution
by Geographical Location



1H 2013 EBITDA Contribution
by Division

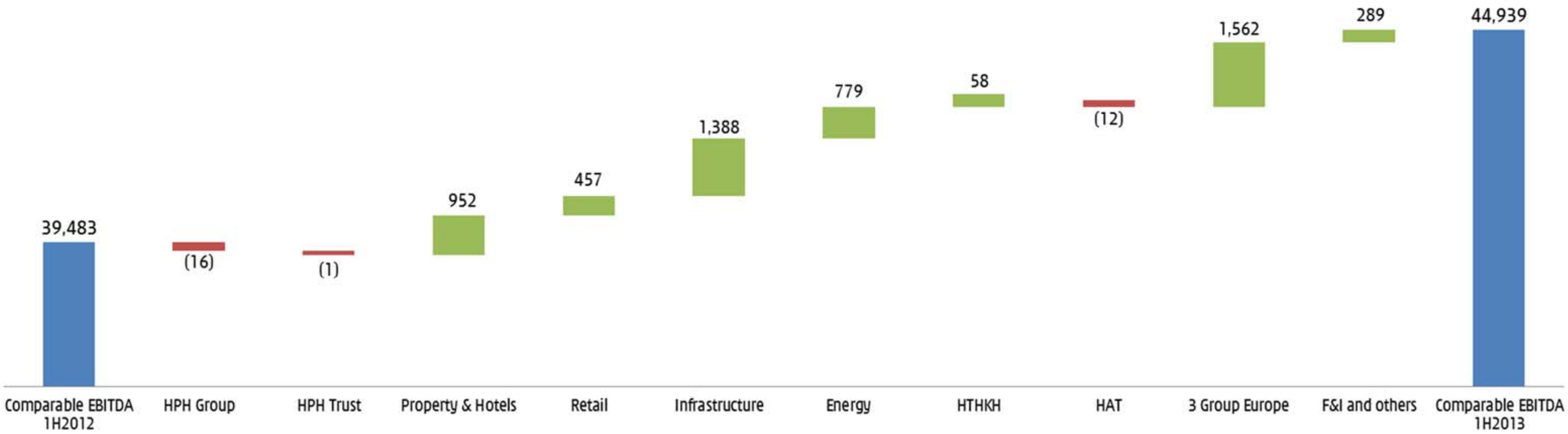


* Represents contribution from Finance & Investments and others
\# Includes Panama, Mexico & Middle East
△ Includes contribution from the USA for Husky Energy

Business & Geographical Diversification

EBITDA Growth

1H 2013 Comparable EBITDA (HK$ millions)
Growth of 14%

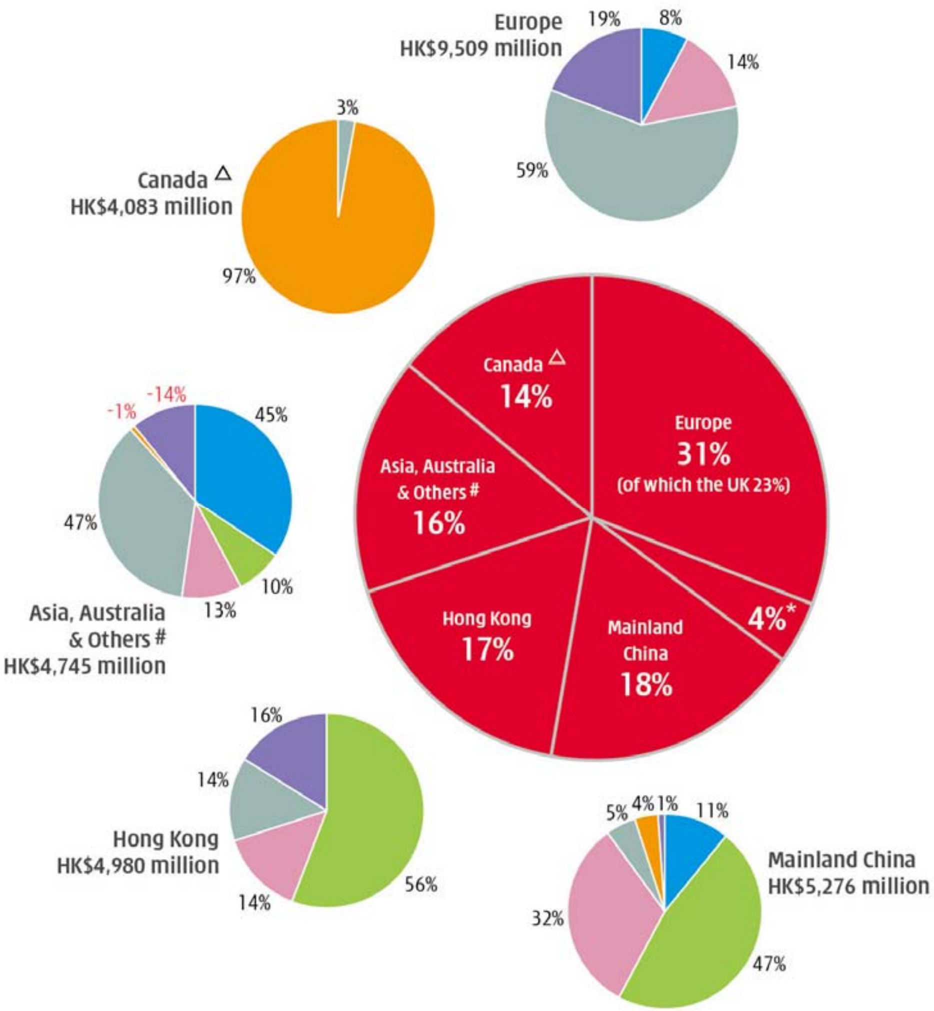


Business & Geographical Diversification

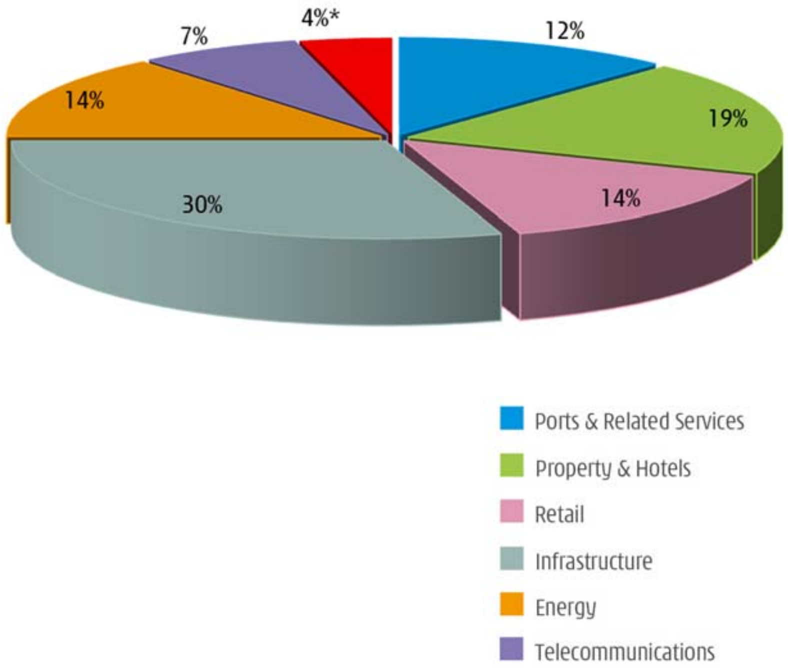
EBIT Contribution

1H 2013 Reported EBIT
HK$29,888 million
Growth of 16%

1H 2013 EBIT Contribution
by Geographical Location



1H 2013 EBIT Contribution
by Division



* Represents contribution from Finance & Investments and others
\# Includes Panama, Mexico & Middle East
Δ Includes contribution from the USA for Husky Energy

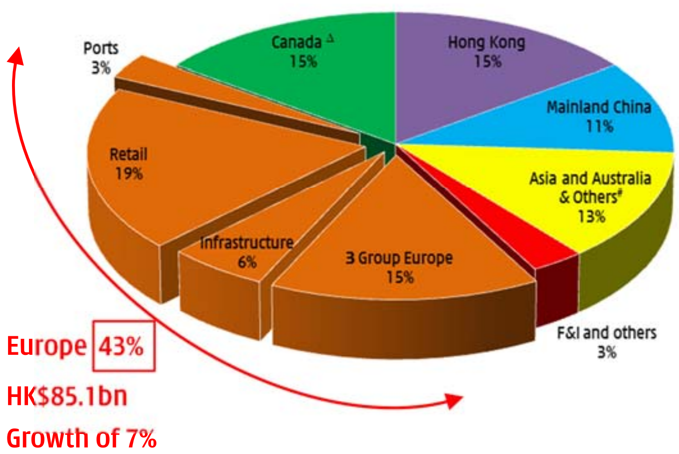
European Contribution

Revenue, EBITDA & EBIT

1H 2013 Total Revenue

HK$199.1bn

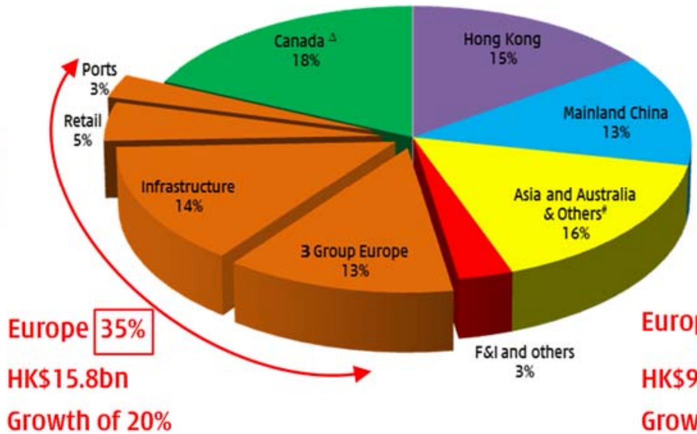
Growth of 2%



1H 2013 EBITDA

HK$44.9bn

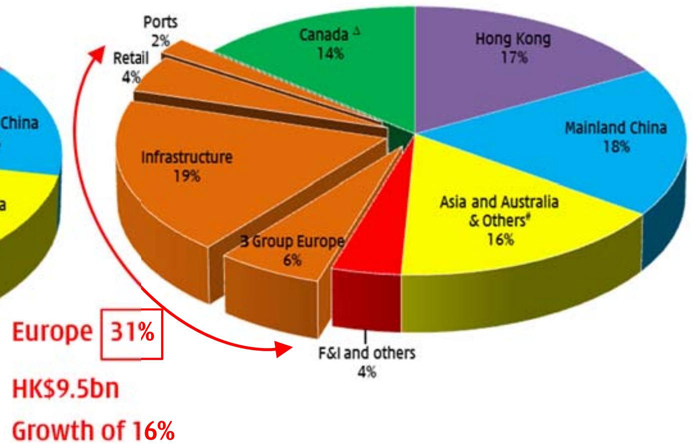
Growth of 11%



1H 2013 EBIT

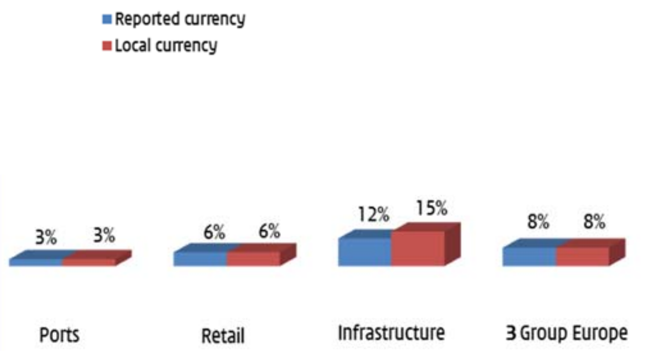
HK$29.9bn

Growth of 16%

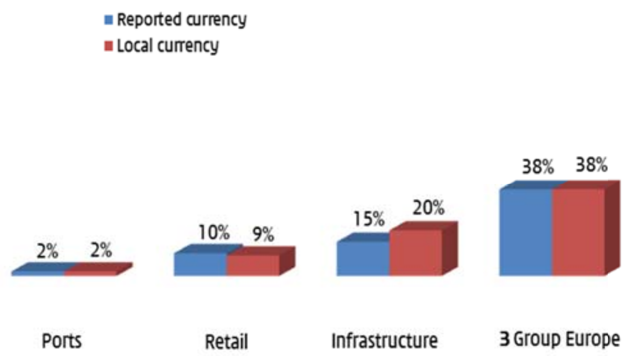


\# Includes Panama, Mexico & Middle East

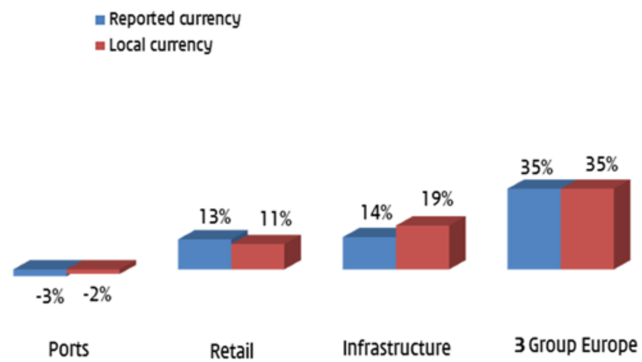
Δ Includes contribution from the USA for Husky Energy



Revenue - European growth by division (%)



EBITDA - European growth by division (%)

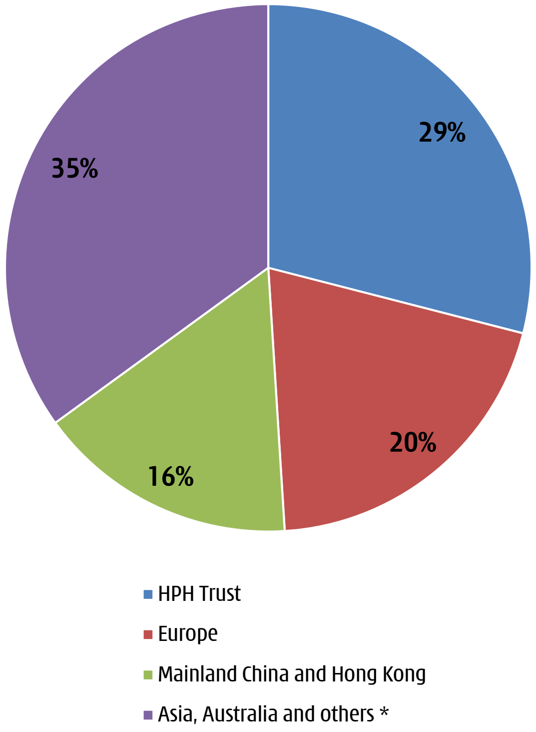


EBIT - European growth by division (%)

Ports and Related Services

9% of Group Revenue & 12% of Group EBITDA

Total Container Throughput
By Subdivision



1H 2013: 37.9 million TEUs

Growth of 2%

- Throughput increased by 2% during 1H 2013, while total revenue in reported currency increased by 6% compared to the same period last year.
- EBITDA in reported currency is flat compared to the same period last year reflecting increasing energy and labour costs and the effect of start-up expenses in new and expanded port facilities.
- EBIT decreased by 5% during 1H 2013, mainly due to higher depreciation charges of HK$181 million relating to one new berth and expanded facilities in five container terminals.
- 276 operating berths at the end of 1H 2013, with two additional berths on acquisition of Asia Container Terminals by HPH Trust in March 2013 and the opening of additional facilities in Klang (1) and Mexico (1) during 1H 2013. Four berths in the old terminal in Barcelona were returned to the Port Authority as the operations were fully migrated to the new Barcelona Europe South Terminal during 1H 2013.

Outlook

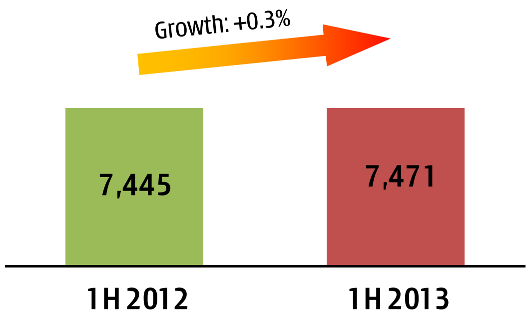
- Number of operating berths is expected to increase to 279 by the end of 2013 with the opening of additional facilities in Huizhou (1) and Sydney (2).
- The division is expected to maintain a steady performance in 2H 2013 and will continue to focus in productivity gains, cost efficiency and selective new berth acquisition and development opportunities.

* Includes Panama, Mexico and the Middle East

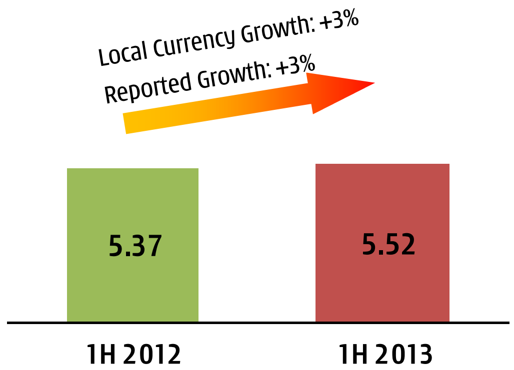
Ports and Related Services

European Operations

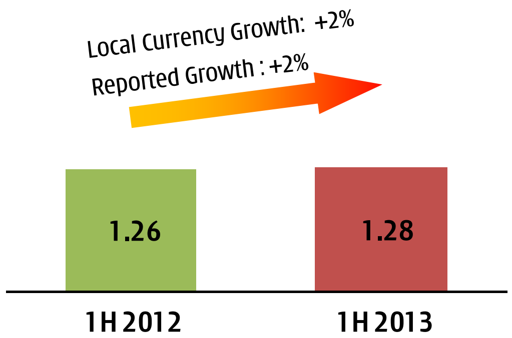
Throughput ('000 TEUs)



Revenue (HK$ billion)



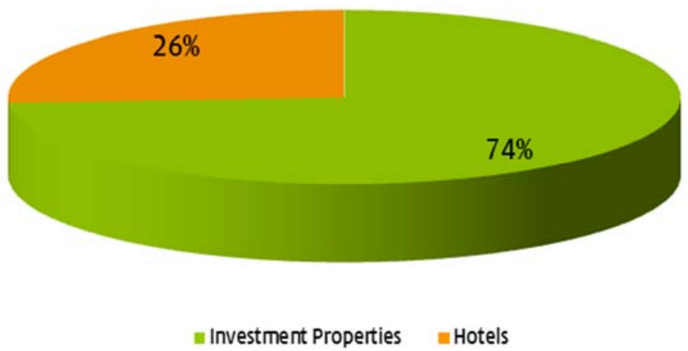
EBITDA (HK$ billion)



Property and Hotels

6% of Group Revenue & 13% of Group EBITDA

EBITDA of Investment Properties and Hotels



1H 2013: HK$2,481 million
Growth of 10%

Overall

- Property and Hotels EBITDA increased 19% to HK$5.92 billion.
  - EBITDA from investment properties(1) was HK$1.85 billion, an increase of 15% in 1H 2013.
  - EBITDA from hotel operations(1) declined 2% to HK$0.63 billion in 1H 2013.
  - EBITDA from development properties, gains on disposals & others grew by 27% to HK$3.44 billion in 1H 2013.

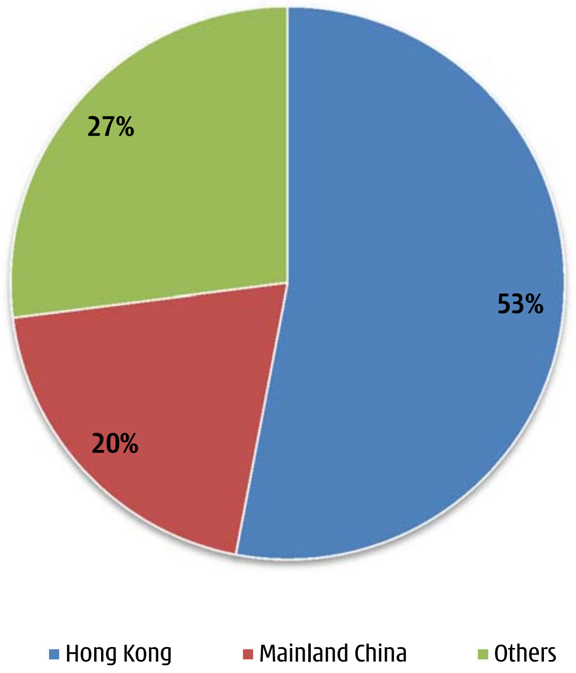
Investment Properties

- Overall gross rental income, including share of rental income from the commercial properties of hotels, was 14% higher than 1H 2012 at HK$2,073 million mostly due to the continuing trend of rising rental renewal rates.
- Attributable 12.0 million sq.ft. Gross Floor Area ("GFA") portfolio of rental properties in Hong Kong and attributable 2.0 million sq.ft. GFA portfolio in the Mainland and overseas.
- The Group's rental portfolio generated 8.2% yield on carrying value of approximately HK$50,600 million, including share of property joint ventures and commercial properties of hotels.
- Investment properties average occupancy rate at 94% (96% including committed leases commencing in 2H 2013).

Note (1): EBITDA from commercial properties of the hotel operations in 1H2012 has been reclassified and included under EBITDA from hotel operations.

Property and Hotels

Attributable Gross Floor Area of Hotel Operations



Attributable Share of Gross Floor Area:
3.6 million sq.ft.

Hotels

- Hotel portfolio comprises 11 hotels with 5.7 million sq.ft. (attributable share of GFA of approximately 3.6 million sq.ft.).
- The Group has an average effective interest[(1)] of 63% in the 8,503 total rooms of the 11 hotels.
- Attributable hotel operating profit ("HOP")[(2)] per sq.ft. for Hong Kong hotels ranges from HK$12 per sq. ft. per month to HK$69 per sq.ft. per month and averages HK$36 per sq. ft. per month.
- Total average hotel rooms occupancy rate at 83%.
- The Group's attributable interest in the hotels in Hong Kong generated 18.6% annualised EBIT yield on its attributable carrying value of these hotels of approximately HK$3,782 million.

Note (1): Based on room numbers

Note (2): HOP represents EBITDA of hotel operations (excluding rental income of commercial properties of the hotels) after depreciation of furniture, fixtures and equipment

Property and Hotels

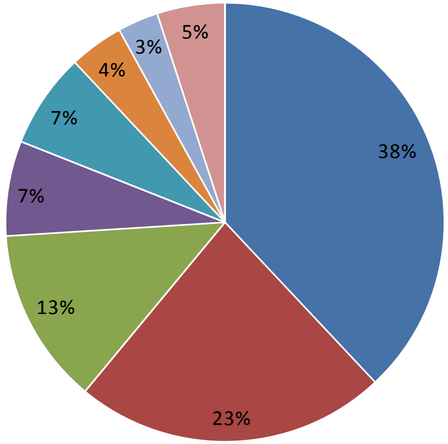
Development Activities - Mainland China

	1H 2013	1H 2012	% Change
Mainland China Property Total Attributable Sales Value (HK$ millions)			
Contracted Sales*	6,983	5,127	+36%
- of which relates to residential property	5,395	4,629	+17%
ASP^ of residential property (HK$/sq.ft.)	*1,701*	*1,633*	*+4%*
Recognised Sales*	5,786	5,116	+13%
- of which relates to residential property	3,883	4,539	-14%
ASP^ of residential property (HK$/sq.ft.)	*1,420*	*2,109*	*-33%*
Mainland China Property Total Attributable Sales in GFA (000's sq.ft.)			
Presold Property b/f	2,321	764	
Contracted Sales in GFA	3,757	3,197	+18%
- of which relates to residential property	3,373	3,016	+12%
Recognised Sales in GFA	3,369	2,485	+36%
- of which relates to residential property	2,909	2,280	+28%
Presold Property c/f	2,709	1,476	

* Net of business tax

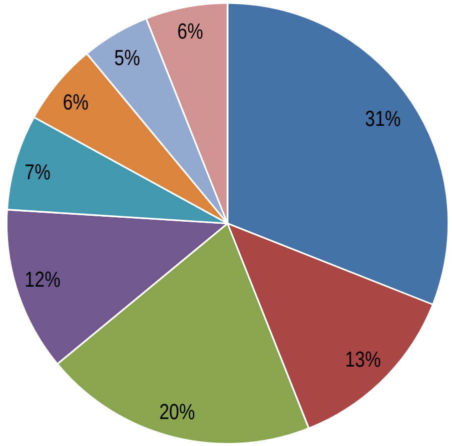
^ Average selling price ("ASP") is stated inclusive of business tax

Residential Contracted Sales by Geographical Location



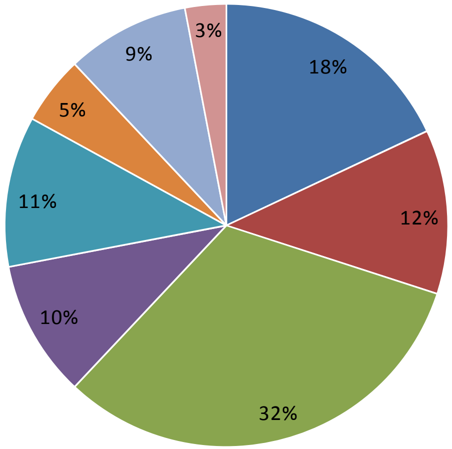
1H 2013: HK$5,395 million

Residential Contracted Sales GFA by Geographical Location



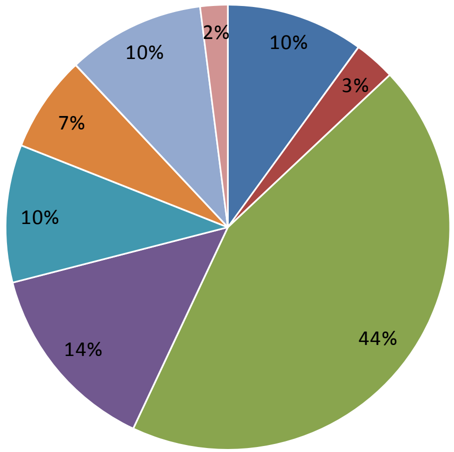
1H 2013: 3.4 million sq.ft.

Residential Recognised Sales by Geographical Location



1H 2013: HK$3,883 million

Residential Recognised Sales GFA by Geographical Location

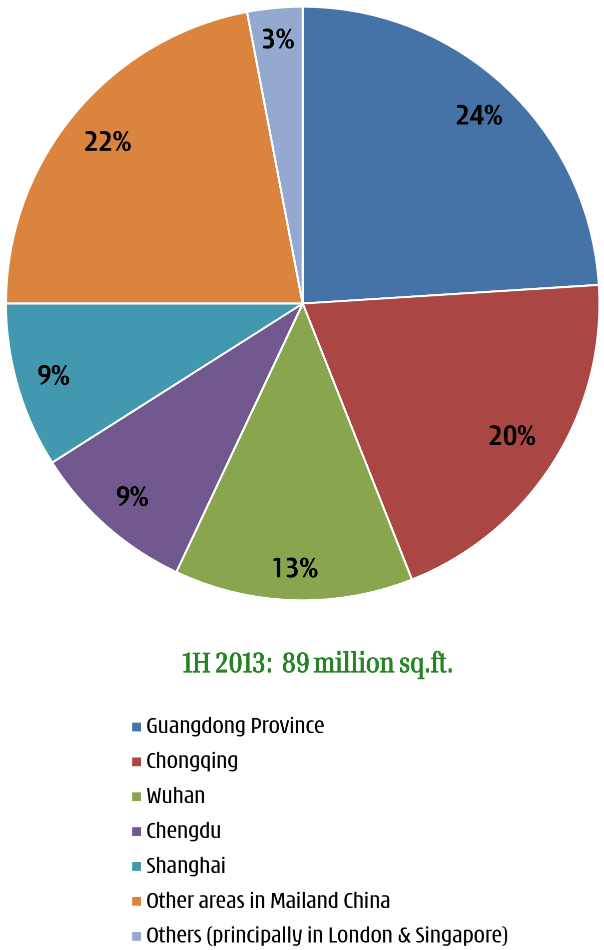


1H 2013: 2.9 million sq.ft.

- Guandong Province
- Shanghai
- Chengdu
- Chongqing
- Qingdao
- Xian
- Changchun
- Others

Property and Hotels

Gross Floor Area of Development Projects
By Geographical Location



Development Activities

- Attributable landbank of approximately 89 million sq.ft., comprising 46 projects in 23 cities.
- Average land cost in the Mainland is approximately RMB223 per sq.ft.
- Completed an attributable share of GFA of approximately 2.8 million sq.ft. in residential and commercial properties in the Mainland and Singapore during the first six months of 2013.

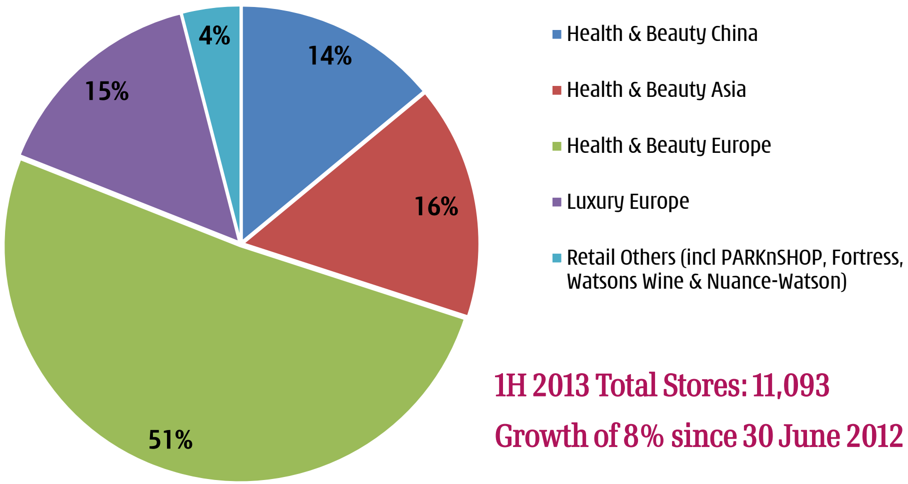
Outlook

- The Group expects to complete an attributable share of approximately 6.6 million sq.ft. in GFA of residential and commercial properties during 2H 2013 primarily in 10 Mainland cities including Chengdu, Shenzhen, Guangzhou, Tianjin and Changsha.
- The Group is targeting full year contracted sales of over 10,700 residential units as well as the disposal of a number of commercial properties primarily in the Mainland. A total attributable share of over 10.2 million sq.ft. of GFA (which includes an attributable share of 1.5 million sq.ft. commercial properties) is expected to be sold, on a contracted sales basis, in 16 cities in the Mainland.

Retail

38% of Group Revenue & 12% of Group EBITDA

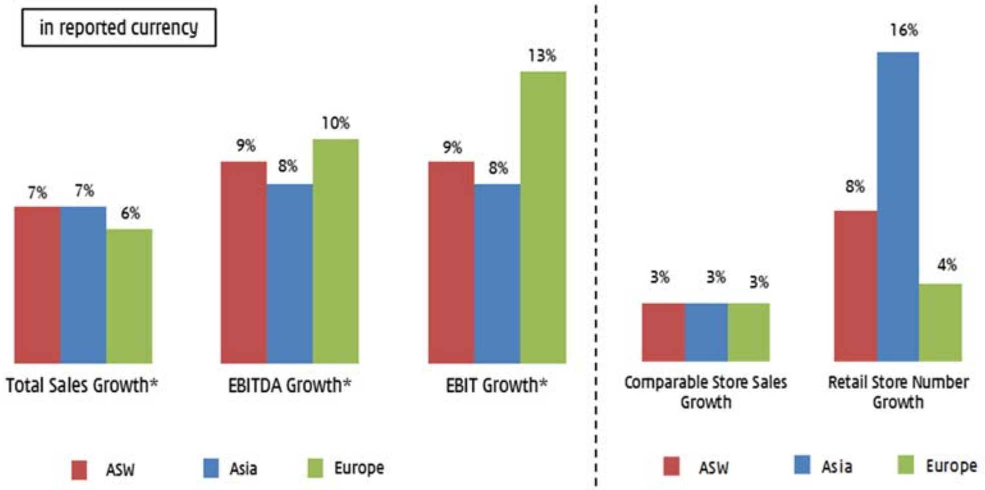
Total Retail Store Numbers
By Subdivision



1H 2013 Total Stores: 11,093

Growth of 8% since 30 June 2012

Retail - Growth by Region



* In local currencies, total sales growth, EBITDA growth and EBIT growth rates for ASW total are approximately 6%, 8% and 8% respectively, whilst for Europe are 6%, 9% and 11% respectively and for Asia are 6%, 7% and 6% respectively.

- Revenue growth was strong across all subdivisions (except in Luxury Europe), supported by increased store numbers and comparable store sales growth.
- Revenue, EBITDA and EBIT growth remains strong, and grew by 7% to HK$75.76 billion, 9% to HK$5.61 billion and 9% to HK$4.32 billion respectively compared to same period last year.
- Excluding the impact attributable to the expiration of Nuance-Watson's two core licences at the Hong Kong International Airport in late 2012, EBITDA and EBIT of the Group's retail businesses grew by 12% and 13% respectively in 1H 2013.
- Revenue from Asia (including Mainland China) increased by 7% to HK$37.18 billion with strong growth from Mainland China, Thailand, the Philippines, Malaysia and Hong Kong retail operations. EBITDA grew 8% to HK$3.56 billion.
- Asia (including Mainland China) accounted for 63% of the total EBITDA in 1H 2013.
- Watsons China's comparable store sales growth for 1H 2013 slowed from 2.6% in 1H 2012 to 1.4%, due to both weaker consumer sentiment and increased number of new store openings, including locations in proximity to existing stores. However, total revenue growth of Watsons China remained robust at 17% and EBITDA grew by 14%. Store openings continued to perform well. EBIT growth also remained strong at 12% over the same period last year.

Outlook

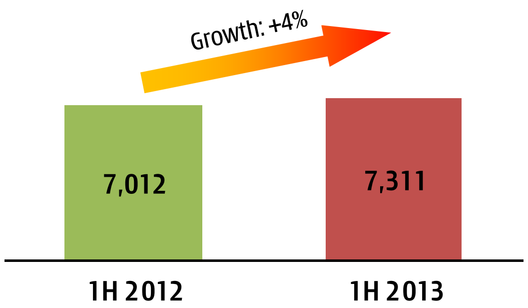
- Looking into 2H 2013 and beyond, the Group will continue to expand its portfolio of retail stores and expects to add over 500 stores in the second half of the year.

Retail

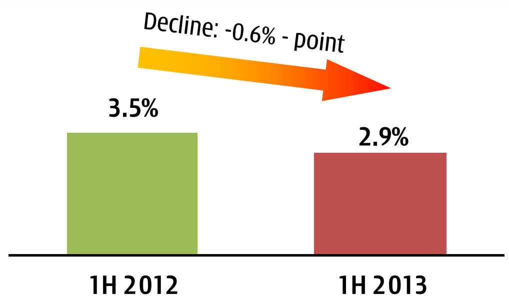
European Operations

- Comparable store sales growth in Europe was 3% in 1H 2013.
- Health & Beauty format is resilient to current weak economy in Europe.
- Store numbers in Southern Europe only account for around 4% of the total stores.

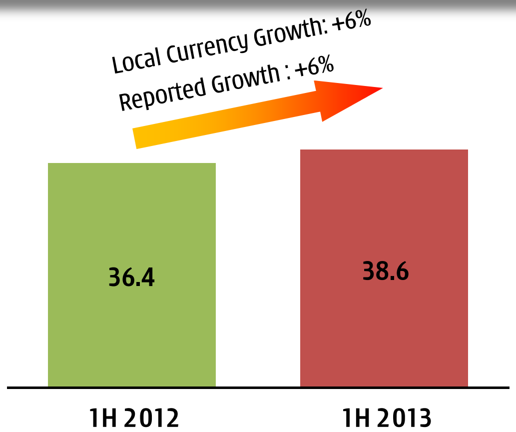
Store Number



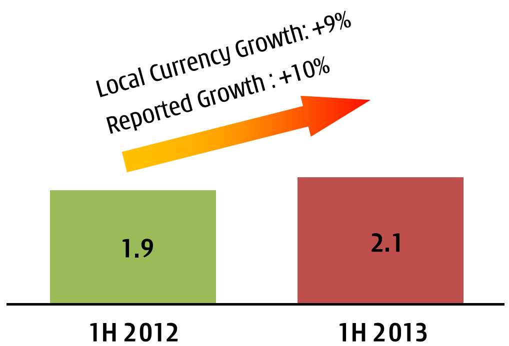
Comparable store sales growth [1] (%)



Revenue (HK$ billion)



EBITDA (HK$ billion)

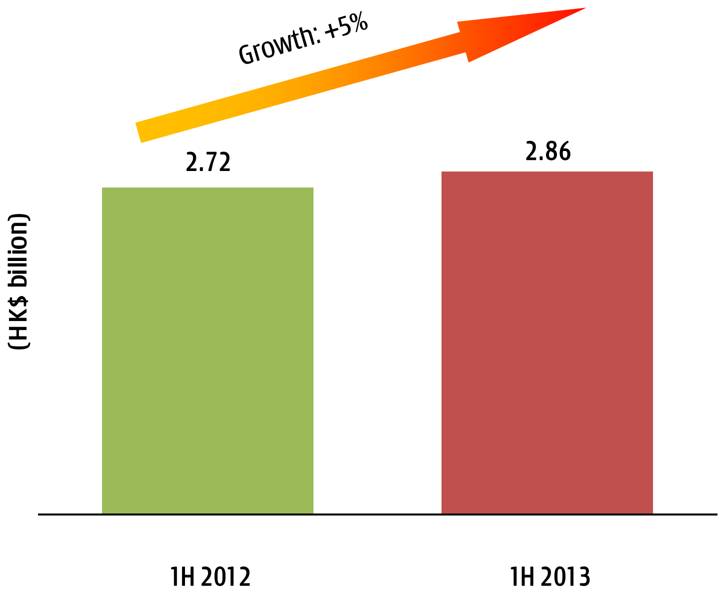


Note (1): Comparable store sales growth represents the % change in net sales from comparable stores from the same period last year.

Infrastructure

10% of Group Revenue & 26% of Group EBITDA

Profits from UK Operations Attributable to Shareholders (1)



- Cheung Kong Infrastructure ("CKI") increased its earnings by 10% to HK$5,169 million.
- Full six month's profit contribution from Wales & West Utilities in 2013.
- Earliest tariff reset date of various operations is in 2015.
- All contribution of the European operations are generated from the operations in the UK.
- In April 2013, completed the acquisition of 100% interest in Enviro Waste Services Limited, a diversified, vertically integrated waste management business that has national coverage across New Zealand, for a consideration of approximately NZ$490 million.

Outlook

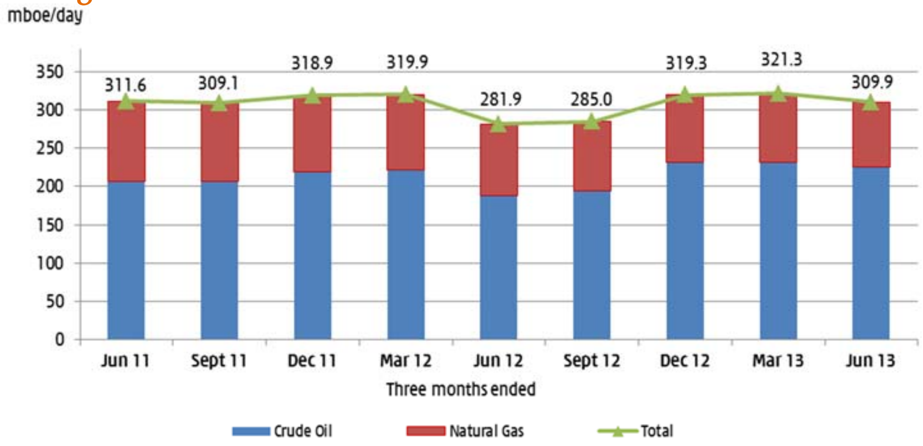
- CKI will continue to grow existing operations organically and to acquire businesses with strong and recurrent returns to expand its portfolio and to maintain its strong balance sheet with steady cashflow and low gearing.
- In June 2013, a CKI-led consortium announced the acquisition of AVR Afvalverwerking B.V., the largest "energy from waste" business in the Netherlands, for an enterprise value of approximately €940 million. Completion is subject to regulatory approval.

Note (1): Profit from UK operations represents contributions from CKI's direct shareholding in its UK operations. 1H 2013 includes, amongst others, its 40% direct share in each of UK Power Networks and Northumbrian Water, as well as its 30% direct share in Wales & West Utilities. 1H 2012, amongst others, includes its 40% direct share in each of UK Power Networks and Northumbrian Water only.

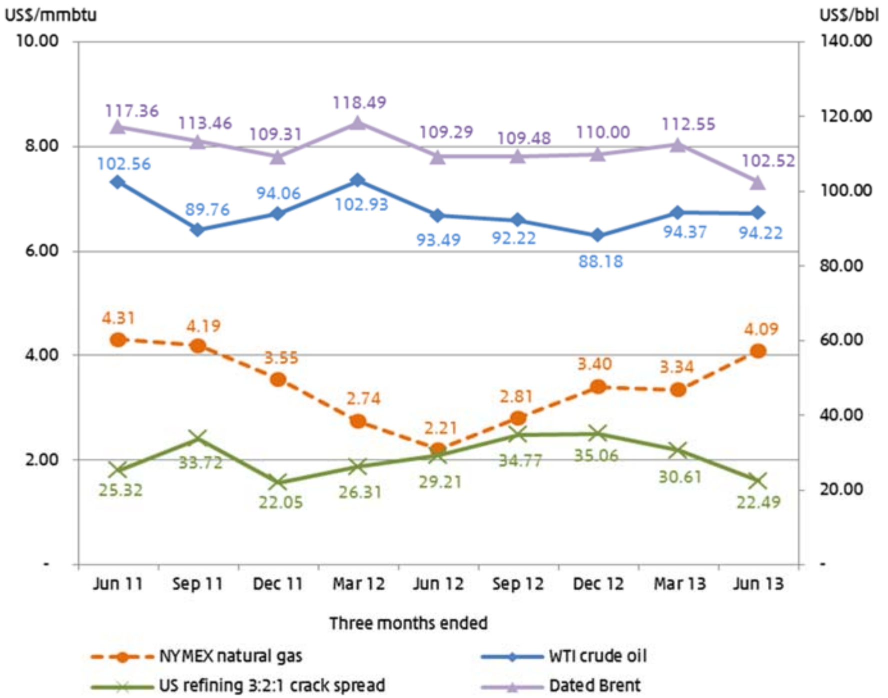
Energy

15% of Group Revenue & 18% of Group EBITDA

Average Production



Average Benchmark



- Net earnings for 1H 2013 increased by 12% to C$1,140 million, reflecting higher realised prices for crude oil in Western Canada as differentials to WTI narrowed; increase in natural gas prices; increased crude oil production partially offset by lower dry natural gas production; increased Downstream margins at the upgrading facility in Western Canada and in the U.S. Refining and Marketing partially offset by decrease Infrastructure and Marketing margins as Western Canadian location differentials narrowed.
- Average production for 1H 2013 increased by 5% to 315.6 mboe/day, mainly due to increased production in Western Canada from heavy oil thermal projects, higher production in the Atlantic Region; partially offset by reductions in natural gas production.

Outlook

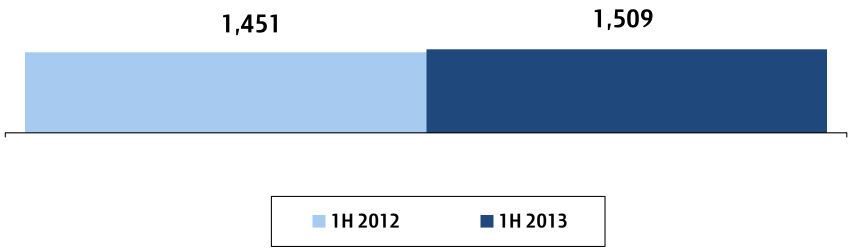
- Husky Energy continues its strategy to maintain and enhance production in its Heavy Oil and Western Canada foundation as it repositions these areas toward thermal developments and resource plays, while advancing its three major growth pillars in the Asia Pacific Region, Oil Sands and in the Atlantic Region.
- There are two mega projects in the coming two years:

  i. Liwan Gas project (Husky Energy's share: 49%)
     - Approximately 90% completed at the end of 1H 2013
     - Expected first production in late 2013/early 2014

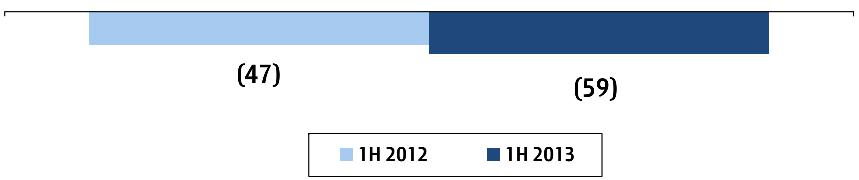
  ii. Sunrise Energy project (Husky Energy's share: 50%)
     - Approximately 70% completed at the end of 1H 2013
     - Expect first production in 2014

Telecommunications – HTHKH & HAT

HTHKH
EBITDA (HK$ million)



HAT
LBITDA (HK$ million)



HTHKH

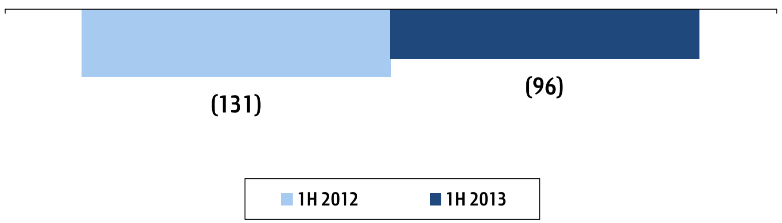
- HTHKH has a combined active mobile customer base of approximately 3.78 million in Hong Kong and Macau.

HAT

- HAT had a registered customer base of over 41.6 million, of which approximately 36.0 million are active, with operations in Indonesia, Vietnam and Sri Lanka.
- LBITDA increased by 26% compared to the same period last year, due to increased start-up losses and the delay in network ramp up which affected customer acquisitions in Indonesia.
- The ramp up in Indonesia's network in both speed and coverage will accelerate in the third quarter and is targeted to be fully completed by the end of this year. As a result, HAT expects to continue to grow its customer base and customer service revenues, and targets to achieve operational breakeven on a monthly basis by the end of the year.
- HAT will continue to grow its customer base and focus on expansion, particularly in Indonesia, where the 3G footprint is now extended to 124 cities covering 75% of the population. The network coverage is expected to cover 86% of the population and be available in 150 cities by the end of the year.

Telecommunications – HTAL , Share of VHA

HTAL , Share of VHA
Announced Loss Attributable to Shareholders
(A$ million)



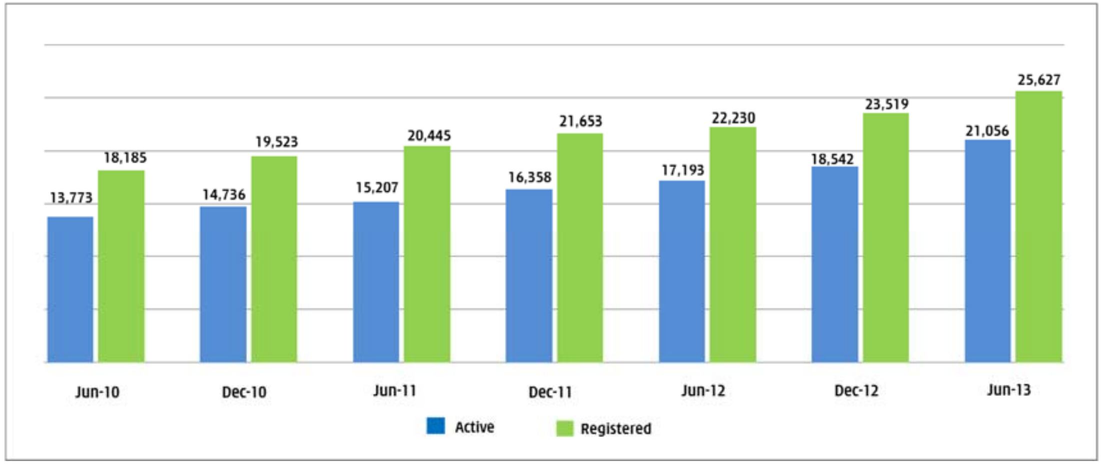
HTAL, Share of Vodafone Hutchison Australia ("VHA")

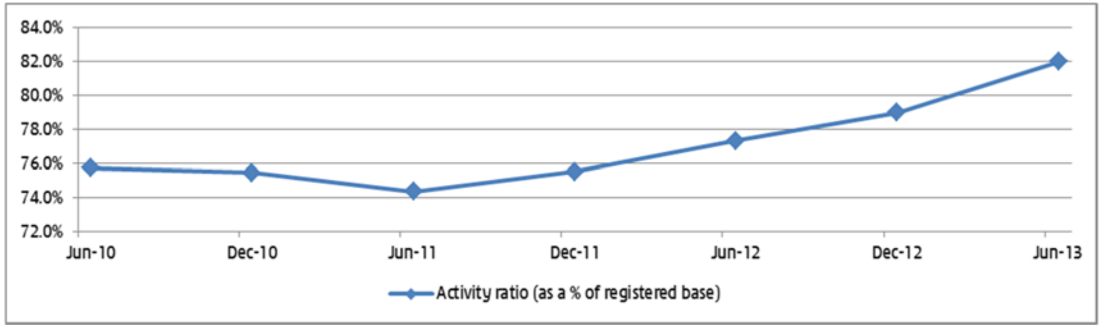
- HTAL owns 50% of VHA and announced a A$96 million loss for the first six months of 2013, a A$35 million or 27% decrease as compared to the same period last year.
- Reported results were adversely impacted by an 8% decline from the beginning of the year in VHA's customer base to 6.028 million (including MVNOs).
- The strategic initiatives commenced in late 2012 which included the accelerated investment and upgrade of the network, have led to an improvement in VHA's performance both operationally and financially. Although continuing losses are anticipated in the second half of the year, VHA's management will continue to focus on the turnaround of the business to profitability.
- VHA's operating losses continue to be included as a P&L charge under "Others" of the Group's profits on disposal of investments and others line as VHA continues with its shareholder sponsored restructuring under the leadership of Vodafone under the applicable terms of our shareholders' agreement since 2H 2012.

Telecommunications – 3 Group Europe

15% of Group Revenue & 13% of Group EBITDA

3 Group Europe Customer Base ('000)





Key growth drivers of 3 Group Europe:

- Further capture market share in smartphone and mobile data segments and improve service margin
- Continuous improvements in the active customer base
- Strict opex, CACs and capex spending disciplines
- Positive recurring earnings contribution from the acquisition of Orange Austria

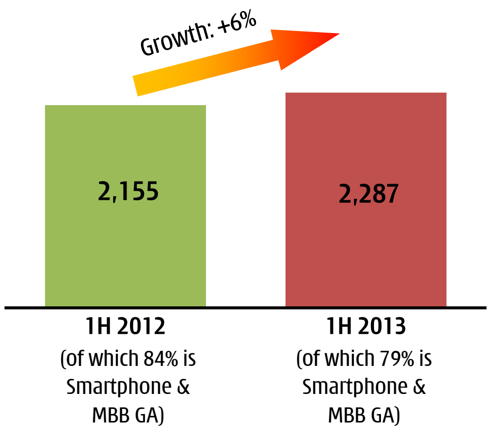
- Achieved another important milestone and reported positive EBITDA less capex for 1H 2013.
- A one-off net gain of €95 million on the sale of Yesss! in Austria upon completion of the acquisition transaction of Orange Austria, net of restructuring provision, was recognised in 1H 2013 and included under the Group's reported profits on disposal of investments and others.

Outlook

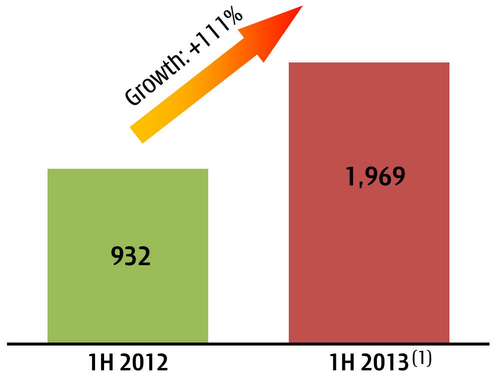
- Further improvements in underlying performances are expected on completion of the transition to a non-subsidised handset model in the customer base. **3** UK demonstrates improvements in earnings after the completion of this transition. Based on the difference in customer contract length, **3** Sweden is expected to complete the transition cycle in 2H 2013 and **3** Italy in 2014.
- In June 2013, **3** Ireland entered into an agreement with Telefonica to acquire O2, Telefonica's mobile business in Ireland, for €780 million with an additional deferred payment of €70 million payable dependent upon achievement of agreed financial targets. The completion of this transaction is subject to regulatory approval. After the acquisition is completed, **3** Ireland will become the second largest mobile operator in the country.

Telecommunications – 3 Group Europe

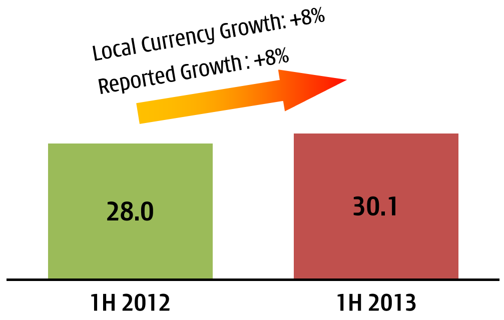
Gross Additions – Postpaid ('000)



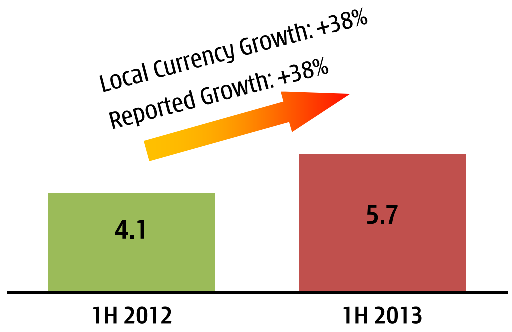
Net Additions – Postpaid ('000)



Revenue (HK$ billion)



EBITDA (HK$ billion)



Note (1): Includes additions from acquisition of Orange Austria in January 2013 of approximately 1.2 million.

Telecommunications – 3 Group Europe

1H 2013 Results by operations

(in millions)	UK	Italy	Sweden	Denmark	Austria	Ireland	3 Group Europe
	GBP	*EURO*	*SEK*	*DKK*	*EURO*	*EURO*	*HK$*
Total Revenue	**1,002**	**891**	**2,699**	**930**	**369**	**87**	**30,101**
% Improvement (Reduction)	9%	(3%)	(14%)	(11%)	122%	5%	8%
						Local currency change	*8%*
Net Customer Service Revenue	667	684	1,833	827	306	72	22,037
% Improvement (Reduction)	0.5%	(8%)	(8%)	(11%)	162%	7%	5%
Handset Revenue	321	185	760	62	57	14	7,417
Other Revenue	14	22	106	41	6	1	647
Net Customer Service Margin	519	496	1,455	708	230	56	16,831
% Improvement (Reduction)	14%	12%	(7%)	(1%)	195%	30%	20%
						Local currency change	*20%*
EBITDA	**188**	**134**	**617**	**316**	**90**	**-**	**5,661**
% Improvement (Reduction)	72%	(1%)	(29%)	9%	374%	100%	38%
						Local currency change	*38%*
Capex (excluding licence)	**(87)**	**(187)**	**(461)**	**(91)**	**(35)**	**(21)**	**(4,167)**
EBITDA less Capex	**101**	**(53)**	**156**	**225**	**55**	**(21)**	**1,494**
Licence	**(225)**	**-**	**-**	**-**	**-**	**-**	**(2,674)**
EBIT (LBIT)	**86**	**(5)**	**271**	**178**	**52**	**(18)**	**1,854**
% Improvement (Reduction)	231%	(350%)	(54%)	12%	2500%	(206%)	35%
						Local currency change	*35%*

Telecommunications – 3 Group Europe

Key Business Indicators

Key business indicators for the **3** Group Europe's businesses and customers are as follows:

	UK	Italy	Sweden	Denmark	Austria[1]	Ireland	3 Group Europe
Customer Base - Registered Customers at 30 June 2013 ('000)							
Prepaid	3,698	4,977	166	258	875	521	**10,495**
% Variance (June 2013 vs December 2012)	(2%)	(4%)	(1%)	19%	58%	16%	**1%**
Postpaid	5,535	4,604	1,472	679	2,462	380	**15,132**
% Variance (June 2013 vs December 2012)	5%	6%	6%	7%	113%	2%	**15%**
Total	**9,233**	**9,581**	**1,638**	**937**	**3,337**	**901**	**25,627**
% Variance (June 2013 vs December 2012)	2%	1%	5%	10%	95%	10%	**9%**

	UK	Italy	Sweden	Denmark	Austria[2]	Ireland	3 Group Europe
Customer Base - Active Customers at 30 June 2013 ('000)[3]							
Prepaid	2,152	3,355	85	242	410	201	**6,445**
% Variance (June 2013 vs December 2012)	(5%)	16%	(6%)	17%	122%	18%	**11%**
Postpaid	5,377	4,336	1,472	679	2,440	307	**14,611**
% Variance (June 2013 vs December 2012)	5%	5%	6%	7%	112%	-	**15%**
Total	**7,529**	**7,691**	**1,557**	**921**	**2,850**	**508**	**21,056**
% Variance (June 2013 vs December 2012)	2%	9%	6%	9%	114%	7%	**14%**

Note (1): Includes 1.5 million registered customers added from the acquisition of Orange Austria in January 2013.

Note (2): Includes 1.45 million active customers added from the acquisition of Orange Austria in January 2013.

Note (3): An active customer is one that generated revenue from an outgoing call, incoming call or 3G service in the preceding three months.

Telecommunications – 3 Group Europe

Key Business Indicators

Key business indicators for the 3 Group Europe's businesses and customers are as follows:

	UK	Italy	Sweden	Denmark	Austria	Ireland	3 Group Europe Average
12-month Trailing Gross Average Revenue per Active User ("ARPU")[1] to 30 June 2013							
Prepaid Gross ARPU[1]	£6.42	€6.80	SEK 102.26	DKK 127.07	€7.78	€16.27	**€7.92**
Postpaid Gross ARPU[1]	£26.96	€23.68	SEK 304.83	DKK 204.31	€23.62	€39.16	**€28.89**
Blended Total Gross ARPU[1]	£20.76	€16.52	SEK 291.89	DKK 185.55	€21.47	€30.92	**€22.40**
% Variance compared to 31 December 2012	(2%)	(10%)	(2%)	(14%)	(5%)	(4%)	**(6%)**
Non-voice Gross ARPU[1]	£9.86	€8.31	SEK 121.05	DKK 105.37	€6.78	€18.21	**€10.48**
% of Total Gross ARPU	47%	50%	41%	57%	32%	59%	**47%**

	UK	Italy	Sweden	Denmark	Austria	Ireland	3 Group Europe Average
12-month Trailing Net Average Revenue per Active User ("ARPU")[2] to 30 June 2013							
Prepaid Net ARPU[2]	£6.42	€6.80	SEK 102.26	DKK 127.07	€7.78	€16.27	**€7.92**
Postpaid Net ARPU[2]	£19.44	€23.68	SEK 220.91	DKK 183.06	€19.19	€31.05	**€23.47**
Blended Total Net ARPU[2]	£15.52	€16.52	SEK 213.33	DKK 169.46	€17.64	€25.73	**€18.66**
% Variance compared to 31 December 2012	(5%)	(10%)	(9%)	(11%)	4%	(5%)	**(8%)**

	UK	Italy	Sweden	Denmark	Austria	Ireland	3 Group Europe Average
12-month Trailing Net Average Margin per Active User ("AMPU")[3] to 30 June 2013							
Prepaid Net AMPU[3]	£5.50	€5.28	SEK 73.24	DKK 96.02	€6.12	€10.47	**€6.30**
Postpaid Net AMPU[3]	£14.72	€16.53	SEK 176.53	DKK 152.15	€13.82	€23.20	**€17.43**
Blended Total Net AMPU[3]	£11.94	€11.76	SEK 169.93	DKK 138.51	€12.78	€18.62	**€13.99**
% Variance compared to 31 December 2012	0%	(1%)	(9%)	(5%)	15%	4%	**(2%)**

Note (1): Gross ARPU equals total monthly revenue, including incoming mobile termination revenue and contributions for a handset/device in postpaid contract bundled plans, divided by the average number of active customers during the period.

Note (2): Net ARPU equals total monthly revenue, including incoming mobile termination revenue but excluding contributions for a handset/device in postpaid contract bundled plans, divided by the average number of active customers during the period.

Note (3): Net AMPU equals total monthly revenue, including incoming mobile termination revenue but excluding contributions for a handset/device in postpaid contract bundled plans, less direct variable costs (including interconnection charges and roaming costs (i.e. net customer service margin)), divided by the average number of active customers during the period.

Telecommunications – 3 Group Europe

Key Business Indicators

1H 2013	UK	Italy	Sweden	Denmark	Austria	Ireland	3 Group Europe Average
Contract customers as a % of the total registered customer base	60%	48%	90%	72%	74%	42%	59%
Contract customers contribution to the net customer service revenue base (%)	88%	82%	97%	81%	94%	76%	87%
Average monthly churn rate of the total contract registered customer base (%)	1.6%	2.4%	1.2%	2.5%	0.8%	1.2%	1.7%
Active contract customers as a % of the total contract registered customer base	97%	94%	100%	100%	99%	81%	97%
Active customers as a % of the total registered customer base	82%	80%	95%	98%	85%	56%	82%
Net customer service margin (%)	78%	73%	79%	86%	76%	78%	76%
Weighted average per customer acquisition cost, on a 12-month trailing basis (1)							€ 37

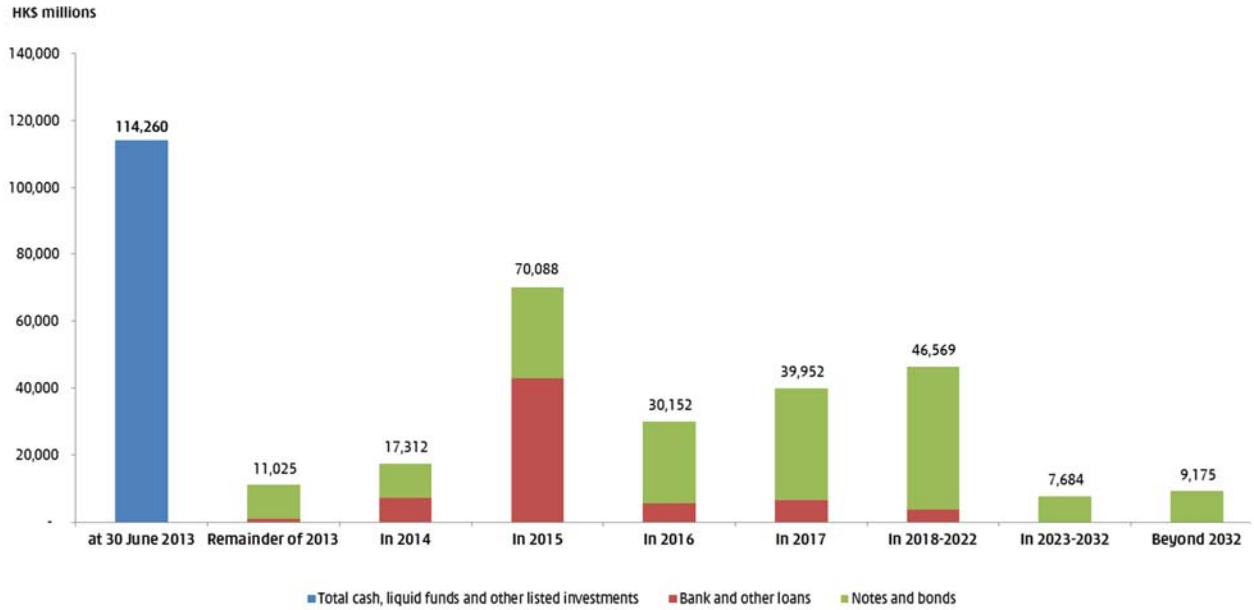
1H 2012	UK	Italy	Sweden	Denmark	Austria	Ireland	3 Group Europe Average
Contract customers as a % of the total registered customer base	57%	41%	89%	77%	71%	49%	54%
Contract customers contribution to the net customer service revenue base (%)	86%	82%	97%	85%	93%	81%	86%
Average monthly churn rate of the total contract registered customer base (%)	1.4%	2.4%	1.4%	3.2%	0.2%	1.3%	1.7%
Active contract customers as a % of the total contract registered customer base	97%	95%	100%	100%	99%	83%	97%
Active customers as a % of the total registered customer base	81%	71%	96%	98%	78%	60%	77%
Net customer service margin (%)	69%	59%	79%	76%	67%	64%	67%
Weighted average per customer acquisition cost, on a 12-month trailing basis (1)							€ 50

Note (1): This is stated after revenue contributions for a handset/device in postpaid contract bundled plans. The Group does not provide any subsidy on handsets/devices to non-contract prepaid customers.

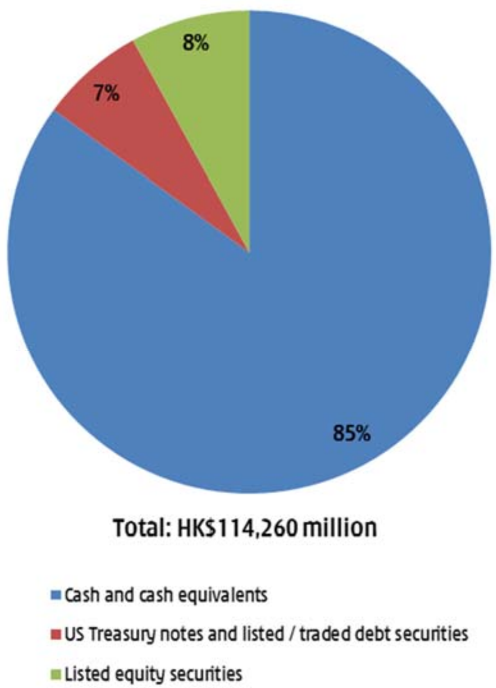
Financial profile

Net Debt Ratio not exceeding 25%

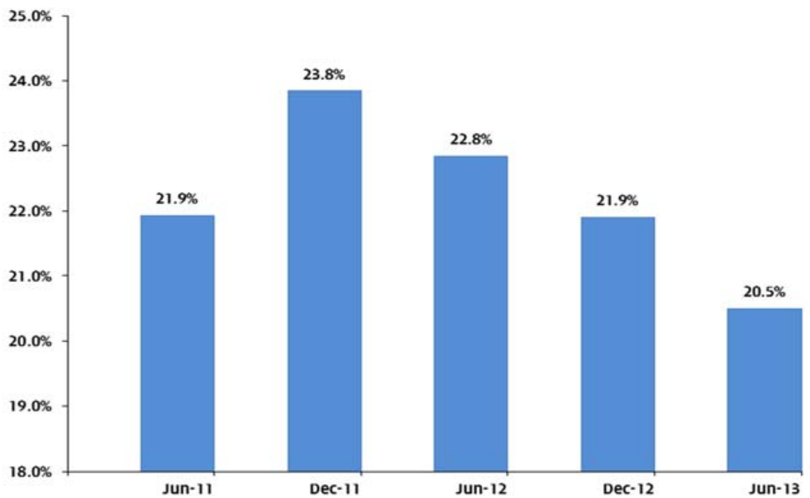
Debt Maturity Profile at 30 June 2013



Liquid Assets by Type at 30 June 2013

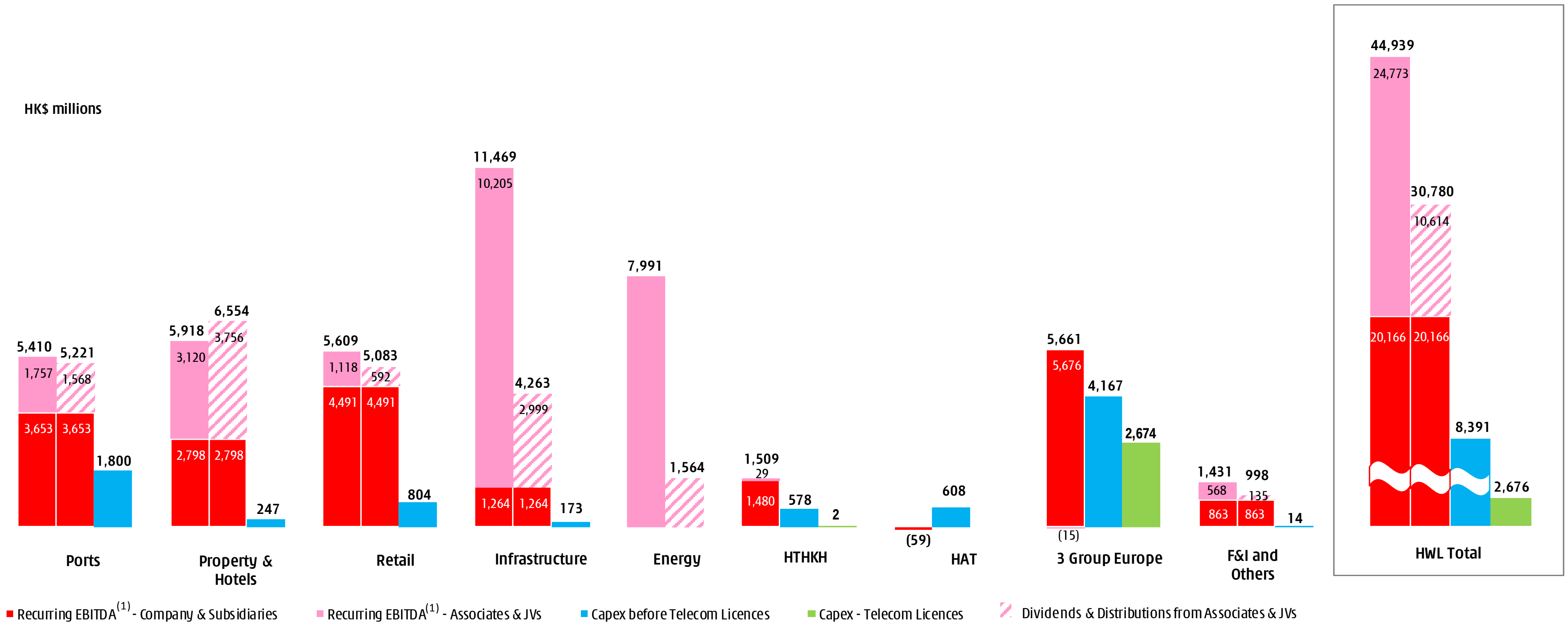


Net Debt to Net Total Capital Ratio



Financial profile
Net Debt Ratio not exceeding 25%

1H 2013 EBITDA, Dividends and Distributions from Associates and JVs less Capex of Company & Subsidiaries
By division



Note (1): EBITDA exclude non-controlling interests' share of results of HPH Trust and the profits on disposal of investment and others.