

Listed Company Information

HUTCHISON<00013> - Results Announcement

Hutchison Whampoa Limited announced on 31/03/2005:

(stock code: 00013)

Year end date: 31/12/2004

Currency: HKD

Auditors' Report: Unqualified

		(Audited) Current Period from 01/01/2004 to 31/12/2004 ('Million)	(Restated note 1) (Audited) Last Corresponding Period from 01/01/2003 to 31/12/2003 ('Million)
Turnover	Note	: 134,595	104,921
Profit/(Loss) from Operations	2	: 8,123	5,176
Finance cost	3	: (12,712)	(9,568)
Share of Profit/(Loss) of Associates		: 8,822	8,796
Share of Profit/(Loss) of Jointly Controlled Entities		: 2,422	2,627
Profit/(Loss) after Tax & MI		: 16,128	11,677
% Change over Last Period		: +38 %	
EPS/(LPS)-Basic (in dollars)	4	: 3.78	2.74
-Diluted (in dollars)		: N/A	N/A
Extraordinary (ETD) Gain/(Loss)		: N/A	N/A
Profit/(Loss) after ETD Items		: 16,128	11,677
Final Dividend per Share		: \$1.22	\$1.22
(Specify if with other options)		: N/A	N/A
B/C Dates for Final Dividend		: 12/05/2005	to 19/05/2005 bdi.
Payable Date		: 20/05/2005	
B/C Dates for (-) General Meeting		: N/A	
Other Distribution for Current Period		: N/A	
B/C Dates for Other Distribution		: N/A	

Remarks:

1 Accounting Policies

The accounts have been prepared in accordance with generally accepted accounting principles in Hong Kong and comply with the Hong Kong Financial Reporting Standards ("HKFRS") and Hong Kong Accounting Standards ("HKAS"), also collectively referred to as Hong Kong Financial Reporting Standards ("HKFRSs"), issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

HKICPA is pursuing its policy objective of full convergence with the standards and interpretations established by the International Accounting Standards Board ("IASB"). To this end, the HKICPA has recently issued over a dozen new and revised HKFRSs, which are effective for the financial

year beginning 1 January 2005, with the objective to eliminate, to the greatest extent possible, the differences that currently exist between HKFRSs and International Financial Reporting Standards ("IFRS"). Early adoption of these standards is encouraged. The Group has adopted retrospectively, where required, the current interpretations of four of those standards that are believed to have the most material effect on the Group's accounts and, as a result, the profit attributable to shareholders in 2004 and 2003 have been materially affected and the 2003 profit is required to be restated to be comparable on a consistent basis of accounting. The results of 2003 have been restated to reflect the Group's early adoption, with retrospective effect where applicable, of HKFRS 3 "Business Combinations", HKAS 36 "Impairment of Assets", HKAS 38 "Intangible Assets", HKAS 40 "Investment Property" and the adoption of SSAP Interpretation 22 "The Appropriate Accounting Policies for Infrastructure Facilities".

In 2004, prepaid customer acquisition costs ("CAC") of HK\$8,423 million (2003 - HK\$917 million) previously capitalised have been expensed and capitalised postpaid CAC are now amortised over 12 months, previously 36 months, resulting in increased amortisation expense in 2004 of HK\$1,472 million (2003 - HK\$612 million). In 2004, the increase in valuation of investment properties of HK\$5,302 million (2003 - decrease of HK\$1,705 million) has been included in the calculation of profit, having previously been credited directly to reserves. At 1 January 2004, goodwill totalling HK\$11,787 million deducted from reserves in previous years is not to be recognised in the profit or loss calculation on disposal of the related business and will remain as a reduction of reserves. In 2004, the Group sold 29.84% of Hutchison Telecommunications International and goodwill in reserves related to the disposal of this business of HK\$2,011 million was not included in the calculation of the profit. The net effect after taxation and minority interests of the adoption of these standards and their current interpretations, which align HKFRSs with IFRS, increased profit attributable to shareholders for the year ended 31 December 2004 by HK\$1,702 million and reduced profit attributable to the shareholders for the year ended 31 December 2003 by HK\$2,701 million. The opening shareholders' funds as at 1 January 2004 and 2003 have been reduced by HK\$3,498 million and HK\$2,579 million respectively.

The effect of these changes on the profit attributable to shareholders, the various balance sheet items and opening shareholders' funds is summarised below:

HKFRS 3	HKAS 38	HKAS 40	SSAP Interpretation 22	Total 2004
HK\$millions	HK\$millions	HK\$millions	HK\$millions	HK\$millions
Increase (decrease) in profit attributable to shareholders				
2,757	(5,196)	4,336	(195)	1,702

Increase in goodwill				
509	-	-	-	509
Increase in fixed assets				
-	-	256	-	256
(Decrease) in telecommunications customer acquisition costs				
-	(11,337)	-	-	(11,337)
Increase in deferred tax assets				
-	3,109	-	-	3,109
Increase (decrease) in associated companies				
177	(87)	-	-	90
Increase (decrease) in interests in joint ventures				
13	-	33	(1,797)	(1,751)

Decrease (increase) in deferred taxation liabilities	-	-	(2,784)	314	(2,470)
Decrease (increase) in minority interests	(52)	2,208	30	-	2,186

Increase (decrease) in net assets	647	(6,107)	(2,465)	(1,483)	(9,408)

(Decrease) in shareholders' funds at 1 January 2004	-	(911)	(1,299)	(1,288)	(3,498)

HKFRS 3	HKAS 38	HKAS 40	SSAP Interpretation 22	Total 2004	
HK\$millions	HK\$millions	HK\$millions	HK\$millions	HK\$millions	
(Decrease) in profit attributable to shareholders	-	(911)	(1,556)	(234)	(2,701)

Increase in fixed assets	-	-	408	-	408
(Decrease) in telecommunications customer acquisition costs	-	(1,433)	-	-	(1,433)
Increase in deferred tax assets	-	437	-	-	437
(Decrease) in associated companies	-	(96)	-	-	(96)
Increase (decrease) in interests in joint ventures	-	-	104	(1,562)	(1,458)
Decrease (increase) in deferred taxation liabilities	-	-	(1,841)	274	(1,567)
Decrease in minority interests	-	181	30	-	211

(Decrease) in net assets	-	(911)	(1,299)	(1,288)	(3,498)

(Decrease) in shareholders' funds at 1 January 2003	-	-	(1,525)	(1,054)	(2,579)

The Group has already commenced an assessment of the impact of the other new HKFRSs which have not been early adopted by the Group. Whilst the Group believes the standards with the most material effect on the Group's accounts are those early adopted for 2004, the Group is not yet in a position to state whether the remaining new HKFRSs would have significant impact on its results of operations and net financial position.

2 Profit from operations

Profit from operations includes a profit from changes in fair value of investment properties of HK\$5,244 million, a profit of HK\$13,759 million on the disposal of Procter & Gamble-Hutchison, a profit of HK\$1,300 million from the partial disposal of Hutchison Global Communications and a profit of HK\$4,100 million from the partial disposal of Hutchison Telecommunications International Limited, a release of provisions previously made against equity securities of HK\$813 million and less a write-off of the Group's premium on acquisition of certain infrastructure joint ventures in the Mainland amounting to HK\$791 million. The comparative amounts in 2003 included a loss from changes in fair value of investment properties of HK\$1,809 million, a profit of HK\$1,683 million on

the disposal of the European water businesses and a profit of HK\$2,627 million from the disposal of equity investments in Vodafone and Deutsche Telekom, a release of provisions amounting to HK\$7,810 million less a full write-off of the HK\$3,111 million investment in Global Crossing and other net non-recurring charge of HK\$116 million.

	2004	2003
3	HK\$ millions	HK\$ millions
Finance costs		
Company and subsidiary companies	11,919	10,065
Less: interest capitalised	(869)	(2,350)
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	11,050	7,715
Share of associated companies	1,411	1,407
Share of jointly controlled entities	251	446
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	12,712	9,568
	=====	=====
4	Earnings per share	

The calculation of earnings per share is based on profit attributable to shareholders of HK\$16,128 million (2003 - HK\$11,677 million, as restated) and on 4,263,370,780 shares in issue during 2004 (2003 - 4,263,370,780 shares).