Hutchison Whampoa Limited

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

OVERSEAS REGULATORY ANNOUNCEMENT

Attached is the Directors' Report and Financial Statements for the year ended 31 December 2008 of Hutchison Ports (UK) Finance PLC, an indirect subsidiary of the Company, filed with the Luxembourg Stock Exchange.

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

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

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

Independent Non-executive Directors:
The Hon Sir Michael David KADOORIE
Mr Holger KLUGE
Mr William Elkin MOCATTA
(Alternate to The Hon Sir Michael David Kadoorie)
Mr OR Ching Fai, Raymond
Mr WONG Chung Hin

Hong Kong, 4 May 2009

HUTCHISON PORTS (UK) FINANCE PLC

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

(Registered number 3698748)

31st December 2008

Hutchison Ports (UK) Finance PLC

Report of the directors for the year ended 31st December 2008

The directors submit their report and the audited financial statements for the year ended 31st December 2008.

Business review and principal activities

The principal activity of the company is as a finance company of the Hutchison Ports (UK) Limited group.

The profit and loss account is set out on page 6 and shows the results for the year ended 31st December 2008. Profit before tax amounted to £86,000 (2007 £103,000) and profit for the year transferred to reserves was £61,000 (2007: £73,000). The directors do not propose a dividend for the year ended 31st December 2008 (2007: £nil).

Strategy and values

The ports group strategy is to achieve profitable growth in port operations and logistics activities, by providing a high standard of performance, innovative solutions and developing long-term relationships with its customers.

The group has 5 core values:

1. Responsibility – to shareholders, customers, people, business partners and to society.
2. Business integrity.
3. Commitment to health and safety.
4. The community – behaving in a socially responsible manner and providing good employment opportunities.
5. To foster open communication at all times.

Future developments

The directors do not anticipate any change in the company's role or activities in the foreseeable future.

Principal risks and uncertainties

The principal risk of the company is that of default on debt owed by fellow group companies. This risk is considered by the directors to be minimal due to the existence of a guarantee provided by the parent group on the company's major liabilities, as disclosed in note 14 of these financial statements.

Key performance indicators

The directors of Hutchison Ports (UK) Limited group manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Hutchison Ports (UK) Finance plc. The development, performance and position of the Hutchison Ports (UK) Limited group, which includes the company, is discussed on page 2 of the group's financial statements and do not form part of these financial statements.

Creditor payment policy

The company seeks to abide by the payment terms agreed with suppliers whenever it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions. The company does not have a standard code of conduct that deals specifically with the payment of suppliers as a non-trading company and has no meaningful equivalent of creditor days.

Report of the directors for the year ended 31st December 2008 (continued)

Directors

The following served as directors during the year and up to the date of signing of the financial statements:

C C F Cheng
J E Meredith
J S Tsien
E Shih

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB), as adopted by the European Union. The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent.;
- state that the financial statements comply with IFRSs issued by the IASB as adopted by the European Union.
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

Hutchison Ports (UK) Finance PLC

Report of the directors for the year ended 31st December 2008 (continued)

Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Directors' statement

We, the directors of the company, confirm to the best of our knowledge that the set of financial statements which has been prepared in accordance with International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB), as adopted by the European Union gives a true and fair view of the assets, liabilities, financial position and profit or loss of Hutchison Ports (UK) Finance plc and that the management report includes a fair review of the development and performance of the business and the financial position of the issuer, together with a description of the principal risks and uncertainties that the issuer faces.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board

Registered office

Tomline House
The Dock
Felixstowe
Suffolk
IP11 3SY

M K Cheung
Company Secretary

19th March 2009

PricewaterhouseCoopers LLP
10 Bricket Road
St Albans AL1 3JX
Telephone +44 (0) 1727 844155
Facsimile +44 (0) 1727 892333
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HUTCHISON PORTS (UK) FINANCE PLC

We have audited the financial statements of Hutchison Ports (UK) Finance Plc for the year ended 31st December 2008, which comprise the profit and loss account, the balance sheet, the statement of changes in equity, the cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors
The directors' responsibilities for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

PRICEWATERHOUSECOOPERS

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The directors' responsibilities for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

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We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

PRICEWATERHOUSECOOPERS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HUTCHISON PORTS (UK) FINANCE PLC

Opinion
In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the company's affairs as at 31st December 2008 and of its profit and cash flows for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
St Albans
14 April 2009

Hutchison Ports (UK) Finance PLC

Balance sheet as at 31st December 2008

	Note	2008 £'000	2007 £'000
ASSETS			
Non – current assets			
Called up share capital not paid	15	38	38
Other non-current assets	12	319,911	319,911
		319,949	319,949
Current assets			
Other current assets	11	4,950	4,530
		4,950	4,530
Total assets		324,899	324,479
LIABILITIES			
Non – current liabilities			
Financial liabilities - borrowings	14	322,747	322,421
		322,747	322,421
Current liabilities			
Trade and other payables	13	1,629	1,590
Current tax payable		25	31
		1,654	1,621
Total liabilities		324,401	324,042
Net assets		498	437
Shareholders' equity			
Called up share capital	15	50	50
Profit and loss account		448	387
Total equity		498	437

The financial statements on pages 6 to 17 were approved by the Board of Directors on 19th March 2009 and signed on its behalf by:

C C F CHENG
Director

Hutchison Ports (UK) Finance PLC

Statement of changes in equity for the year ended 31st December 2008

	Share capital £'000	Profit and loss account £'000	Total equity £'000
At 1st January 2008	50	387	437
Profit for the year	-	61	61
Balance at 31st December 2008	50	448	498
At 1st January 2007	50	314	364
Profit for the year	-	73	73
Balance at 31st December 2007	50	387	437

The notes on pages 10 to 17 form part of these financial statements.

Hutchison Ports (UK) Finance PLC

Cash flow statement for the year ended 31st December 2008

	Note	2008 £'000	2007 £'000
Cash flows from operating activities			
Cash (used) by operations	16	(100)	(26)
Interest received		22,394	22,394
Interest paid		(22,263)	(22,263)
Corporation tax paid		(31)	(105)
Net cash from operating activities		-	-
Net increase/decrease in cash and cash equivalents		-	-
Cash and cash equivalents at 1st January and 31st December		-	-

The notes on pages 10 to 17 form part of these financial statements.

Hutchison Ports (UK) Finance PLC

Notes to the financial statements for the year ended 31st December 2008

1. <u>General information</u>

The principal activity of Hutchison Ports (UK) Finance PLC is as a finance company of the Hutchison Ports (UK) Limited group. The company is a limited liability company incorporated and domiciled in the UK.

2. <u>Summary of significant accounting policies</u>

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2(a) Basis of preparation

The financial statements have been prepared in accordance with EU endorsed International Financial Reporting Standards (IFRS) and IFRIC interpretation and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS. The statements have been prepared under the historical cost convention.

Standards, amendment and interpretations effective in 2008

IFRIC 14, 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction', provides guidance on assessing the limit in IAS 19 on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. This interpretation does not have any impact on the company's financial statements as it does not operate a defined benefit pension scheme.

Standards, amendments and interpretations effective in 2008 but not relevant

The following interpretations to published standards are mandatory for accounting periods beginning on or after 1 January 2008 but are not relevant to the company's operations:

IFRIC 11, 'IFRS 2 – Group and treasury share transactions'; and

IFRIC 12, 'Service concession arrangements'; and

IFRIC 13, 'Customer loyalty programmes'.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the company

IFRS 8, 'Operating segments' replaces IAS 14, 'Segment reporting', and aligns segment reporting with the requirements of the US standard SFAS 131, 'Disclosures about segments of an enterprise and related information'. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes, therefore the segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker. The group will apply IFRS 8 from 1 January 2009. It is not expected to have a material impact on the company's financial statements.

IAS 1 (Revised), 'Presentation of financial statements' (effective from 1 January 2009 – subject to endorsement by the EU). The revised standard will prohibit the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). Where entities restate or reclassify comparative information, they will be required to present a restated balance sheet as at the beginning comparative period in addition to the current requirement to present balance sheets at the end of the current period and comparative period. The company will apply IAS 1 (Revised) from 1 January 2009. It is likely that both the income statement and statement of comprehensive income will be presented as performance statements.

Hutchison Ports (UK) Finance PLC

Notes to the financial statements for the year ended 31st December 2008 (continued)

2. Summary of significant accounting policies (continued)

2(a) Basis of preparation (continued)

IAS 1 (Amendment), 'Presentation of financial statements' (effective from 1 January 2009). The amendment is part of the IASB's annual improvements project published in May 2008. The amendment clarifies that some rather than all financial assets and liabilities classified as held for trading in accordance with IAS 39, 'Financial instruments: Recognition and measurement' are examples of current assets and liabilities respectively. The company will apply the IAS 39 (Amendment) from 1 January 2009. It is not expected to have an impact on the company's financial statements.

There are a number of minor amendments to IFRS 7, 'Financial instruments: Disclosures', IAS 8, 'Accounting policies, changes in accounting estimates and errors', IAS 10, 'Events after the reporting period', IAS 18, 'Revenue' and IAS 34, 'Interim financial reporting', which are part of the IASB's annual improvements project published in May 2008 (not addressed above). These amendments are unlikely to have an impact on the company's accounts and have therefore not been analysed in detail.

Standards, amendments and interpretations to existing standards that are not yet effective and not relevant for the company's operations

IAS 19 (Amendment), 'Employee benefits' (effective from 1 January 2009).

IAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2009).

IAS 36 (Amendment), 'Impairment of assets' (effective from 1 January 2009).

IAS 16 (Amendment), 'Property, plant and equipment' (and consequential amend amendment to IAS 7, 'Statement of cash flows') (effective from 1 January 2009).

IAS 27 (Revised), 'Consolidated and separate financial statements' (effective from 1 January 2009).

IAS 28 (Amendment), 'Investments in associates' (and consequential amendments to IAS 32, 'Financial Instruments: Presentation' and IFRS 7, 'Financial instruments: Disclosures') (effective from 1 January 2009).

IAS 29 (Amendment), 'Financial reporting in hyperinflationary economies' (effective from 1 January 2009).

IAS 31 (Amendment), 'Interests in joint ventures' (and consequential amendments to IAS 32 and IFRS 7) (effective from 1 January 2009).

IAS 38 (Amendment), 'Intangible assets' (effective from 1 January 2009).

The minor amendments to IAS 20 'Accounting for government grants and disclosure of government assistance', and IAS 29, 'Financial reporting in hyperinflationary economies', IAS 40, 'Investment property', and IAS 41, 'Agriculture'

IFRIC 15, 'Agreements for construction of real estates' (effective from 1 January 2009).

IFRIC 16, 'Hedges of a net investment in a foreign operation' (effective from 1 October 2008 – subject to endorsement by the EU).

IAS 39 (Amendment), 'Financial instruments: Recognition and measurement' (effective from 1 January 2009).

IFRS 5 (Amendment), 'Non-current assets held-for-sale and discontinued operations' (and consequential amendment to IFRS 1, 'First-time adoption') (effective from 1 July 2009).

IFRS 3 (Revised), 'Business combinations' (effective from 1 July 2009).

2. <u>Summary of significant accounting policies</u> (continued)

2(a) Basis of preparation (continued)

IFRS 1 (Amendment) 'First time adoption of IFRS', and IAS 27 'Consolidated and separate financial statements'(effective from 1 January 2009).

IAS 32 (Amendment), 'Financial instruments: Presentation', and IAS 1 (Amendment), 'Presentation of financial statements' – 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2009).

IFRS 2 (Amendment), 'Share-based payment' (effective from 1 January 2009).

2(b) Finance costs

The finance costs recognised in the profit and loss account in respect of capital instruments other than equity are allocated to periods over the term of the instrument at a constant rate on the carrying amount.

2(c) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings using the effective interest method.

2(d) Interest receivable and payable

Interest receivable/payable are accounted for on an accruals basis.

2(e) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2(f) Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2(g) Borrowing costs

Borrowing costs are expensed through the profit and loss account.

2(h) Foreign currencies

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in GBP, which is the company's functional and presentation currency.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the income statement.

3. Financial risk management

Financial risk factors

The company's activities expose it to a variety of financial risks; liquidity risk, market risks (including foreign exchange risk, price risk and cash flow interest rate risk) credit risk and capital risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

Risk management is carried out by a central treasury department under policies approved by the immediate parent company's Board of Directors. The Board approves written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk and interest rate risk. Hedge accounting is applied where appropriate. There are currently no derivative financial instruments in place to hedge risk exposure.

3(a) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the business, the central treasury department aims to maintain flexibility in funding by keeping committed credit lines available. Accordingly liquidity risk is monitored at an immediate parent company level.

The table below analyses the company's financial liabilities, which will be settled on a net basis into relevant maturity groupings, based on the remaining period at the balance sheet to the contractual maturity date. As the amounts disclosed in the table are the contractual undiscounted cash flows these will not reconcile to amounts disclosed in the balance sheet. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

At 31st December 2008	Less than 1 Year	Between 1 and 2 Years	Between 2 and 5 Years	Over 5 Years
Borrowings	21,937	21,937	65,812	367,012
Accruals and deferred income	1,590	-	-	-

At 31st December 2007	Less than 1 Year	Between 1 and 2 Years	Between 2 and 5 Years	Over 5 Years
Borrowings	21,937	21,937	65,812	388,949
Accruals and deferred income	1,590	-	-	-

3(b) Foreign exchange risk

The group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, the Hong Kong dollar and the Euro. Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

Management has set up a policy to advise group companies to manage their foreign exchange risk against their functional currency. The policy permits the use of forward rate agreements, forward foreign exchange contracts and currency swaps with prior approval. All group companies are reviewed on a regular basis.

3(c) Price risk

The company is not exposed to significant price risks.

3. Financial risk management (continued)

3(d) Cash flow and fair value interest rate risk

As the company's interest bearing assets/liabilities are all held at fixed rates, the income and operating cash flows are substantially independent of changes in market interest rates.

3(e) Credit risk

The company has no significant concentrations of risk. The company has policies that limit the amount of credit exposure to any financial institution or counter-party.

3(f) Capital risk management

Capital is managed at a group level. The group's primary objectives when managing capital are to safeguard the group's ability to continue to provide returns for shareholders and to support the group's stability and growth. The group regularly reviews and manages its capital structure to ensure optimal capital structure to maintain a balance between higher shareholders' returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

4. Fair value

The nominal value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to the short-term maturities of these assets and liabilities. Where appropriate, the fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

5. Operating loss

	2008 £'000	2007 £'000
Operating loss is stated after charging:		
Auditors' remuneration for the audit of company's financial statements	7	6

6. Directors' remuneration

The directors received no remuneration in respect of their services to the company during the period.

7. Employees

The company does not have any employees.

8. Interest receivable and similar income

	2008 £'000	2007 £'000
On loans to parent undertaking	22,394	22,394

9. Interest payable and similar charges

	2008 £'000	2007 £'000
On 6.75% Guaranteed Bonds due 2015	21,937	21,937
Amortisation of finance costs	326	326
	22,263	22,263

Notes to the financial statements for the year ended 31st December 2008 (continued)

10. Taxation

	2008 £'000	2007 £'000
UK corporation tax on profit for the year	25	30

The tax assessed on the profit on ordinary activities for the year is based on the average standard rate of corporation tax in the UK of 28.5% (2007: 30%), which is reconciled below:

	2008 £'000	2007 £'000
Profit on ordinary activities before taxation	86	103
Current tax:		
Profit on ordinary activities before taxation at 28.5% (2007: 30%)	25	30

The standard rate of corporation tax has decreased during the year as a result of the change in UK Corporation Tax rates which came into effect from 1st April 2008.

11. Other current assets

	2008 £'000	2007 £'000
Amounts owed by parent undertaking	4,950	4,530

Amounts owed by parent undertaking are denominated in pounds sterling, unsecured, interest free and are repayable on demand. The fair value of this receivable is not considered to be different to the carrying value.

12. Other non-current assets

	2008 £'000	2007 £'000
Amounts owed by parent undertaking	319,911	319,911

The loan due from parent undertaking falls due after five years, is unsecured and carries interest of 7% fixed. The fair value of this receivable is not considered to be different to the carrying value.

13. Trade and other payables

	2008 £'000	2007 £'000
Amounts owed to group undertakings		
- fellow subsidiaries	39	-
Accruals and deferred income	1,590	1,590
	1,629	1,590

Amounts owed to subsidiary undertaking are unsecured, interest free and repayable on demand.

14. Financial liabilities - borrowings

	2008 £'000	2007 £'000
6.75% Guaranteed Bonds due 2015	322,747	322,421

The bonds can be analysed as follows:

	2008 £'000	2007 £'000
Due in more than 5 years	325,000	325,000
Deferred issue costs	(2,253)	(2,579)
	322,747	322,421

The bonds are guaranteed by the company's immediate parent, Hutchison Ports (UK) Limited.

The exposure of the company's borrowings to interest rate changes and the contractual re-pricing dates at the balance sheet dates is as follows:

	2008 £'000	2007 £'000
6 months or less	-	-
6 to 12 months	-	-
1 to 5 years	-	-
Over 5 years	322,747	322,421
	322,747	322,421

The carrying amounts and fair values of non-current borrowings are as follows:

	2008		2007	
	Book value £'000	Fair value £'000	Book value £'000	Fair value £'000
6.75% Guaranteed Bond	322,747	299,835	322,421	338,361

The fair values are based on cash flows discounted using a rate based on the market rate as at 31st December.

The carrying amounts of the company's borrowings are all denominated in pounds Sterling.

All borrowing costs incurred during the year have been expensed through the profit and loss account.

15. Called-up share capital

	2008 £'000	2007 £'000
Authorised		
50,000 (2007: 50,000) ordinary shares of £1 each	50	50
Issued		
50,000 (2007: 50,000) ordinary shares of £1 each	50	50
Paid		
50,000 (2007: 50,000) ordinary shares of £1 each at 25p	12	12
Called-up share capital not paid		
50,000 (2007: 50,000) ordinary shares of £1 each at 75p	38	38

16. Cash flow from operating activities

	2008 £'000	2007 £'000
Profit for the year	61	73
Adjustments for:		
Interest payable (note 9)	22,263	22,263
Interest receivable (note 8)	(22,394)	(22,394)
Corporation tax (note 10)	25	30
Amortisation of finance costs (note 9)	326	326
Changes in working capital:		
Increase in amounts owed to group undertakings	39	-
(Increase) in amounts owed by parent undertakings	(420)	(324)
Cash used by continuing operations	(100)	(26)

17. Parent company

Hutchison Ports (UK) Limited, whose principal activity is to act as a holding company, is the immediate parent of the company and owns 100% of the shares and voting rights, and is the smallest group to consolidate the accounts of the company.

Copies of the Hutchison Ports (UK) Limited financial statements may be obtained from the Company Secretary, Tomline House, The Dock, Felixstowe, Suffolk IP11 3SY.

Hutchison Whampoa Limited, incorporated in Hong Kong, is the company's ultimate parent company and is the largest group to consolidate these accounts.

Copies of the Hutchison Whampoa Limited financial statements may be obtained from the Company Secretary, 22nd Floor, Hutchison House, 10 Harcourt Road, Hong Kong.