Hutchison Whampoa Limited

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

UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2009

HIGHLIGHTS

	June 2009	June 2008 (Restated[1])	Change	Change Local Currencies[3]
	HK$ millions	HK$ millions		
Total revenue	**141,028**	176,181	-20%	-7%
EBIT from established businesses	**19,842**	35,220	-44%	-39%
LBIT of the **3** Group[2]	**(1,810)**	(5,273)	+66%	+46%
Total EBIT	**18,032**	29,947	-40%	-37%
Profit attributable to shareholders	**5,760**	8,589	-33%	
Earnings per share	**HK$1.35**	HK$2.01	-33%	
Interim dividend per share	**HK$0.51**	HK$0.51	-	

Note 1: 2008 results have been restated to reflect the change in accounting policy whereby costs associated with acquiring and retaining contract customers in the Group's telecommunications businesses are now expensed to the profit and loss account as and when incurred.
Note 2: LBIT includes a gain of HK$3,641 million resulting from the merger of **3** Australia with Vodafone Australia.
Note 3: The Group's results were significantly affected by the translation of overseas subsidiaries' results from their local currencies to Hong Kong dollars due to the weakening of the Euro, British pound and other currencies against the Hong Kong dollar.

- Total revenue and EBIT declines were significantly affected by adverse foreign currency movements and economic conditions. Although total revenue and total EBIT in Hong Kong dollars declined by 20% and 40% respectively, declines before adverse foreign currency translation movements were 7% and 37% respectively.
- Profit attributable to shareholders and earnings per share are HK$5,760 million and HK$1.35 respectively
- 3G customer base currently totals over 25.3 million worldwide
- **3** Group's LBIT reduced by 66% to HK$1,810 million

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CHAIRMAN'S STATEMENT

In the first half of this year, the global economy continued to slow, currency markets remained volatile, and many of the world's major economies were in recession. In local currencies, revenue and earnings before interest expense and finance costs, taxation and minority interest ("EBIT") of the Group's established businesses decreased 9% and 39% respectively. However, after translation to Hong Kong dollars, revenue declined 20% to HK$114,648 million and EBIT totalled HK$19,842 million, 44% lower than the first half of 2008. In local currencies, all **3** Group operations reported year on year growth in revenue except **3** Italia and **3** Austria, and all operations reported reduced recurring LBIT except **3** Austria. In local currencies, **3** Group total revenue increased 3%. However, after translation to Hong Kong dollars, total revenue declined 18% to HK$26,380 million. In local currencies, **3** Group LBIT reduced 46% and after translation, LBIT amounted to HK$1,810 million, a 66% reduction from last year's results. LBIT for the **3** Group in the period includes a gain of HK$3,641 million resulting from the merger of **3** Australia and Vodafone Australia, and LBIT in the comparable 2008 results includes one time foreign exchange gains totalling HK$2,945 million. Excluding these gains in both years, LBIT for the **3** Group in local currencies reduced 20%.

The Group's total revenue in local currencies decreased 7% and after translation to Hong Kong dollars totalled HK$141,028 million, a 20% decrease. The Group's total EBIT in local currencies decreased 37% and after translation to Hong Kong dollars totalled HK$18,032 million, a 40% decrease compared to the first half of 2008.

Subsequent to 30 June 2009, Hutchison Telecommunications International ("HTIL"), the Group's 60.4% owned listed subsidiary, announced on 12 August 2009 that a wholly owned subsidiary had entered into an agreement to sell its entire shareholding in Partner Communications in Israel, for a total consideration, subject to adjustment, of NIS5,290,960,470 (approximately US$1,381 million) (approximately HK$10,706 million). The consideration is comprised of cash of NIS4,141,960,470 (US$1,081 million) (HK$8,381 million) and a loan note of US$300 million (HK$2,325 million). The transaction, subject to certain completion conditions including regulatory approval, is targeted to be completed in the second half of this year. The Group's share of HTIL's disposal gain before taxation, after adjusting for asset valuation consolidation adjustments, on completion of the transaction and translation into US$ (HK$) is estimated to be approximately US$575 million (HK$4,456 million).

Results

The Group's profit attributable to shareholders for the period amounted to HK$5,760 million, a 33% reduction to last year's comparable profit of HK$8,589 million. Earnings per share were HK$1.35 (2008 – HK$2.01).

Profit on property revaluation during the period amounted to HK$700 million (2008 – HK$824 million). The 2009 results also include profits on disposal of investments totalling HK$4,655 million (2008 – HK$3,854 million), comprised of the following:

	HK$ millions
• **3** Group - Gain on merger of **3** Australia with Vodafone's Australian operations	3,641
• Established businesses - Gain on disposal of equity interest in three power plants in Mainland China	847
• Established businesses - Profit on disposal of telecommunications tower assets in Indonesia	167

Dividends

The Board recommends the payment of an interim dividend of HK$0.51 per share (30 June 2008 – HK$0.51 per share) payable on 25 September 2009 to those persons registered as shareholders on 24 September 2009. The register of members will be closed from 17 September 2009 to 24 September 2009, both days inclusive.

Established Businesses

Ports and Related Services

The sharp reduction in global trade volume that started in the fourth quarter of last year continued into the first quarter of 2009. During the second quarter, volumes generally stabilised, albeit at levels well below 2008. This decline has adversely affected the results of the ports and related services division. The division handled a total throughput of 30.3 million twenty-foot equivalent units ("TEUs") in the first six months of 2009, 8% lower than that of the same period last year. Total revenue in local currencies decreased 13% and after translation to Hong Kong dollars, decreased 21% to HK$15,556 million. The division's EBIT in local currencies declined 31% and in Hong Kong dollars was HK$4,487 million, 35% below the same period last year. During the first half, the division implemented cost reduction initiatives targeting to achieve an EBIT percentage decline not greater than the revenue percentage decline. The full effect of many of these is expected to be realised in the second half of the year. Although trade volumes are normally seasonally higher in the second half of the year, the Group's current expectation is that trading activity will recover slowly, presenting a continuing challenge to the division's full year earnings prospect.

Property and Hotels

The property and hotels division reported total revenue of HK$6,628 million and EBIT of HK$3,239 million, a 24% increase and a 37% decrease respectively over the comparable period last year. However, excluding a HK$2,141 million profit realised on disposal of an investment property in the first half of 2008, EBIT for the first half of 2009 increased by 7%. Gross rental income of HK$1,894 million was 16% higher than the same period last year, with the rental properties portfolio 94% let. Development profits for the period were 28% higher than the same period last year, mainly due to the sale of residential property units in Mainland China, particularly in Shanghai and Shenzhen. Offsetting the positive performance of the property group, hotel operations reported sharply lower profits in the first half of 2009 due to the impact of swine flu (H1N1) and the ongoing economic downturn.

Retail

Consumer sentiment continued to be adversely affected by the global economic environment in the first half of the year. Nevertheless, the Group's retail division reported a 4% underlying sales growth in local currencies, although in Hong Kong dollars, reported revenues decreased by 9% to HK$53,444 million. In local currencies, EBIT increased by 67%, and in Hong Kong dollars increased 52% to HK$1,873 million compared to the same period last year, driven by cost reduction programmes, reduced inventory levels and enhanced operating efficiencies.

Cheung Kong Infrastructure

Cheung Kong Infrastructure ("CKI"), a listed subsidiary, announced its group turnover and its share of jointly controlled entities' turnover of HK$2,222 million, 30% lower than the comparable period last year. Profit attributable to shareholders of HK$3,885 million was 67% above the same period last year.

Included in these results is a gain of HK$1,314 million on disposal of its 45% equity interest in three power plants in Zhuhai to Hongkong Electric ("HKE"), which after asset valuation consolidation adjustments, amounted to a gain of HK$847 million in the Group's results.

Husky Energy

Husky announced sales and operating revenues of C$7,566 million and net earnings of C$758 million, 38% and 66% below the comparable period last year, reflecting lower commodity prices and crack spreads compared to the first half of 2008. Average total production during the first half of 2009 was 329,600 barrels of oil equivalent per day ("BOEs per day") compared to 354,700 BOEs per day in the first half of 2008. With commodity prices remaining significantly below last year's levels, Husky's contribution to the Group's earnings for the second half of the year is expected to continue to be lower than last year.

Finance and Investments

The Group's EBIT from its finance and investments operations represents returns earned on the Group's holdings of cash and liquid investments. EBIT amounted to HK$2,478 million, 21% below the same period last year, mainly due to lower interest income as a result of significantly lower market interest rates and reduced cash and liquid investments on hand after the repayment of debts in 2008 and in 2009. In the first half of 2009, the Group repaid debts as they matured and repaid early certain loans and notes totalling HK$43,446 million. The Group's consolidated cash and liquid investments totalled HK$75,752 million as at 30 June 2009 and consolidated debt totalled HK$245,450 million. Consolidated net debt, net of cash and liquid investments, amounted to HK$169,698 million at 30 June 2009 compared to HK$165,863 million at 31 December 2008.

Hutchison Telecommunications Hong Kong

In May 2009, Hutchison Telecommunications Hong Kong Holdings Limited ("HTHKH"), the holding company of the Hong Kong and Macau telecommunications operations, was spun-off from HTIL by way of a distribution in specie of the entire share capital of HTHKH, and was separately listed on the Main Board of The Stock Exchange of Hong Kong by way of introduction. HTHKH continues to be a 60.4% owned subsidiary of the Group and its results are consolidated in the Group's results. HTHKH announced turnover and profit attributable to shareholders for the first half of 2009 of HK$4,097 million and HK$256 million respectively, an 8% and 4% increase over the same period last year. At 30 June 2009, HTHKH announced a consolidated mobile active customer base of over 2.7 million, of which 1.4 million are 3G customers.

Hutchison Telecommunications International

HTIL announced turnover for the period of HK$6,411 million, a 20% decrease over the same period last year, and a loss attributable to shareholders of HK$285 million, compared to a profit of HK$1,165 million reported for the first half of 2008. The decrease reflects the spin off of HTHKH in 2009, as well as start-up losses incurred as HTIL builds its businesses in Indonesia and Vietnam. At 30 June 2009, HTIL announced a combined mobile active customer base, excluding Thailand, totalling 10.5 million, a 43% increase over the comparable base last year.

3 Group

The Group's registered 3G customer base, including 3G customers of HTHKH and HTIL, increased 25% during the period and currently stands at over 25.3 million customers, reflecting continued growth and the additional customers arising from the merger of the Group's Australian business with Vodafone's business in Australia which was completed in June. Hutchison Telecommunications (Australia) Limited ("HTAL") and Vodafone each have equal 50% interests in the combined business. The **3** Group's customer base includes over 3.8 million mobile broadband access customers, a 170% increase from the same period last year.

Average revenue per active user on a 12-month trailing average active customer basis ("ARPU") overall declined by 11% to €29.87 compared to full year 2008. This decline reflects price competition, as well as continuous reductions of roaming and termination rates in certain markets and the increase in the proportion of mobile broadband access customers in **3** Group's customer base. Although ARPU declined in local currencies, total revenue overall increased 3% from the comparable period last year. After translation to Hong Kong dollars, **3** Group total revenue decreased 18% to HK$26,380 million.

In local currencies, recurring LBIT reduced 20% compared to the same period last year, before one-time gains in both years, mainly due to cost savings from outsourcing activities, other stringent cost controls, and lower depreciation and amortisation charges. In order to increase the comparability of performance with other operators within the global industry and to more closely align the income statement with the cash flow statement, the Group retrospectively adopted a new accounting policy during the period to expense as incurred all acquisition and retention costs related to contract customers. Previously these costs were capitalised and amortised over the contract terms. The impact of this change has been included in the Group's results and amounts to a reduction of **3** Group reported LBIT in the current period by HK$467 million (first half of 2008 - increased LBIT by HK$2,098 million). In addition, the terms of **3** Italia's telecommunication licence have been revised to provide for continuous renewal and extension such that the licence has an indefinite life. On this basis, the licence cost is no longer required to be amortised and **3** Italia ceased recording an amortisation charge during the period. The effect of this change is to reduce **3** Group reported LBIT in the current period by HK$465 million.

Total **3** Group LBIT, including the previously mentioned one-time gains and after translation to Hong Kong dollars, amounted to HK$1,810 million, a 66% improvement over the comparable LBIT in the first half of 2008.

Barring any further significant adverse market or regulatory developments, management expects LBIT from the **3** Group to continue to narrow in the second half of the year.

Outlook

In the first half of 2009, the impact of the decline of the global economy adversely affected several of the Group's global businesses. However, with the support of Central Government's initiatives, the Mainland economy has to date maintained healthy domestic demand and the impact of external economic factors affecting Hong Kong have to date been largely mitigated.

The global economy has not regained its strength and in this difficult economic environment, the Group will continue to focus on maintaining strict operational and financial discipline. The Group's liquidity remains healthy. Although the economic environment will have differing adverse effects on the Group's various businesses around the world, looking ahead, the Group's established businesses are expected to continue to be profitable and to perform satisfactorily, and the **3** Group is expected to continue to progress. The Group's second half performance should be better than the first half and I have full confidence in the long term prospects of the Group.

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

Li Ka-shing
Chairman
Hong Kong, 13 August 2009

SUPPLEMENTARY INFORMATION AND KEY BUSINESS INDICATORS

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

	For the six months ended 30 June				%
	2009	2008 Restated (Note 1)	**2009**	2008	**Change**
REVENUE *					
PORTS AND RELATED SERVICES	**15,556**	19,576	**13%**	14%	**-21%**
PROPERTY AND HOTELS	**6,628**	5,343	**6%**	4%	**24%**
RETAIL	**53,444**	58,427	**47%**	40%	**-9%**
CHEUNG KONG INFRASTRUCTURE	**7,528**	9,396	**6%**	6%	**-20%**
HUSKY ENERGY	**16,965**	32,964	**15%**	23%	**-49%**
FINANCE & INVESTMENTS	**1,033**	2,311	**1%**	2%	**-55%**
HUTCHISON TELECOMMUNICATIONS HONG KONG HOLDINGS	**4,097**	3,716	**3%**	2%	**10%**
HUTCHISON TELECOMMUNICATIONS INTERNATIONAL	**6,411**	8,615	**6%**	6%	**-26%**
OTHERS	**2,986**	3,739	**3%**	3%	**-20%**
TOTAL REVENUE OF ESTABLISHED BUSINESSES	**114,648**	144,087	**100%**	100%	**-20%**
3 GROUP	**26,380**	32,094			**-18%**
TOTAL REVENUE	**141,028**	176,181			**-20%**
EARNINGS BEFORE INTEREST EXPENSE AND TAXATION ("EBIT")					
ESTABLISHED BUSINESSES:					
PORTS AND RELATED SERVICES	**4,487**	6,854	**25%**	22%	**-35%**
PROPERTY AND HOTELS	**3,239**	5,165	**18%**	17%	**-37%**
RETAIL	**1,873**	1,230	**10%**	4%	**52%**
CHEUNG KONG INFRASTRUCTURE	**3,663**	3,820	**20%**	13%	**-4%**
HUSKY ENERGY	**1,998**	8,543	**11%**	28%	**-77%**
FINANCE & INVESTMENTS	**2,478**	3,117	**14%**	10%	**-21%**
HUTCHISON TELECOMMUNICATIONS HONG KONG HOLDINGS	**308**	430	**2%**	1%	**-28%**
HUTCHISON TELECOMMUNICATIONS INTERNATIONAL	**166**	1,648	**1%**	5%	**-90%**
OTHERS	**(84)**	(265)	**-1%**	0%	**68%**
EBIT OF ESTABLISHED BUSINESSES BEFORE THE FOLLOWING	**18,128**	30,542	**100%**	100%	**-41%**
CHANGE IN FAIR VALUE OF INVESTMENT PROPERTIES	**700**	824			**-15%**
PROFIT ON DISPOSAL OF INVESTMENTS AND OTHERS - ESTABLISHED BUSINESSES	**1,014**	3,854			**-74%**
EBIT OF ESTABLISHED BUSINESSES	**19,842**	35,220			**-44%**
3 GROUP: (Note 2)					
EBITDA OF 3 GROUP BEFORE ALL CAC EXPENSES	**8,073**	12,257			**-34%**
- CAC expenses	**(7,893)**	(9,498)			**17%**
EBITDA OF 3 GROUP	**180**	2,759			**-93%**
- Depreciation	**(3,693)**	(5,172)			**29%**
- Amortisation of licence fees and other rights	**(1,938)**	(2,860)			**32%**
LBIT OF 3 GROUP BEFORE THE FOLLOWING	**(5,451)**	(5,273)			**-3%**
PROFIT ON DISPOSAL OF INVESTMENTS AND OTHERS - 3 GROUP	**3,641**	-			**NA**
LBIT OF 3 GROUP	**(1,810)**	(5,273)			**66%**
TOTAL EBIT	**18,032**	29,947			**-40%**
INTEREST EXPENSE AND OTHER FINANCE COSTS					
- Company and subsidiary companies	**(5,078)**	(9,001)			**44%**
- Share of associated companies and jointly controlled entities	**(1,435)**	(1,523)			**6%**
	(6,513)	(10,524)			**38%**
PROFIT BEFORE TAX	**11,519**	19,423			**-41%**
TAX *					
- Current tax	**(3,835)**	(3,621)			**-6%**
- Deferred tax	**696**	(3,342)			**121%**
	(3,139)	(6,963)			**55%**
PROFIT AFTER TAX	**8,380**	12,460			**-33%**
MINORITY INTERESTS *	**(2,620)**	(3,871)			**32%**
PROFIT ATTRIBUTABLE TO SHAREHOLDERS	**5,760**	8,589			**-33%**

* Includes share of associated companies and jointly controlled entities

Note 1 2008 results have been restated to reflect the change in accounting policy whereby costs associated with acquiring and retaining contract customers in the Group's telecommunications businesses are now expensed to the profit and loss account as and when incurred.

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

SUPPLEMENTARY INFORMATION AND KEY BUSINESS INDICATORS

Note: All comparing against the performance in the first six months of 2008

Established Businesses

Ports and Related Services

Total revenue	decreased 21% (decreased 13% in local currencies)
EBIT	decreased 35% (decreased 31% in local currencies)
Contributed 13% and 25% respectively to total revenue and EBIT of the Group's established businesses	

Major contributors to the division's overall 8% throughput decline were:

	Decrease
Ports in Hong Kong and the Mainland	11%
Ports in Asia (excluding Hong Kong and the Mainland)	15%

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

	Decrease
Ports in Hong Kong and the Mainland	24%
Ports in Europe	40%
Ports in Asia (excluding Hong Kong and the Mainland)	22%
Ports in Americas, Middle East and Africa	24%

Property and Hotels

Total revenue	increased 24%
EBIT	decreased 37% (increased 7% excluding one-time gains in 2008)
Contributed 6% and 18% respectively to total revenue and EBIT of the Group's established businesses	

Development profits for the first half of the year were 28% higher than the comparable period last year, mainly from the sales of units in the "Maison des Artistes" and the "Regency Park" residential developments in Shanghai, as well as the "Regency Park" residential development in Shenzhen. The Group's current attributable landbank (including direct interests and its proportionate share of interests held by joint ventures, associates and jointly controlled entities) can be developed into 101 million square feet of mainly residential property, of which 96% is situated in the Mainland, 3% in the UK and overseas and 1% in Hong Kong. This landbank comprises 44 projects in 20 cities and is expected to be developed in a phased manner over several years. The increase in property valuations in the first six months of 2009 is primarily attributable to the adoption of revised requirements of Hong Kong Accounting Standard 40 "Investment Properties", which became effective on 1 January 2009, and requires, in addition to completed investment properties, investment properties under construction to also be marked at market value.

Retail

Total revenue	decreased 9% (increased 4% in local currencies)
EBIT	increased 52% (increased 67% in local currencies)
Contributed 47% and 10% respectively to total revenue and EBIT of the Group's established businesses	

The number of retail outlets increased marginally during the first half of the year and currently totals over 8,400 outlets in 34 markets worldwide. The retail division is focusing on organic growth primarily in the Mainland, and also strict cost controls to maintain margins in a difficult economic environment.

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

Announced group turnover and its share of jointly controlled entities' turnover	decreased 30%
Announced profit attributable to shareholders	increased 67% (increased 10% excluding gain on disposal of equity interests in power plants)
Contributed 6% and 20% respectively to total revenue and EBIT of the Group's established businesses	

Husky Energy, associated company listed on Toronto Stock Exchange

Announced sales and operating revenues, in C$	decreased 38%
Announced net earnings, in C$	decreased 66%
Contributed 15% and 11 % respectively to total revenue and EBIT of the Group's established businesses	

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

Announced turnover	increased 8%
Announced profit attributable to shareholders	increased 4%
Contributed 3% and 2% respectively to total revenue and EBIT of the Group's established businesses	

Hutchison Telecommunications International, subsidiary listed on Stock Exchange of Hong Kong and New York Stock Exchange

Announced turnover	decreased 20%
Announced loss attributable to shareholders	loss of HK$285 million compared to a profit last year of HK$1,165 million
Contributed 6% and 1% respectively to total revenue and EBIT of the Group's established businesses	

3 Group

Total revenue in Hong Kong dollars	decreased 18 % (increased 3% in local currencies)
Total LBIT	decreased 66 % (decreased 46% in local currencies)

	30 June 2009 HK$ millions	**30 June 2008** HK$ millions (Restated)
EBITDA before all customer acquisition costs and retention costs (“CACs”) – decreased 34%	8,073	12,257
CAC expenses – decreased 17%	(7,893)	(9,498)
EBITDA	180	2,759

The **3** Group overall reported total EBITDA before all CACs of HK$8,073 million, 34% lower than the comparable period last year. This was mainly due to the adverse effect of foreign exchange rate movements on the translation of **3** Group results in local currencies to Hong Kong dollars and also, in the first half of last year, the Group refinanced certain non-Euro and non-Sterling borrowings with respective Euro and Sterling bank loans to create a natural hedge against the assets of certain **3** Group operations denominated in Euros and British Pounds and recorded a foreign exchange gain of HK$2,945 million. Excluding these effects, EBITDA before all CACs increased 10% compared to the same period last year.

Total CACs amounted to HK$7,893 million, a decrease of 17% compared to same period last year mainly driven by the positive effect of foreign exchange movements on translation to Hong Kong dollars and also the continuing decline of lower weighted average per customer acquisition cost.

3 Group Overall

	30 June 2009	**30 June 2008**
Weighted average per customer acquisition cost, on a 12-month trailing average basis – reduced 7%	€131	€141
Contract customers as a percentage of total registered customer base	53%	51%
Average monthly customer churn rate – total registered customer base	2.4%	2.8%
Average monthly customer churn rate – total contract registered customer base	1.7%	2.1%
Active customers as a percentage of total registered customer base	83%	77%
Active contract customers as a percentage of total contract registered customer base	96%	98%

Key Business Indicators

Registered customers grew in all operations.

Customer Base

	Registered Customers at 12 August 2009 ('000)			Registered Customer Growth (%) from 31 December 2008 to 30 June 2009		
	Prepaid	Postpaid	**Total**	Prepaid	Postpaid	**Total**
UK & Ireland	1,850	3,741	5,591	2%	5%	4%
Italy	5,870	3,061	8,931	-	10%	3%
Australia(1)	2,619	3,433	6,052	1,310%	83%	198%
Sweden & Denmark	169	1,254	1,423	30%	10%	12%
Austria	187	586	773	6%	17%	14%
3 Group Total	10,695	12,075	22,770	32%	22%	27%
Hong Kong and Macau(2)	119	1,337	1,456	23%	6%	8%
Israel(3)	37	1,102	1,139	-	13%	16%
Total	10,851	14,514	25,365	32%	20%	25%

Customer service revenue, in local currencies, grew year on year in all operations except **3** Italia and **3** Austria.

Customer Service Revenue

	Revenue for the six months ended 30 June 2009 (millions)					Growth (%) compared to the six months ended 30 June 2008		
						Revenue		
	Prepaid	% of total Revenue	Postpaid	% of total Revenue	**Total**	Prepaid	Postpaid	**Total**
UK & Ireland	£82.8	11%	£701.2	89%	**£784.0**	2%	2%	**2%**
Italy	€220.8	27%	€612.3	73%	**€833.1**	-25%	4%	**-6%**
Australia(1)	A$84.2	10%	A$778.9	90%	**A$863.1**	123%	20%	**26%**
Sweden & Denmark	SEK57.2	2%	SEK2,602.8	98%	**SEK2,660.0**	30%	20%	**20%**
Austria	€2.3	3%	€79.7	97%	**€82.0**	-18%	-6%	**-6%**

ARPU decreased in all countries reflecting continuous reductions of roaming rates in certain countries and scheduled reductions in regulated mobile termination rates, as well as the increase in the proportion of mobile broadband customers in **3** Group's customer base and also price competition.

12-month Trailing Average Revenue per Active User ("ARPU")(4) to 30 June 2009

	Total				Non-voice	
	Prepaid	Postpaid	Blended Total	% Variance compared to 31 December 2008	ARPU	% of total ARPU
UK & Ireland	£12.92	£34.71	**£29.36**	-13%	**£10.12**	34.5%
Italy	€12.40	€39.08	**€24.23**	-4%	**€8.78**	36.2%
Australia(1)	A$30.81	A$69.31	**A$62.62**	-6%	**A$21.18**	33.8%
Sweden & Denmark	SEK115.90	SEK374.41	**SEK357.38**	-6%	**SEK144.82**	40.5%
Austria	€12.27	€28.04	**€27.04**	-18%	**€11.86**	43.9%
3 Group Average	€13.37	€38.30	**€29.87**	**-11%**	**€10.69**	35.8%

Note 1: Revenue, ARPU and active customers (excluding customers of mobile virtual network operators ("MVNOs") of 30 June 2009 as announced by listed subsidiary HTAL with active customers (excluding customer of MVNOs) updated for net additions to 12 August 2009. Revenue represents the results of the **3** business for the five months to May 2009 and 50% of the merged business for the month of June 2009.

Note 2: Hong Kong and Macau active customers of 30 June 2009 as announced by listed subsidiary HTHKH updated for net additions to 12 August 2009.

Note 3: Israel active customers of 30 June 2009 as announced by listed subsidiary HTIL updated for net additions to 12 August 2009.

Note 4: ARPU equals total revenue excluding handset and connection revenues, divided by the average number of active customers during the period, where an active customer is one that has generated revenue from either an outgoing or incoming call or 3G service in the preceding three months.

UK and Ireland (combined)

Combined customer service revenue, in GBP	increased 2%
Combined LBIT, in GBP, excluding non-recurring foreign exchange gains in first half of 2008	reduced 24%

	30 June 2009	**30 June 2008**
Contract customers as a percentage of total registered customer base	68%	65%
Average monthly customer churn rate – total registered customer base	2.9%	2.9%
Average monthly customer churn rate – total contract registered customer base (accounts for 89% of the revenue base)	1.7%	2.0%
Active customers as a percentage of total registered customer base	89%	81%
Active contract customers as a percentage of total contract registered customer base	96%	97%

Italy

Customer service revenue, in EURO	decreased 6%
LBIT, in EURO, excluding non-recurring foreign exchange gains in first half of 2008	reduced 20%

	30 June 2009	**30 June 2008**
Contract customers as a percentage of total registered customer base	34%	27%
Average monthly customer churn rate – total registered customer base	2.3%	3.0%
Average monthly customer churn rate – total contract registered customer base (accounts for 73% of the revenue base)	2.2%	3.2%
Active customers as a percentage of total registered customer base	66%	67%
Active contract customers as a percentage of total contract registered customer base	90%	97%

Hutchison Telecommunications Australia, subsidiary listed on Australian Securities Exchange

Announced service revenue, in AUD	increased 26%
Announced profit attributable to shareholders, in AUD	increased 746% (loss decreased 59% excluding gain on the merger of **3** Australia with Vodafone Australia)

Sweden and Denmark (combined)

Combined customer service revenue, in SEK	increased 20%
Combined LBIT, in SEK	reduced 54%

	30 June 2009	30 June 2008
Contract customers as a percentage of total registered customer base	89%	90%
Average monthly customer churn rate – total registered customer base	2.1%	2.4%
Active customers as a percentage of total registered customer base	96%	97%
Active contract customers as a percentage of total contract registered customer base	100%	100%

Austria

Customer service revenue, in EURO	decreased 6%
LBIT, in EURO, excluding non-recurring foreign exchange gains in first half of 2008	increased 11%

	30 June 2009	30 June 2008
Contract customers as a percentage of total registered customer base	76%	70%
Average monthly customer churn rate – total registered customer base	1.4%	1.4%
Active customers as a percentage of total registered customer base	80%	75%
Active contract customers as a percentage of total contract registered customer base	99%	99%

Hutchison Whampoa Limited
Condensed Consolidated Income Statement
for the six months ended 30 June 2009

	Note	**Unaudited** **2009** **HK$ millions**	As restated Note 2 2008 HK$ millions
Company and subsidiary companies:			
Revenue	3	**100,530**	119,126
Cost of inventories sold		**(34,680)**	(38,163)
Staff costs		**(13,940)**	(16,410)
Telecommunications customer acquisition costs		**(8,440)**	(10,226)
Depreciation and amortisation	3	**(9,789)**	(13,335)
Other operating expenses		**(28,964)**	(30,863)
Change in fair value of investment properties		**67**	672
Profit on disposal of investments and others	4	**4,655**	732
Share of profits less losses after tax of:			
Associated companies before profit on disposal of investments and others		**2,688**	7,385
Jointly controlled entities		**2,469**	2,226
Associated company's profit on disposal of investments and others	4	**-**	3,122
	3	**14,596**	24,266
Interest and other finance costs	5	**(5,078)**	(9,001)
Profit before tax		**9,518**	15,265
Current tax charge	6	**(1,438)**	(1,504)
Deferred tax credit (charge)	6	**301**	(1,302)
Profit after tax		**8,381**	12,459
Allocated as : Profit attributable to minority interests		**(2,621)**	(3,870)
Profit attributable to shareholders of the Company	7	**5,760**	8,589
Earnings per share for profit attributable to shareholders of the Company	8	**HK$ 1.35**	HK$ 2.01

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

Hutchison Whampoa Limited
Condensed Consolidated Statement of Financial Position
at 30 June 2009

	Note	**Unaudited 30 June 2009 HK$ millions**	As restated Note 2 31 December 2008 HK$ millions
ASSETS			
Non-current assets			
Fixed assets		**172,136**	173,246
Investment properties		**41,248**	41,282
Leasehold land		**34,351**	34,745
Telecommunications licences		**71,357**	72,175
Goodwill		**29,103**	30,436
Brand names and other rights		**9,652**	10,486
Associated companies		**79,012**	76,478
Interests in joint ventures		**61,692**	45,865
Deferred tax assets		**14,802**	13,248
Other non-current assets		**6,390**	8,904
Liquid funds and other listed investments		**26,553**	30,735
		546,296	537,600
Current assets			
Cash and cash equivalents	10	**49,199**	57,286
Trade and other receivables	11	**53,817**	54,767
Inventories		**17,120**	18,528
		120,136	130,581
Current liabilities			
Trade and other payables	12	**73,483**	82,599
Bank and other debts		**26,211**	23,945
Current tax liabilities		**1,290**	1,274
		100,984	107,818
Net current assets		**19,152**	22,763
Total assets less current liabilities		**565,448**	560,363
Non-current liabilities			
Bank and other debts		**221,088**	234,141
Interest bearing loans from minority shareholders		**13,329**	13,348
Deferred tax liabilities		**13,347**	13,616
Pension obligations		**3,314**	2,541
Other non-current liabilities		**4,392**	4,586
		255,470	268,232
Net assets		**309,978**	292,131
CAPITAL AND RESERVES			
Share capital		**1,066**	1,066
Reserves		**272,049**	259,253
Total shareholders' funds		**273,115**	260,319
Minority interests		**36,863**	31,812
Total equity		**309,978**	292,131

Notes

1 Basis of preparation

These unaudited condensed interim accounts are prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HKSE"). These interim accounts should be read in conjunction with the 2008 annual accounts.

2 Significant accounting policies

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

In the current period, the Group has adopted all of the new and revised standards, amendments and interpretations issued by the HKICPA that are relevant to the Group’s operations and mandatory for annual periods beginning 1 January 2009. The adoption of these new and revised standards, amendments and interpretations has resulted in changes to the format of the Group’s accounts in 2009 (including revised titles for these interim accounts), the transfer of investment properties under construction from fixed assets to investment properties and a change to the Group’s accounting policy in respect of customer loyalty credits that has affected the amounts reported for the current and prior periods. In addition, the Group’s policy in relation to telecommunications customer acquisition costs has been changed.

Customer loyalty credits

HK (IFRIC)-Int 13, Customer Loyalty Programmes requires customer loyalty credits to be accounted for as a separate component of the sales transaction in which they are granted. A portion of the fair value of the consideration received is allocated to the award credits and deferred. This is then recognised as revenue over the period that the award credits are redeemed. The Group maintains loyalty points programmes within its Retail division which allows customers to accumulate points when they purchase products in the retail stores. These points can then be redeemed for free or discounted products, subject to certain terms and conditions. The Group has historically recorded a liability at the time of sale based on the costs expected to be incurred to supply awards in the future. With effect from 1 January 2009, in order to comply HK (IFRIC)-Int 13, this change in accounting policy has been applied retrospectively. The prior period financial information has therefore been restated.

Telecommunications customer acquisition costs

Telecommunications customer acquisition costs (“CACs”) comprise the net costs to acquire and retain mobile telecommunications customers, which are primarily 3G customers.

In prior years these costs to acquire and retain customers on contracts with early termination penalty clauses were capitalised and amortised over the period of the contract which is generally a period of 12 to 24 months. Having undertaken a comprehensive review of the policies of other businesses operating in the telecommunications sector particularly those operating in Europe, with effect from 1 January 2009, the Group has changed its policy to expense these costs in operating expenses as the costs are incurred. The Group believes that this change will bring our policy in line with other major telecommunications companies, provide greater comparability with such businesses and align more closely our profit and loss performance with our cash flow, and will therefore provide reliable and more relevant information to shareholders and other users of the accounts. Comparative information has been restated to reflect this change in policy.

Except for the above, the accounting policies and methods of computation used in the preparation of these interim accounts are consistent with those used in the 2008 annual accounts.

As a result of the changes in accounting policies mentioned above, certain adjustments were made to the 2008 financial information. The effect, where material, of these changes are summarised below:

2 Significant accounting policies (continued)

(i) Effect on the condensed consolidated income statement for the six month period ended 30 June 2008

		Changes in accounting policies		
	As previously reported HK$ millions	Customer loyalty credits HK$ millions	Telecom-munications CACs HK$ millions	As restated HK$ millions
Company and subsidiary companies:				
Revenue	119,164	(38)	-	119,126
Cost of inventories sold	(38,290)	-	127	(38,163)
Staff costs	(16,474)	-	64	(16,410)
3 Group telecommunications expensed customer acquisition costs	(1,762)	-	1,762	-
Telecommunications customer acquisition costs	-	-	(10,226)	(10,226)
Depreciation and amortisation	(19,242)	-	5,907	(13,335)
Other operating expenses	(31,161)	31	267	(30,863)
Change in fair value of investment properties	672	-	-	672
Profit on disposal of investments and others	732	-	-	732
Share of profits less losses after tax of:				
Associated companies before profit on disposal of investments and others	7,385	-	-	7,385
Jointly controlled entities	2,226	-	-	2,226
Associated company's profit on disposal of investments and others	3,122	-	-	3,122
	26,372	(7)	(2,099)	24,266
Interest and other finance costs	(9,001)	-	-	(9,001)
Profit before tax	17,371	(7)	(2,099)	15,265
Current tax charge	(1,504)	-	-	(1,504)
Deferred tax charge	(1,302)	-	-	(1,302)
Profit after tax	14,565	(7)	(2,099)	12,459
Allocated as : Profit attributable to minority interests	(3,877)	-	7	(3,870)
Profit attributable to shareholders of the Company	10,688	(7)	(2,092)	8,589
Earnings per share for profit attributable to shareholders of the Company	HK$2.51	-	(HK$0.50)	HK$2.01

2 Significant accounting policies (continued)

(ii) Effect on the condensed consolidated statement of financial position as at 31 December 2008

	As previously reported HK$ millions	Changes in accounting policies: Customer loyalty credits HK$ millions	Changes in accounting policies: Telecom-munications CACs HK$ millions	As restated HK$ millions
ASSETS				
Non-current assets				
Fixed assets	173,246	-	-	173,246
Investment properties	41,282	-	-	41,282
Leasehold land	34,745	-	-	34,745
Telecommunications licences	72,175	-	-	72,175
Telecommunications postpaid customer acquisition and retention costs	12,022	-	(12,022)	-
Goodwill	30,318	-	118	30,436
Brand names and other rights	10,486	-	-	10,486
Associated companies	76,478	-	-	76,478
Interests in joint ventures	45,865	-	-	45,865
Deferred tax assets	13,248	-	-	13,248
Other non-current assets	8,904	-	-	8,904
Liquid funds and other listed investments	30,735	-	-	30,735
	549,504	-	(11,904)	537,600
Current assets				
Cash and cash equivalents	57,286	-	-	57,286
Trade and other receivables	54,767	-	-	54,767
Inventories	18,528	-	-	18,528
	130,581	-	-	130,581
Current liabilities				
Trade and other payables	82,497	102	-	82,599
Bank and other debts	23,945	-	-	23,945
Current tax liabilities	1,275	-	(1)	1,274
	107,717	102	(1)	107,818
Net current assets	22,864	(102)	1	22,763
Total assets less current liabilities	572,368	(102)	(11,903)	560,363
Non-current liabilities				
Bank and other debts	234,141	-	-	234,141
Interest bearing loans from minority shareholders	13,348	-	-	13,348
Deferred tax liabilities	13,616	-	-	13,616
Pension obligations	2,541	-	-	2,541
Other non-current liabilities	4,586	-	-	4,586
	268,232	-	-	268,232
Net assets	304,136	(102)	(11,903)	292,131
CAPITAL AND RESERVES				
Share capital	1,066	-	-	1,066
Reserves	270,510	(102)	(11,155)	259,253
Total shareholders' funds	271,576	(102)	(11,155)	260,319
Minority interests	32,560	-	(748)	31,812
Total equity	304,136	(102)	(11,903)	292,131

2 Significant accounting policies (continued)

(iii) Estimated effect on the condensed consolidated income statement for the six month period ended 30 June 2009

	Changes in accounting policies		
	Customer loyalty credits HK$ millions	Telecom-munications CACs HK$ millions	Total HK$ millions
Company and subsidiary companies:			
Revenue	11	-	11
Cost of inventories sold	-	-	-
Staff costs	-	-	-
Telecommunications customer acquisition costs	-	(6,580)	(6,580)
Depreciation and amortisation	-	6,809	6,809
Other operating expenses	(4)	-	(4)
Change in fair value of investment properties	-	-	-
Profit on disposal of investments and others	-	-	-
Share of profits less losses after tax of:			
Associated companies before profit on disposal of investments and others	-	-	-
Jointly controlled entities	-	-	-
Associated company's profit on disposal of investments and others	-	-	-
	7	229	236
Interest and other finance costs	-	-	-
Profit before tax	7	229	236
Current tax credit	-	1	1
Deferred tax credit	-	43	43
Profit after tax	7	273	280
Allocated as : Loss attributable to minority interests	-	182	182
Profit attributable to shareholders of the Company	7	455	462
Earnings per share for profit attributable to shareholders of the Company	-	HK$0.11	HK$0.11

2 Significant accounting policies (continued)

(iv) Estimated effect on the condensed consolidated statement of financial position as at 30 June 2009

	Changes in accounting policies		
	Customer loyalty credits HK$ millions	Telecom-munications CACs HK$ millions	Total HK$ millions
ASSETS			
Non-current assets			
Fixed assets	-	-	-
Investment properties	-	-	-
Leasehold land	-	-	-
Telecommunications licences	-	-	-
Telecommunications postpaid customer acquisition and retention costs	-	(12,345)	(12,345)
Goodwill	-	118	118
Brand names and other rights	-	-	-
Associated companies	-	-	-
Interests in joint ventures	-	-	-
Deferred tax assets	-	-	-
Other non-current assets	-	-	-
Liquid funds and other listed investments	-	-	-
	-	(12,227)	(12,227)
Current assets			
Cash and cash equivalents	-	-	-
Trade and other receivables	-	-	-
Inventories	-	-	-
	-	-	-
Current liabilities			
Trade and other payables	95	-	95
Bank and other debts	-	-	-
Current tax liabilities	-	(2)	(2)
	95	(2)	93
Net current assets	(95)	2	(93)
Total assets less current liabilities	(95)	(12,225)	(12,320)
Non-current liabilities			
Bank and other debts	-	-	-
Interest bearing loans from minority shareholders	-	-	-
Deferred tax liabilities	-	(43)	(43)
Pension obligations	-	-	-
Other non-current liabilities	-	-	-
	-	(43)	(43)
Net assets	(95)	(12,182)	(12,277)
CAPITAL AND RESERVES			
Share capital	-	-	-
Reserves	(95)	(11,277)	(11,372)
Total shareholders' funds	(95)	(11,277)	(11,372)
Minority interests	-	(905)	(905)
Total equity	(95)	(12,182)	(12,277)

The adoption of revised requirements of HKAS 40 "Investment Property", which became effective on 1 January 2009 increased profit before tax (before share of jointly controlled entities' tax expenses) and profit attributable to shareholders of the Company for the six months ended 30 June 2009 by HK$700 million and HK$560 million respectively. The effect of the adoption of other new and revised standards, amendments and interpretations issued by the HKICPA mandatory for annual periods beginning 1 January 2009 was not material to the Group's results of operations or financial position.

2 Significant accounting policies (continued)

In addition, the Group has revised its estimate of the useful life of its 3G licence in Italy to indefinite time period. The Group obtained its 3G licence in Italy in 2001 with an initial licence period of 15 years. In 2002, the contractual term of Group's 3G licence in Italy was extended from 15 years to 20 years at no additional costs. In 2007, the Ministry of the Italian Government announced that 3G licences can be further extended for another 15 years to 35 years on the submission of a valid application. In 2007, the Group submitted an application to extend the licence period of its 3G licences in Italy from 20 years to 35 years. In 2009, the Ministry of the Italian Government further confirmed that the Group's 3G licence term can be continuously extended for a period equivalent to the previous term, effectively making it a perpetual licence.

Based on the above and other developments, amortisation of licence in 3 Italy ceased with effect from 1 January 2009. The effect of this change in accounting estimate of the useful life of the Group's 3G licence in Italy has been recognised prospectively, resulting in a reduction in the amortisation expense charged to the current period's income statement by approximately HK$465 million with a corresponding increase in the carrying value of telecommunications licences which compares to a charge of HK$535 million for the six month period ended 30 June 2008 (difference from 2009 effect is due to exchange rate fluctuations). It is expected that this change in estimate will have a similar effect in future periods.

3 Segment information

HKFRS 8, Operating Segments, replaces HKAS 14, Segment Reporting, with effect from 1 January 2009. HKFRS 8 is a disclosure standard that requires the disclosure of information about the Group's operating segments. It replaces the requirement under HKAS 14 to determine primary (business) and secondary (geographical) reporting segments of the Group. Adoption of this standard did not have any effect on the Group's results of operations or financial position. The Group determines that the operating segments are the same as the business segments previously identified under HKAS 14. Following the completion of a spin-off by way of a distribution in specie and a separate listing on the HKSE of the entire capital of Hutchison Telecommunications Hong Kong, the holding company of the Hong Kong and Macau mobile and fixed line telecommunications operations, by Hutchison Telecommunications International in first half of the current year, Hutchison Telecommunications Hong Kong is disclosed as a separate segment. Prior period corresponding segment information that is presented for comparative purposes has been restated accordingly.

The column headed as Company and Subsidiaries refers to the Company and subsidiary companies' respective items. The column headed as Associates and JCE refers to the Group's share of associated companies' and jointly controlled entities' respective items and is included as supplementary information.

Revenue from external customers is after elimination of inter-segment revenue. The amount eliminated attributable to Ports and related services is HK$6 million (30 June 2008 - HK$26 million), Property and hotels is HK$186 million (30 June 2008 - HK$160 million), Finance & Investments is HK$5 million (30 June 2008 - nil) and Others is HK$209 million (30 June 2008 - HK$223 million).

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

	Revenue							
	Six months ended 30 June 2009				Six months ended 30 June 2008			
	Company and Subsidiaries	**Associates and JCE**	**Total**		Company and Subsidiaries	Associates and JCE	Total	
	HK$ millions	**HK$ millions**	**HK$ millions**	**%[(a)]**	HK$ millions	HK$ millions	HK$ millions	%[(a)]
ESTABLISHED BUSINESSES								
Ports and related services	**13,635**	**1,921**	**15,556**	**13%**	17,277	2,299	19,576	14%
Property and hotels	**2,588**	**4,040**	**6,628**	**6%**	2,675	2,668	5,343	4%
Retail	**44,917**	**8,527**	**53,444**	**47%**	49,134	9,293	58,427	40%
Cheung Kong Infrastructure	**1,062**	**6,466**	**7,528**	**6%**	1,247	8,149	9,396	6%
Husky Energy	**-**	**16,965**	**16,965**	**15%**	-	32,964	32,964	23%
Finance & Investments	**863**	**170**	**1,033**	**1%**	2,081	230	2,311	2%
Hutchison Telecommunications Hong Kong	**4,097**	**-**	**4,097**	**3%**	3,716	-	3,716	2%
Hutchison Telecommunications International	**6,411**	**-**	**6,411**	**6%**	8,615	-	8,615	6%
Others	**1,796**	**1,190**	**2,986**	**3%**	2,585	1,154	3,739	3%
Subtotal - Established businesses	**75,369**	**39,279**	**114,648**	**100%**	87,330	56,757	144,087	100%
TELECOMMUNICATIONS - 3 Group	**25,161**	**1,219**	**26,380**		31,796	298	32,094	
	100,530	**40,498**	**141,028**		119,126	57,055	176,181	

3 Segment information (continued)

	EBIT (LBIT) [b]							
	Six months ended 30 June 2009				Six months ended 30 June 2008			
	Company and Subsidiaries	**Associates and JCE**	**Total**		Company and Subsidiaries	Associates and JCE	Total	
	HK$ millions	**HK$ millions**	**HK$ millions**	**% [a]**	HK$ millions	HK$ millions	HK$ millions	% [a]
ESTABLISHED BUSINESSES								
Ports and related services	**3,823**	**664**	**4,487**	**25%**	5,960	894	6,854	22%
Property and hotels [c]	**1,464**	**1,775**	**3,239**	**18%**	3,411	1,754	5,165	17%
Retail	**1,486**	**387**	**1,873**	**10%**	829	401	1,230	4%
Cheung Kong Infrastructure	**827**	**2,836**	**3,663**	**20%**	530	3,290	3,820	13%
Husky Energy	**-**	**1,998**	**1,998**	**11%**	-	8,543	8,543	28%
Finance & Investments	**2,317**	**161**	**2,478**	**14%**	2,888	229	3,117	10%
Hutchison Telecommunications Hong Kong	**316**	**(8)**	**308**	**2%**	430	-	430	1%
Hutchison Telecommunications International [d]	**166**	**-**	**166**	**1%**	1,648	-	1,648	5%
Others	**(243)**	**159**	**(84)**	**-1%**	(257)	(8)	(265)	-
EBIT - Established businesses[b]	**10,156**	**7,972**	**18,128**	**100%**	15,439	15,103	30,542	100%
TELECOMMUNICATIONS - 3 Group [e]								
EBIT before depreciation, amortisation and telecommunications CACs	**7,575**	**498**	**8,073**		12,155	102	12,257	
3 Group telecommunications CACs	**(7,554)**	**(339)**	**(7,893)**		(9,498)	-	(9,498)	
EBIT before depreciation and amortisation and after telecommunications CACs	**21**	**159**	**180**		2,657	102	2,759	
Depreciation	**(3,554)**	**(139)**	**(3,693)**		(5,107)	(65)	(5,172)	
Amortisation of licence fees and other rights	**(1,906)**	**(32)**	**(1,938)**		(2,860)	-	(2,860)	
EBIT (LBIT) - Telecommunications - **3** Group[b]	**(5,439)**	**(12)**	**(5,451)**		(5,310)	37	(5,273)	
Change in fair value of investment properties[f]	**67**	**633**	**700**		672	152	824	
Profit on disposal of investments and others (See note 4)	**4,655**	**-**	**4,655**		732	3,122	3,854	
EBIT	**9,439**	**8,593**	**18,032**		11,533	18,414	29,947	
Group's share of the following income statement items of associated companies and jointly controlled entities:								
Interest and other finance costs	**-**	**(1,435)**	**(1,435)**		-	(1,523)	(1,523)	
Current tax	**-**	**(2,397)**	**(2,397)**		-	(2,117)	(2,117)	
Deferred tax	**-**	**395**	**395**		-	(2,040)	(2,040)	
Minority interests	**-**	**1**	**1**		-	(1)	(1)	
	9,439	**5,157**	**14,596**		11,533	12,733	24,266	

3 Segment information (continued)

	Depreciation and amortisation					
	Six months ended 30 June 2009			Six months ended 30 June 2008		
	Company and Subsidiaries HK$ millions	**Associates and JCE HK$ millions**	**Total HK$ millions**	Company and Subsidiaries HK$ millions	Associates and JCE HK$ millions	Total HK$ millions
ESTABLISHED BUSINESSES						
Ports and related services	**1,499**	**281**	**1,780**	1,696	269	1,965
Property and hotels	**138**	**74**	**212**	146	77	223
Retail	**939**	**177**	**1,116**	1,086	195	1,281
Cheung Kong Infrastructure	**60**	**960**	**1,020**	63	1,129	1,192
Husky Energy	**-**	**2,744**	**2,744**	-	2,815	2,815
Finance & Investments	**33**	**-**	**33**	39	-	39
Hutchison Telecommunications Hong Kong	**654**	**1**	**655**	710	-	710
Hutchison Telecommunications International	**967**	**-**	**967**	1,551	-	1,551
Others	**39**	**22**	**61**	77	48	125
Subtotal - Established businesses	**4,329**	**4,259**	**8,588**	5,368	4,533	9,901
TELECOMMUNICATIONS - 3 Group	**5,460**	**171**	**5,631**	7,967	65	8,032
	9,789	**4,430**	**14,219**	13,335	4,598	17,933

	Capital expenditure			
	Six months ended 30 June 2009			
	Fixed assets, investment properties and leasehold land HK$ millions	**Telecom-munications licences HK$ millions**	**Brand names and other rights HK$ millions**	**Total HK$ millions**
ESTABLISHED BUSINESSES				
Ports and related services	**2,104**	**-**	**-**	**2,104**
Property and hotels	**32**	**-**	**-**	**32**
Retail	**357**	**-**	**-**	**357**
Cheung Kong Infrastructure	**38**	**-**	**-**	**38**
Husky Energy	**-**	**-**	**-**	**-**
Finance & Investments	**10**	**-**	**-**	**10**
Hutchison Telecommunications Hong Kong	**560**	**-**	**23**	**583**
Hutchison Telecommunications International	**2,441**	**-**	**-**	**2,441**
Others	**17**	**-**	**-**	**17**
Subtotal - Established businesses	**5,559**	**-**	**23**	**5,582**
TELECOMMUNICATIONS - 3 Group	**3,299**	**-**	**15**	**3,314**
	8,858	**-**	**38**	**8,896**

	Capital expenditure			
	Six months ended 30 June 2008			
	Fixed assets, investment properties and leasehold land HK$ millions	Telecom-munications licences HK$ millions	Brand names and other rights HK$ millions	Total HK$ millions
ESTABLISHED BUSINESSES				
Ports and related services	3,255	-	-	3,255
Property and hotels	42	-	-	42
Retail	729	-	-	729
Cheung Kong Infrastructure	54	-	-	54
Husky Energy	-	-	-	-
Finance & Investments	5	-	-	5
Hutchison Telecommunications Hong Kong	371	-	31	402
Hutchison Telecommunications International	1,806	-	-	1,806
Others	28	-	-	28
Subtotal - Established businesses	6,290	-	31	6,321
TELECOMMUNICATIONS - 3 Group	5,051	384	52	5,487
	11,341	384	83	11,808

3 Segment information (continued)

Additional disclosures on segment information by geographical location are shown below:

Revenue

	Six months ended 30 June 2009				Six months ended 30 June 2008			
	Company and Subsidiaries	**Associates and JCE**	**Total**		Company and Subsidiaries	Associates and JCE	Total	
	HK$ millions	**HK$ millions**	**HK$ millions**	**%**	HK$ millions	HK$ millions	HK$ millions	%
Hong Kong	**19,935**	**4,909**	**24,844**	**18%**	19,776	5,591	25,367	14%
Mainland China	**9,891**	**6,605**	**16,496**	**12%**	10,040	6,328	16,368	9%
Asia and Australia	**17,738**	**3,036**	**20,774**	**15%**	21,644	2,364	24,008	14%
Europe	**49,909**	**8,546**	**58,455**	**41%**	62,150	9,285	71,435	41%
Americas and others	**3,057**	**17,402**	**20,459**	**14%**	5,516	33,487	39,003	22%
	100,530	**40,498**	**141,028**	**100%**	119,126	57,055	176,181	100%

EBIT (LBIT) (b)

	Six months ended 30 June 2009				Six months ended 30 June 2008			
	Company and Subsidiaries	**Associates and JCE**	**Total**		Company and Subsidiaries	Associates and JCE	Total	
	HK$ millions	**HK$ millions**	**HK$ millions**	**%**	HK$ millions	HK$ millions	HK$ millions	%
Hong Kong	**2,389**	**2,018**	**4,407**	**24%**	3,193	2,034	5,227	17%
Mainland China	**2,152**	**2,679**	**4,831**	**27%**	4,992	2,982	7,974	27%
Asia and Australia	**2,323**	**502**	**2,825**	**16%**	2,864	636	3,500	12%
Europe	**(3,756)**	**757**	**(2,999)**	**-17%**	(3,370)	871	(2,499)	-8%
Americas and others	**1,609**	**2,004**	**3,613**	**20%**	2,450	8,617	11,067	36%
Change in fair value of investment properties (f)	**67**	**633**	**700**	**4%**	672	152	824	3%
Profit on disposal of investments and others (See note 4)	**4,655**	**-**	**4,655**	**26%**	732	3,122	3,854	13%
EBIT	**9,439**	**8,593**	**18,032**	**100%**	11,533	18,414	29,947	100%
Group's share of the following income statement items of associated companies and jointly controlled entities:								
Interest and other finance costs	**-**	**(1,435)**	**(1,435)**		-	(1,523)	(1,523)	
Current tax	**-**	**(2,397)**	**(2,397)**		-	(2,117)	(2,117)	
Deferred tax	**-**	**395**	**395**		-	(2,040)	(2,040)	
Minority interests	**-**	**1**	**1**		-	(1)	(1)	
	9,439	**5,157**	**14,596**		11,533	12,733	24,266	

3 Segment information (continued)

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

	Capital expenditure			
	Six months ended 30 June 2008			
	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	608	-	31	639
Mainland China	440	-	-	440
Asia and Australia	2,773	-	-	2,773
Europe	6,441	384	52	6,877
Americas and others	1,079	-	-	1,079
	11,341	384	83	11,808

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

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

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

(c) Included in EBIT of Property and hotels for the six months ended 30 June 2008 is a gain of HK$2,141 million on disposal of subsidiaries, whose principal asset is an investment property, by a listed subsidiary, Hutchison Harbour Ring ("HHR"). The result of operations of HHR, other than this gain, is presented under Others.

(d) Included in EBIT of Hutchison Telecommunications International for the six months ended 30 June 2009 are contributions from certain suppliers amounting to HK$66 million (30 June 2008 - HK$731 million) in relation to its Indonesian operations.

(e) Included in EBIT (LBIT) of Telecommunications - **3** Group for the six months ended 30 June 2008 are foreign exchange gains totalling HK$2,945 million which mainly comprise a HK$586 million gain arising from the Group's refinancing of certain non-Sterling borrowings with Sterling bank loans and a HK$2,359 million gain arising from the Group's refinancing of certain non-Euro borrowings with Euro bank loans.

(f) Included in the change in fair value of investment properties for the six months ended 30 June 2009 is an increase in fair value of properties under construction or development for future use as an investment property amounted to HK$700 million to comply with the amendments to HKAS 40 "Investment Property". As the adoption of the amendments to HKAS 40 is required to be applied prospectively, no restatement of previously reported balances is required.

4 Profit on disposal of investments and others

	Six months ended 30 June 2009 HK$ millions	2008 HK$ millions
ESTABLISHED BUSINESSES		
Gain on disposal of equity interest in three power plants in Mainland China	**847**	-
Profit on disposal of certain telecommunications tower assets [(a)]	**167**	732
Group's share of Husky's gain on partial disposal in a resource property [(b)]	**-**	3,122
TELECOMMUNICATIONS - 3 Group		
Gain on merger of 3 Australia with Vodafone's Australian operations	**3,641**	-
	4,655	3,854

(a) Profit on disposal of certain telecommunications tower assets represents the profit on the sale by a listed subsidiary, Hutchison Telecommunications International, of certain mobile telecommunications tower assets in Indonesia.

(b) During the six months ended 30 June 2008 , Husky Energy ("Husky"), a Canadian listed associated company, formed an integrated oil sands joint venture with a third party and contributed its Sunrise oil sands property to the joint venture in exchange for a 50% equity interest in the joint venture. The Group's share of Husky's gain on partial disposal of 50% of its Sunrise oil sands property represents the Group's share of this gain under HKFRS.

5 Interest and other finance costs

	Six months ended 30 June 2009 HK$ millions	2008 HK$ millions
Interest on borrowings	**4,803**	8,789
Amortisation of loan facilities fees and premiums or discounts relating to borrowings	**120**	134
Notional non-cash interest accretion	**179**	265
Other finance costs	**141**	32
	5,243	9,220
Less: interest capitalised	**(165)**	(219)
	5,078	9,001

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	
	2009	2008
	HK$ millions	HK$ millions
Current tax charge		
Hong Kong	**245**	387
Outside Hong Kong	**1,193**	1,117
	1,438	1,504
Deferred tax charge (credit)		
Hong Kong	**(255)**	(129)
Outside Hong Kong	**(46)**	1,431
	(301)	1,302
	1,137	2,806

Hong Kong profits tax has been provided for at the rate of 16.5% (30 June 2008 - 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. During the period, no deferred tax asset has been recognised for the losses of **3** Group (30 June 2008 - nil).

7 Profit attributable to shareholders of the Company

Included in profit attributable to shareholders is a surplus of HK$85 million (30 June 2008 - HK$1,780 million) transferred from revaluation reserves upon disposal of the relevant investments.

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

The calculation of earnings per share is based on profit attributable to shareholders of the Company HK$5,760 million (30 June 2008 - HK$8,589 million) and on 4,263,370,780 shares in issue during 2009 (30 June 2008 - 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 2009. The employee share options of these subsidiary and associated companies outstanding as at 30 June 2009 did not have a dilutive effect on earnings per share.

9 Dividends

	Six months ended 30 June	
	2009	2008
	HK$ millions	HK$ millions
Interim dividend	**2,174**	2,174
Interim dividend per share	**HK$ 0.51**	HK$ 0.51

In addition, final dividend in respect of the 2008 year of HK$1.22 per share (2007 - HK$1.22 per share) totalling HK$5,201 million (2007 - HK$5,201 million) was approved and paid during the interim period.

10 Cash and cash equivalents

	30 June	31 December
	2009	2008
	HK$ millions	HK$ millions
Cash at bank and in hand	**13,250**	16,835
Short term bank deposits	**35,949**	40,451
	49,199	57,286

11 Trade and other receivables

	30 June 2009 HK$ millions	31 December 2008 HK$ millions
Trade receivables	**25,393**	27,044
Other receivables and prepayments	**27,933**	27,442
Cash flow hedges		
Forward foreign exchange contracts	**491**	281
	53,817	54,767

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

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

	30 June 2009 HK$ millions	31 December 2008 HK$ millions
Less than 31 days	**11,455**	13,502
Within 31 to 60 days	**2,364**	2,793
Within 61 to 90 days	**940**	909
Over 90 days	**10,634**	9,840
	25,393	27,044

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

12 Trade and other payables

	30 June 2009 HK$ millions	31 December 2008 HK$ millions
Trade payables	**20,547**	23,571
Other payables and accruals	**46,995**	51,810
Provisions	**2,932**	3,723
Interest free loans from minority shareholders	**2,878**	3,465
Cash flow hedges		
Interest rate swaps	**25**	-
Cross currency interest rate swaps	**8**	8
Forward foreign exchange contracts	**98**	22
	73,483	82,599

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

	30 June 2009 HK$ millions	31 December 2008 HK$ millions
Less than 31 days	**10,369**	12,454
Within 31 to 60 days	**2,396**	2,917
Within 61 to 90 days	**949**	1,266
Over 90 days	**6,833**	6,934
	20,547	23,571

13 Subsequent event

Subsequent to 30 June 2009, Hutchison Telecommunications International ("HTIL"), the Group's 60.4% owned listed subsidiary, announced on 12 August 2009 that a wholly owned subsidiary had entered into an agreement to sell its entire shareholding in Partner Communications in Israel, for a total consideration, subject to adjustment, of NIS5,290,960,470 (approximately US$1,381 million) (approximately HK$10,706 million). The consideration is comprised of cash of NIS4,141,960,470 (US$1,081 million) (HK$8,381 million) and a loan note of US$300 million (HK$2,325 million). The transaction, subject to certain completion conditions including regulatory approval, is targeted to be completed in the second half of this year. The Group's share of HTIL's disposal gain before taxation, after adjusting for asset valuation consolidation adjustments, on completion of the transaction and translation into US$ (HK$) is estimated to be approximately US$575 million (HK$4,456 million).

GROUP CAPITAL RESOURCES AND LIQUIDITY

Treasury Management

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

Cash Management and Funding

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

Interest Rate Exposure

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

At 30 June 2009, approximately 51% of the Group's total principal amount of bank and other debts were at floating rates and the remaining 49% were at fixed rates. The Group has entered into various interest rate agreements with major financial institution counterparties to swap approximately HK$53,881 million principal amount of fixed interest rate borrowings to effectively become floating interest rate borrowings. In addition, HK$3,502 million principal amount of floating interest rate borrowings were swapped to fixed interest rate borrowings. After taking into consideration these interest rate swaps, approximately 71% of the Group's total principal amount of bank and other debts were at floating rates and the remaining 29% were at fixed rates at 30 June 2009.

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 first half of the year, the currencies of most of those countries where the Group has overseas operations strengthened against the HK dollar compared to the 31 December 2008 exchange rates. This gave rise to an unrealised gain of HK$12,218 million (30 June 2008, as restated – loss of HK$986 million) on translation of these operations' net assets to the Group's Hong Kong dollar reporting currency, which was reflected as a movement in the Group's reserves.

At 30 June 2009, the Group had currency swap arrangements with banks to swap US dollar principal amount of borrowings equivalent to HK$11,665 million to non-US 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 are denominated as follows: 24% in HK dollars, 31% in US dollars, 32% in Euro, 5% in British Pounds and 8% in others 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 exposes 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 2009, our long-term credit ratings were A3 from Moody's, A- from Standard & Poor's and A- from Fitch.

Market Price Risk

The Group's main market price risk exposures relate to listed debt and equity securities described in "liquid assets" below and the interest rate swaps as described in "interest rate exposure" above. The Group's holding of listed debt and equity securities represented approximately 34% (31 December 2008 – approximately 33%) of the Group's liquid assets. The Group controls this risk through monitoring the price movements and changes in market conditions that may have an impact on the value of these financial assets and instruments.

Liquid Assets

The Group continues to have a healthy financial position. Cash, liquid funds and other listed investments ("liquid assets") amounted to HK$75,752 million at 30 June 2009, 14% lower than the balance as at 31 December 2008 of HK$88,021 million, mainly attributable to the Group's utilisation of some of its cash on hand to repay debts as they matured and also to repay early certain debts and notes. In the first half of 2009, debts and notes totalling HK$43,446 million were repaid, partially offset by new borrowings of HK$37,690 million. Of the liquid assets, 8% were denominated in HK dollars, 47% in US dollars, 16% in Euro, 12% in Renminbi, 5% in British Pounds and 12% in other currencies.

Cash and cash equivalents represented 65% (31 December 2008 – 65%) of the liquid assets, US Treasury notes and listed / traded fixed income securities 28% (31 December 2008 – 29%), listed equity securities 6% (31 December 2008 – 5%) and long-term deposits and others 1% (31 December 2008 – 1%).

The US Treasury notes and listed / traded fixed income securities, including those held under managed funds, consisted of supranational notes (27%), government guaranteed notes (26%), financial institutions issued notes (25%), government related entities issued notes (13%), notes issued by the Group's associated company, Husky Energy Inc. (8%) and US Treasury notes (1%). Of these US Treasury notes and listed / traded fixed income securities, 60% are rated at Aaa/AAA with an average maturity of approximately 1.1 years on the overall portfolio. The Group has no exposure in mortgage backed securities, collateralised debt obligations or similar asset classes.

Cash Flow

Consolidated EBITDA after all telecommunications CAC expenses amounted to HK$27,910 million for the first half of 2009, a 36% decrease from HK$43,934 million, as restated, for the comparable period last year. Consolidated funds from operations ("FFO") after all telecommunications CAC expenses but before cash profits from disposals, capital expenditures and changes in working capital amounted to HK$12,139 million, in line with the HK$12,186 million, as restated, for the comparable period last year.

As a result of the change in the Group's accounting policy, cost associated with acquiring and retaining contract customers are expensed as incurred. The total customer acquisition costs for the first six months of 2009 was HK$8,440 million, a 17% decrease compared to HK$10,226 million, as restated, for the comparable period last year. These costs have been deducted to arrive at the EBITDA and FFO amounts mentioned above.

In the first half of 2009, the Group's capital expenditures decreased 25% to total HK$8,896 million (30 June 2008 – HK$11,808 million). The decrease in the Group's total capital expenditures is primarily due to reduced expenditures by the ports and related services division and the **3** Group. Capital expenditures for the ports and related services division amounted to HK$2,104 million (30 June 2008 – HK$3,255 million); for the property and hotels division HK$32 million (30 June 2008 – HK$42 million); for the retail division HK$357 million (30 June 2008 – HK$729 million); for the energy and infrastructure division HK$38 million (30 June 2008 – HK$54 million); for the finance and investments division HK$10 million (30 June 2008 – HK$5 million); for HTHKH HK$583 million (30 June 2008 – HK$402 million); for HTIL HK$2,441 million (30 June 2008 – HK$1,806 million); for others HK$17 million (30 June 2008 – HK$28 million) and for the **3** Group HK$3,314 million (30 June 2008 – HK$5,487 million).

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

Debt Maturity and Currency Profile

The Group's total principal amount of bank and other debts at 30 June 2009 decreased 3% to total HK$245,450 million (31 December 2008 – HK$253,884 million) of which 50% is notes and bonds and 50% is bank and other loans. The net decrease in principal amount of bank and other debts was mainly due to the repayment of debts as they matured and also prepayment of certain debts and notes in the first six months of 2009 totalling HK$43,446 million, net of increased borrowings of HK$37,690 million primarily used for refinancing, as well as the unfavourable effect on the translation of foreign currency denominated loans to HK dollars of HK$1,214 million. The Group's weighted average cost of debt for the period to 30 June 2009 reduced by 1.6% to 3.6% (31 December 2008 – 5.2%). Interest bearing loans from minority shareholders, which are viewed as quasi-equity, totalled HK$13,329 million at 30 June 2009 (31 December 2008 – HK$13,348 million).

The maturity profile of the Group's total principal amount of bank and other debts at 30 June 2009 is set out below:

	HK$	US$	Euro	GBP	Others	Total
Within 6 months	-	-	2%	-	2%	4%
In 2010	4%	4%	2%	-	4%	14%
In 2011	9%	4%	17%	1%	1%	32%
In 2012	-	2%	1%	-	-	3%
In 2013	5%	10%	4%	-	-	19%
In year 2014 – 2018	2%	6%	6%	2%	-	16%
In year 2019 – 2028	4%	1%	-	2%	-	7%
Beyond year 2028	-	4%	-	-	1%	5%
Total	24%	31%	32%	5%	8%	100%

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

Changes in Financing

The significant financing activities in the first half of 2009 were as follows:

- In March, obtained two five-year floating rate loan facilities totalling HK$5,000 million, primarily to refinance existing indebtedness;
- Between March and May, prepaid a syndicated loan facility totalling HK$1,750 million;
- In April, issued ten-year, fixed rate US$1,500 million (approximately HK$11,700 million) guaranteed notes, to refinance existing indebtedness;
- In April, repaid at maturity, a loan of €240 million (approximately HK$2,425 million);
- In May, obtained a four-year, floating rate term loan facility of HK$1,500 million, to refinance existing indebtedness;
- In May, obtained a five-year, floating rate term loan facility of HK$2,000 million, to refinance existing indebtedness;
- In May, obtained a four-year, floating rate syndicated loan facility of HK$8,000 million, to refinance existing indebtedness;
- In May, listed subsidiaries HTHKH and HTIL, repaid on maturity, a floating rate term and revolving credit facility loan totalling HK$6,260 million;
- In May, listed subsidiary HTHKH obtained a 13-month, floating rate loan facility of HK$5,200 million, to refinance existing indebtedness;
- In May, repaid on maturity, a floating rate loan facility of HK$3,300 million;
- In June, through various tenders, purchased and effectively retired US$1,845 million (approximately HK$14,391 million), GBP275 million (approximately HK$3,518 million) and €276 million (approximately HK$3,019 million) of the Group's outstanding notes of various maturities. The Group has also purchased US$152 million (approximately HK$1,187 million) and €40 million (approximately HK$437 million) of these outstanding notes of various maturities during the first six months of 2009;
- In June, obtained a two-year, floating rate term loan facility of €300 million (approximately HK$3,246 million), to refinance existing indebtedness;
- In June, prepaid a floating rate term loan facility of €300 million (approximately HK$3,279 million);
- In June, listed subsidiary HTIL, prepaid floating rate Israeli notes of NIS167 million (approximately HK$327 million) maturing in March 2012;
- In July, obtained a 5-year, floating rate term loan facility of HK$1,000 million, to refinance existing indebtedness; and
- In July, put options were exercised to retire US$196 million (approximately HK$1,532 million) fixed rate notes maturing in August 2037.

Capital, Net Debt and Interest Coverage Ratios

The Group's total shareholders' funds increased 5% to HK$273,115 million at 30 June 2009 compared to HK$260,319 million at 31 December 2008 (after restatement for the retroactive change of the CAC accounting policy), reflecting the profits for the six months to 30 June 2009 net of dividends paid and the non-cash favourable effect of HK$12,218 million arising from the translation of overseas subsidiaries' net assets at 30 June 2009 exchange rates. At 30 June 2009, the consolidated net debt of the Group, excluding interest bearing loans from minority shareholders which are viewed as quasi-equity, unamortised loan facilities fee and premium or discount on issue and fair value changes of interest rate swap contracts, was HK$169,698 million (31 December 2008 – HK$165,863 million), a 2% increase from the beginning of the period. The Group's net debt to net total capital ratio is affected each year by foreign currency translation effects on shareholders' funds and also on loans. This ratio before the effects of foreign currency translation and other non-cash movements at 30 June 2009 is 35%, and decreases to 34% including this effect (31 December 2008 restated – 35%).

As additional information, the following table shows the net debt to net total capital ratio calculated on the basis of including interest bearing loans from minority shareholders and also with the Group's investments in its listed subsidiaries and associated companies marked to market value at 30 June 2009.

Net debt / Net total capital ratios at 30 June 2009:	**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 minority shareholders from debt	35%	34%
A2 – as in A1 above and investments in listed subsidiaries and associated companies marked to market value	33%	32%
B1 – including interest bearing loans from minority shareholders as debt	38%	37%
B2 – as in B1 above and investments in listed subsidiaries and associated companies marked to market value	36%	35%

The Group's consolidated gross interest expense and other finance costs of subsidiaries, before capitalisation for the first six months of 2009, decreased 43% to total HK$5,243 million, compared to HK$9,220 million for the same period last year, mainly due to lower effective market interest rates in the first half of 2009 and lower loan balances as a result of the previously mentioned debt repayments in the first half of 2009.

Consolidated EBITDA and FFO for the period covered consolidated net interest expense and other finance costs 9.0 times and 6.2 times respectively (31 December 2008 restated – 7.5 times and 4.4 times).

Secured Financing
At 30 June 2009, assets of the Group totalling HK$7,510 million (31 December 2008 – HK$10,857 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 2009 amounted to the equivalent of HK$11,760 million (31 December 2008 – HK$13,342 million).

Contingent Liabilities
At 30 June 2009, the Group provided guarantees in respect of bank and other borrowing facilities to its associated companies and jointly controlled entities of HK$3,789 million (31 December 2008 – HK$3,749 million), and provided performance and other guarantees of HK$8,330 million (31 December 2008 – HK$7,820 million).

PURCHASE, SALE OR REDEMPTION OF SHARES

During the six months ended 30 June 2009, neither the Company nor any of its subsidiaries has purchased or sold any of the Company's ordinary shares. In addition, the Company has not redeemed any of its ordinary shares during the period.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company strives to attain the highest standards of corporate governance. Throughout the six months ended 30 June 2009, the Company has been fully compliant with all code provisions of the Code on Corporate Governance Practices contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

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

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as the Group's code of conduct regarding Directors' securities transactions. All Directors of the Company have confirmed that throughout the six months ended 30 June 2009, they have complied with the provisions of such Model Code.

REVIEW OF ACCOUNTS

The unaudited condensed consolidated accounts of the Company and its subsidiary companies for the six months ended 30 June 2009 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 2009 have also been reviewed by the Audit Committee of the Company.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 17 September 2009 to Thursday, 24 September 2009, both dates inclusive. In order to qualify for the interim dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrars, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 pm on Wednesday, 16 September 2009.

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

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

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

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