

Newsbites



A.S. Watson on the Acquisition Trail

NETHERLANDS It's been a busy time for the A.S. Watson Group. A.S. Watson Health and Beauty Continental Europe has acquired Portegies Drugstore in the Netherlands. An agreement to integrate the Dutch operation into the Group's health and beauty portfolio by rebranding all the stores under one of the A.S. Watson operating brands started from August.

In the UK, the Group has also completed the acquisition of the Merchant Retail Group, including The Perfume Shop, that will continue to run as a stand-alone business.

In Asia, Watsons' Personal Care Stores Sdn Bhd (Watsons), the Malaysian unit of A.S. Watson Group, has announced the successful acquisition of Apex Pharmacy Sdn Bhd from Apex Healthcare Bhd. **R**



BROTHERLY LOVE

AUSTRALIA The winners of this year's Big Brother show in Australia attended the opening of the 3 Shop in Canberra to the delight of hundreds of fans. 3 is the first operator to give Canberra's retail consumers a full 3G offering, comprising handsets, content, services such as video calling, and capped voice pricing. **T**



Striking Silver

HONG KONG The quality of Hutchison Whampoa Limited's (HWL) annual reports has again been recognised, with the latest annual report winning a Silver Award in the Conglomerate Category of the 19th Annual International ARC Awards. Creativity, clarity, effectiveness and innovation shown by the Group's 2004 Annual Report won recognition in the competition that attracted close to 1,900 entries from 25 countries and more than 200 industries. HWL's 2003 Annual Report won a bronze award in last year's competition. **C**

DOUBLE TOPS

HONG KONG Hutchison Whampoa Limited (HWL) was No 1 in the Yazhou Zhoukan Top 500 Chinese Companies in the world rankings for the ninth consecutive year. The rankings are based on market capitalisation.

Meanwhile, *Global Finance* magazine rated HWL as the best company in Asia in the conglomerate category. **C**



That's What You Call Networking

HONG KONG 3 Hong Kong has again taken the lead in local 3G network development by being the first mobile operator to provide full 3G coverage for the entire MTR network, including the Island Line, Airport Express Line, Kwun Tong Line, Tung Chung Line, Tsuen Wan Line, Disneyland Resort Line and Tseung Kwan O Line. By extending 3G coverage to all the MTR stations, 3's 3G network will provide customers with truly seamless 3G video communication and high-speed video content. **T**



Rain-ing at the Harbour Plaza

HONG KONG Harbour Plaza Hong Kong is well known for playing host to the hottest recording artists and entertainers so it was no surprise when South Korean

music sensation Rain checked into the hotel's 3,500 square foot Presidential Suite in July. The artist was more than accommodating to the throngs of fans and press who waited outside the hotel for a glimpse of their idol, signing autographs and posing for photos.

On the sporting front, National Basketball Association (NBA) stars Luke Walton (left) and Dwight Howard (right) stayed at the hotel in June while supporting the NBA's grassroots development programmes in the region. In August, the hotel sponsored the first

NBA Celebrity Jam featuring artists and entertainers from Hong Kong, and hotel guests included the famous Los Angeles Lakers' cheerleaders. **H**



TOM ONLINE TEAMS UP WITH SKYPE

CHINA TOM Online Inc, China's leading wireless Internet company, and Skype, the pioneering global Internet communications company which enables free and high-quality phone calls via the Internet, have signed an agreement to establish a joint venture to further cement their strategic partnership in China's rapidly growing online communication market. Working together will allow an even deeper level of integration between Skype's award winning software and services with TOM Online's over 70 million wireless Internet users. **R**

IRELAND ON THE 3G MAP

IRELAND 3 has launched in Ireland, bringing much needed competition to the country's mobile phone market by offering an unprecedented level of value and service to consumers as well as access to the most advanced 3G network

in the country. 3 is the first network to include a huge range of 3G video entertainment services with every price plan at no extra cost. **T**



FLYING HIGH
 Hutchison Whampoa Limited is ranked 347th in the Fortune Global 500 list, 150th in the Forbes Global 2,000 and 103rd in BusinessWeek's Asian Top 150.

Think Lamma, Think Green

HONG KONG Lamma Island will be going greener in a few years' time. Green Lamma Green is a three-year project by Hongkong Electric and the Conservancy Association to enrich the existing Family Trail for hikers and holidaymakers, enhance ecological values and foster the public's environmental awareness. The project kicked off with more than 100 students and a group of 20 Green Lamma Leaders recruited from Hongkong Electric's Volunteers Team planting trees by the Family Trail linking Sok Kwu Wan with Yung Shue Wan.

Meanwhile, 23 primary school students were recognised for their achievements as young green crusaders in learning energy efficiency at a special graduation ceremony as the finale of this year's Hongkong Electric Smart Power Campaign. **E**





A REAL GOURMET EXPERIENCE

HONG KONG The A.S. Watson Group launched Hong Kong's first boutique-style fine food hall, Gourmet, in the Lee Gardens, Causeway Bay, with a fashion show. Offering a new concept in fine food shopping, Gourmet features the highest quality and most exclusive international food products and some of the most personalised customer services. Customers are guaranteed a gourmet experience at this new haven for Hong Kong connoisseurs. **R**



HUNGRY FOR SUCCESS

HONG KONG Crowds and media flocked to watch Kobayashi Takeru, the five-time world hotdog eating champion, in action at a speed-eating contest at Whampoa Gourmet Place organised by Wonderful Worlds of Whampoa. He lived up to his reputation and won the contest by gulping down 83 dumplings in eight minutes in the semi-final and 100 roasted pork buns in 12 minutes in the final. **H**



Happy Anniversary!

HONG KONG Harbour Plaza Hong Kong celebrated its 10th anniversary in style. Around 500 guests, including corporate and travel trade clients, media, residents of serviced suites and restaurant patrons, gathered on the hotel's renowned Victoria Harbour promenade for cocktails and a sumptuous seafood feast.

It was the perfect way to start the hotel's second decade. **H**



HHR Profits Rise

HONG KONG Hutchison Harbour Ring's (HHR) profit attributable to shareholders increased 11 per cent to HKD48.8 million in the first six months of 2005 compared to a year earlier. Turnover, including its share of associates' turnover, increased seven per cent to HKD1,020.3 million. **R**



CONGRATULATIONS!

Nuance-Watson Hong Kong and Singapore have both been recognised at the prestigious Raven Fox Awards for Travel-Retail Excellence.



Party Time in Denmark

DENMARK Celebrities, journalists, partners, suppliers, customers and 3 employees gathered for the first ever 3 Award Show in Denmark. Approximately 200 guests attended the show celebrating the most downloaded services. Guests took a boat ride from the old centre of Copenhagen to the trendy and newly restored harbour front at Holmen. A magnificent high tech presentation was run on two large TV screens, putting everyone in the right mood to party until 2 am. **T**



VIP VISIT

HONG KONG The Vice President of China, Zeng Qinghong, stayed at the Harbour Plaza Hong Kong during an official visit to the SAR. He is pictured with General Manager Jonathan Wilson. **H**



CALL THE MUSIC POLICE!

UNITED KINGDOM The new **3** campaign, shot in Hong Kong, is set on Planet 3, a place where east meets west in a collision of cultures. Planet 3 is inspired by Asia, the birthplace of new technology, where life is designed to be fun, playful and enjoyable. In the new ad, music has become illegal, something that can only be enjoyed behind closed doors. But the "sound police" are never far away. They burst in with their oversized orange earmuffs but after a while even they can't resist the allure of music. The brand film will be supported by a multi-media campaign to promote 3's music offering of tracks and full-length videos from major artists and record labels including Robbie Williams and Britney Spears.

Meanwhile, **3** has been recognised as the best new brand of the year at the Marketing Society Awards for Excellence in the UK. "3's brand personality is simple: we're young, fun and a little bit cheeky," said 3 UK's Chief Executive Bob Fuller. "3 is different and proud to be so." **T**



Strong Half-Year Results for HWL

HONG KONG Hutchison Whampoa Limited recorded strong results in the first six months of 2005. Profit attributable to shareholders from the established businesses, excluding investment properties revaluation and profit on disposal of investments, increased 30 per cent to HKD7,976 million. The 3 Group's businesses have improved steadily and continue to build a quality customer base. **C**

HIGHLIGHTS

- Turnover grew 33 per cent to HKD109,184 million
- First half year profit increased 10 per cent to HKD11,824 million
- Earnings per share increased 10 per cent to HKD2.77
- 3 Group's funding requirements are to decline in the second half of this year and it is positioned to contribute significant value to the Group
- Cash and liquid investments totalled HKD141,714 million



TALENT SPOTTING

CHINA More than 200 children aged 4-13 took part in a talent show organised by Zhuhai Horizon Cove and Zhuhai Xiangzhou District Education Bureau. The competition was divided into music, dance and drama sections and the excellent performances spotlighted the wealth of young talent in Zhuhai. **H**

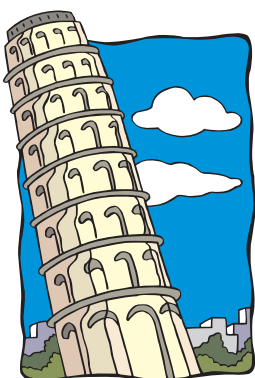


HPH INVESTS IN THAI PORT

THAILAND Hutchison Port Holdings Limited (HPH) is investing in a roll-on roll-off (ro-ro) terminal in the Laem Chabang Port, Thailand. A new joint venture company, formed by an HPH-led consortium, has been awarded a 30-year concession to build and operate the new terminal that will also handle general cargo. The terminal will have a total quay length of 500 metres and a depth alongside of 16 metres. **P**

3 ITALIA LISTING PLANNED

ITALY Hutchison Whampoa Limited has filed a listing application with regulators in Italy to offer shares of **3 Italia**. This is the first step towards an initial public offering of the shares. **T**



Tom Group Achieves Core Earnings Growth

HONG KONG TOM Group Limited, the Chinese-language media company in Greater China, has announced interim results for the six months ended 30 June 2005. The Group achieved revenues of HKD1.416 billion, an increase of 18 per cent compared with the same period last year. Year on year all divisions except Sports Group registered revenue growth. EBITDA was HKD178 million, representing an increase of 11 per cent. Profit attributable to shareholders was HKD169 million, compared to HKD683 million in the first half of 2004, which included the one-time non-recurring items, net of minority interests, of HKD626 million, mainly contributed by the spin-off of TOM Online. **R**



SEAROSE IN BLOOM

CANADA **Husky Energy**

Inc's SeaRose FPSO (floating production, storage and offloading vessel) has arrived at the White Rose oil field. The vessel will now be connected to a deep sea production system and then undergo approximately three months of offshore hook-up and commissioning in preparation for receiving its first oil. Husky Energy owns 72.5 per cent of the White Rose project.

Discovered in 1984, the White Rose offshore oil field is located in the Jeanne d'Arc Basin 350 kilometres east of St John's, Newfoundland and Labrador, Canada. **E**

CKI Turns Up the Power in Zhuhai

CHINA **Cheung Kong Infrastructure (CKI)**

is investing in the expansion of the Zhuhai Power Plant to help make it one of the largest coal-fired thermal power plants in Mainland China. CKI and the Guangdong Yudean Group have pledged a joint investment of RMB6 billion (about USD742 million) for Units Three and Four of Phase One of the Zhuhai Power Plant. The two new units will have an installed capacity of 600MW each and are expected to commence commercial operation in phases during the second half of 2006, with an annual generating capacity of approximately seven billion KWh. The project will include the installation of an SO2 desulphurisation plant to meet the environmental regulations in Guangdong and the PRC. The new extension will help the Zhuhai Power Plant contribute to the stability of the electricity networks in Guangdong and Macau, and will play a pivotal role in promoting economic development in the Pearl River Delta region. **E**



HWL LAUNCHES KNOWLEDGE QUEST PROGRAMME FOR STUDENTS

HONG KONG **Hutchison Whampoa Limited** has launched a Knowledge Quest programme, inviting secondary school students to visit its operations in order to increase their general knowledge, widen their perspective and develop a better understanding of the modern world. Students have taken guided tours to see the daily operations of business activities such as container handling, hotel housekeeping, centralised fresh food distribution and the power generation process. **C**



Strategic Alliance Makes HIT Stronger

HONG KONG Hutchison Whampoa Limited has sold 20 per cent and 10 per cent effective equity in **Hongkong International Terminals (HIT)** and **COSCO-HIT** respectively through a subsidiary to PortCapital Limited, an investment holding company backed by Singapore's PSA International, for USD925 million. Commenting on the transaction, John Meredith, Group Managing Director of Hutchison Port Holdings Limited, said: "We are confident about Hong Kong's container terminal business. The strategic alliance will make HIT and COSCO-HIT even stronger players in this highly competitive market of container terminal operations." **P**

Partner Profits

ISRAEL **Partner**

Communications Company Limited, a leading Israeli mobile telecommunications operator and subsidiary of Hutchison Telecom, increased its operating profit by 5.3 per cent in the second quarter of 2005 from the same period last year. **T**

Let's Rock in Sweden

SWEDEN 3 is really rocking the Swedish mobile market, launching a new combined flagship store and espresso coffee house at Stockholm's most upmarket location, Stureplan. To mark the occasion, heavy metal band Crashdiet – also seen in 3's TV advertising campaign in Sweden – performed for their fans and some pleasantly surprised passers by. **T**





FOSSIL FUN

CHINA To celebrate its eighth anniversary, Chongqing Metropolitan Plaza held a dinosaur exhibition

with the Chongqing Museum of Nature that showcased fossils up to 140 million years old. **H**

A HELPING HAND

HONG KONG Celebrity Nancy Sit (second right) was joined by PARKnSHOP volunteers to cook rice with the elderly in the Helping Hand cooking competition. **R**



Welcome to Hutchison Essar

INDIA Hutchison Max Telecom Limited, a major player in the Indian mobile telecommunications market, has been renamed Hutchison Essar Limited. The move follows the consolidation earlier this year into Hutchison Max Telecom of Hutchison Essar Mobile Services, Hutchison Telecom East, Hutchison Essar South,

Aircel Digilink India and Fascal. Further,

Hutchison Essar has signed agreements to acquire BPL Mobile Communications Limited and BPL Mobile Cellular Limited, which hold licences in Mumbai, Maharashtra, Tamil Nadu and Kerala. It has also entered into a conditional agreement to acquire Essar Spacelink Limited, a company that has applied for licences in seven areas not presently serviced by Hutchison Essar. **T**



NO HOLDS BARRED

UNITED KINGDOM 3, the UK's first video mobile network, and Granada, a world leader in television production and distribution, are bringing the latest ITV hit show, Celebrity Wrestling, to video mobiles for the first time. Thanks to the new agreement, more than three million customers on 3's network can watch the show's highlights. **T**



Hutchison Telecom Rings Up Strong Numbers

HONG KONG Hutchison Telecommunications International Limited (Hutchison Telecom) announced strong growth for the six months to 30 June 2005. The operating profit before disposal of investments reached HKD1,014 million, a 297.6 per cent increase compared with the first half of 2004, boosted by strong operating results in India and Israel and a reduction of losses in Thailand. All markets reported growth in customer base, which rose overall by 30.9 per cent to 14.1 million. The vigorous growth in worldwide customer base fuelled the surge in turnover to HKD10,757 million, an increase of 56.1 per cent compared with the same period a year earlier.

Hutchison Telecom has announced management appointments to further drive development of its mobile business. Agnes Nardi has been made an executive director, moving over from Hutchison Telecom Hong Kong (HTHK) where she was managing director of the mobile business. Peter Wong, Chief Executive Officer of the Hong Kong fixed line business Hutchison Global Communications, will assume the additional responsibility of CEO of HTHK.

Meanwhile, independent shareholders of Hutchison Global Communications Holdings (HGCH) have approved a proposal by Hutchison Telecom to take HGCH private. **T**

CKI Profits Increase

HONG KONG Entering its 10th year since listing, Cheung Kong Infrastructure Holdings Limited reported continued growth momentum in its interim results for 2005. Profit attributable to shareholders increased by 10 per cent to HKD1,528 million for the six months to 30 June, 2005 and earnings per share were HKD0.68. **E**

HIGHLIGHTS

- Interim dividend of HKD0.24 per share, up nine per cent
- Substantial profit contribution recorded from:
 - Hongkong Electric: HKD872 million
 - Australian portfolio: HKD612 million
 - Investments in Mainland China: HKD327 million
- Strong balance sheet and financial platform:
 - Cash on hand of HKD6,074 million
 - Net debt to equity ratio of 25 per cent

Healthy Husky

CANADA Husky Energy Inc reported net earnings of CAD556 million (USD472 million) in the third quarter of 2005, an 87 per cent increase over the same period last year. A dividend of CAD0.25 per share was declared, along with a special dividend of CAD1.00 per share, allowing shareholders to benefit from high commodity prices and the imminent completion of the White Rose offshore project. **E**

Telecom Revenue Up 73 per cent in Australia

AUSTRALIA Hutchison Telecommunications (Australia) Limited reported solid improvement in the first half of 2005. Service revenue from its two businesses, Orange and 3, increased 73 per cent sup-ported by strong growth in non-voice revenue. **T**

Hongkong Electric Profits Rise 4.4 per cent

HONG KONG Hongkong Electric Holdings Limited's unaudited consolidated profit for the first six months of 2005 after tax and Scheme of Control transfers was HKD2,287 million, an increase of 4.4 per cent compared to the same period last year. An interim dividend for 2005 of 58 cents per share was declared. **E**

Kruidvat to Finance Childhood Obesity Research...

NETHERLANDS Dutch drugstore Kruidvat is financing a study into the cause of child obesity. The company, part of A.S. Watson Health & Beauty, will donate EUR2.25 million (about USD2.7 million) to Groningen Expert Center for Kids with Obesity to fund the research. One out of 10 children in the Netherlands is overweight and that number is growing. **R**



SUPER'S JEWEL IN THE CROWN

UNITED KINGDOM Superdrug, the UK health and beauty retailer, has launched its first range of jewellery and accessories. **R**



SERVING UP A TENNIS TREAT

CHINA Tom Group was one of the co-organisers of the successful China Open tennis tournament held at the Beijing Tennis Centre. Spanish sensation Rafael Nadal was crowned men's singles champion and Russia's rising star, Maria Kirilenko, captured the women's crown. **R**

Property Purchase

CHINA Hutchison Harbour Ring is expanding its investment property portfolio by buying an A grade office tower, The Center, at 989 Changle Road in Shanghai for USD300 million. The purchase includes 204 underground parking spaces and a clubhouse in an adjacent residential development. **H**

What a Game!

HONG KONG Hutchison Global Communications sponsored cash prizes totalling HKD100,000 for the CGM Cyberport Cup during the Cyberport Games Marathon, the premier local event in the electronic gaming industry. Pictured are the champion team from China receiving their cash prize of HKD64,000. **T**

