Hutchison Whampoa Limited
和記黃埔有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 13)

UNAUDITED RESULTS FOR THE PERIOD ENDED 30 JUNE 2014

HIGHLIGHTS

	For the six months ended 30 June 2014 HK$ millions	For the six months ended 30 June 2013 HK$ millions	Change
Total Revenue[1]	**204,485**	199,079	+3%
EBITDA[1]	**46,812**	44,939	+4%
EBIT[1]	**30,870**	29,888	+3%
Profit attributable to ordinary shareholders, before property revaluation and profits on disposal of investments and others	**13,522**	12,010	+13%
Property revaluation, after tax	**-**	32	N/A
Profits on disposal of investments and others, after tax[2]	**14,921**	356	+4,091%
Profit attributable to ordinary shareholders	**28,443**	12,398	+129%
Earnings per share	**HK$6.67**	HK$2.91	+129%
Recurring earnings per share[3]	**HK$3.17**	HK$2.82	+13%
Interim dividend per share	**HK$0.66**	HK$0.60	+10%
Special dividend per share	**HK$7.00**	-	N/A

Note 1: Total revenue, earnings before interest expenses and other finance costs, tax, depreciation and amortisation ("EBITDA") and earnings before interest expenses and other finance costs and tax ("EBIT") include the Group's proportionate share of associated companies' and joint ventures' respective items. Total revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust for the six months ended 30 June 2014 and 2013. See Note 3 of the accounts on the details of the adjustments.

Note 2: Profits on disposal of investments and others, after tax for the six months ended 30 June 2014 which comprises the Group's share of the gain arising from Power Assets Holdings Limited's separate listing of its Hong Kong electricity business of HK$16,066 million, partly offset by the provisions of HK$652 million on the impairment of goodwill and store closures of the Marionnaud businesses to exit Poland and down-size operations in Portugal and Spain and the Group's share of operating losses of Vodafone Hutchison Australia ("VHA") of HK$493 million for the first half of 2014. The 2013 comparative comprises the one-time net gain after tax of HK$958 million, arising from the completion of the Orange Austria transaction, partly offset by the Group's share of operating losses of VHA for the first half of 2013 of HK$602 million.

Note 3: Recurring earnings per share is calculated based on profits attributable to ordinary shareholders before property revaluation after tax and profits on disposal of investments and others after tax.

- Total revenue grew 3% to HK$204,485 million.
- EBITDA and EBIT, before property revaluation and profits on disposal of investments and others, grew 4% and 3% respectively.
- Profit attributable to ordinary shareholders and earnings per share for the first half of 2014 were HK$28,443 million and HK$6.67 respectively, a 129% increase compared to the first half of 2013, of which HK$13,522 million or HK$3.17 per share were recurring, a 13% increase over the same period last year.
- A special dividend to the shareholders of HK$7.00 per share, amounting to approximately HK$30 billion was paid in May 2014.

Chairman's Statement

The Group's operations delivered solid performances in the first half of 2014 and the Group overall demonstrated resilience to certain challenging economic and market conditions through its diversified business and geographical portfolio.

Results

The Group's recurring profit attributable to ordinary shareholders for the period ended 30 June 2014, before property revaluation gains and profits on disposal of investments and others, was HK$13,522 million, a 13% increase compared to HK$12,010 million in the first half of 2013. Recurring earnings per share of HK$3.17 increased by 13% from HK$2.82 in the first half of 2013.

Profits on disposal of investments and others, after tax in the first half of 2014 of HK$14,921 million comprise the Group's share of the gain arising from Power Assets Holdings Limited ("Power Assets")'s separate listing of its Hong Kong electricity business of HK$16,066 million, partly offset by provisions of HK$652 million on the impairment of goodwill and store closures of the Marionnaud businesses to exit Poland and down-size operations in Portugal and Spain and Hutchison Telecommunications (Australia) ("HTAL")'s 50% share of Vodafone Hutchison Australia ("VHA")'s operating losses for the first half of 2014 of HK$493 million. This is compared to the first half of 2013 of HK$356 million, which comprises the one-time net gain, after tax of HK$958 million recognised on completion of the Orange Austria acquisition transaction, partly offset by HTAL's 50% share of VHA's operating losses for the first half of 2013 of HK$602 million.

Profit attributable to ordinary shareholders reported for the period ended 30 June 2014 increased 129% to HK$28,443 million from HK$12,398 million for the first half of 2013.

Strategic alliance with Temasek

In April 2014, the Group entered into a strategic alliance with Temasek Holdings (Private) Limited ("Temasek") with Temasek acquiring a 24.95% equity interest in A.S. Watson Holdings Limited for approximately HK$44 billion, resulting in an increase of approximately HK$39 billion in the Group's shareholders' funds.

The net proceeds from the strategic alliance with Temasek of approximately HK$43 billion were partly used for a special dividend distribution of HK$7.00 per share, amounting to approximately HK$30 billion, which was declared on Wednesday, 16 April 2014 and paid on Wednesday, 14 May 2014. The net impact of this transaction, after the distribution of the special dividend, resulted in an increase of shareholders' funds of HK$9 billion.

Interim Dividend

The Board declares the payment of an interim dividend of HK$0.66 per share (30 June 2013 – HK$0.60 per share), an increase of 10%, payable on Wednesday, 10 September 2014 to those persons registered as shareholders of the Company on Friday, 29 August 2014, being the record date for determining shareholders' entitlement to the interim dividend.

Ports and Related Services[1]

The ports and related services division's throughput grew 5% to 39.6 million twenty-foot equivalent units ("TEU") in the first six months of 2014. Total revenue of HK$17,270 million was 2% higher than the same period last year mainly due to throughput growth in all segments. EBITDA and EBIT increased 4% and 2% to HK$5,607 million and HK$3,531 million respectively, mainly due to strong performances of the Europe segment and the Mainland China and other Hong Kong segment in the first half of the year, partly offset by the lower contribution from the Asia, Australia and others segment. The growth in EBIT was slightly below the growth in EBITDA due to higher depreciation charges of HK$114 million, mainly relating to new facilities in Mexico and Panama and the newly opened ports in Spain and Australia.

The division is expected to maintain a steady performance for the remainder of the year with a total of 284 operating berths by the end of 2014, a net increase of 2 berths in the second half of 2014 and a net increase of 6 berths for the year. Growth in this division is expected to accelerate modestly in the coming years as the new berths and ports reach fully operational status which, in ordinary course, is typically around two to three years from launch of commercial operation.

Property and Hotels

The property and hotels division reported total revenue of HK$7,462 million, a 33% decrease compared to the first half of 2013, primarily due to lower development sales and deferrals in the completion of various development projects in the Mainland and in Singapore to the second half of the year. Several markets in which the Group operates have seen aggressive discounting from developers driven by tight liquidity constraints and high funding costs. The Group has elected not to be a price leader in these markets as it believes better prices for its premium developments can be achieved within a reasonable time frame. EBITDA and EBIT decreased 35% and 36% to HK$3,873 million and HK$3,703 million respectively, mainly due to the lower sales in the first half of this year mentioned above, partly offset by growth in the recurring rental income base.

The division's 11.8 million square foot portfolio of rental properties in Hong Kong, together with its attributable share of 1.6 million square foot portfolio in the Mainland and overseas, reported solid occupancy and steady rental growth during the first six months of the year. Reported rental income, including the share of rental income from the commercial properties of our hotels division, increased 7% from the same period last year to HK$2,208 million mainly due to higher rental renewal rates. The division's portfolio is of a high quality, is well located and is expected to continue performing well in the second half of 2014.

The division's hotel portfolio comprising 11 hotels of over 8,500 rooms, in which the Group has an average effective interest of approximately 63%, reported a 4% increase in EBIT to HK$519 million mainly due to improvements of the Bahamas operations, partly offset by lower average room and occupancy rates in the hotels in the Mainland as well as certain hotels in Hong Kong.

The Group's current property development activities are principally focused on the Mainland and Singapore. In the first half of 2014, the division completed an attributable share of approximately 2.9 million square feet in gross floor area of residential and commercial properties. In addition, the division also achieved contracted sales of an attributable interest of approximately 1.6 million square feet during the period and recognised sales on an attributable interest of approximately 1.7 million square feet of developed properties, primarily in the Mainland. Current attributable interest in landbank, largely held through joint ventures with Cheung Kong (Holdings) Ltd ("CKH"), can be

Note 1 : Total revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust for the six months ended 30 June 2014 and 2013.

developed into approximately 80 million square feet of mainly residential property. Depending on the market conditions and outlook, the division targets to complete an attributable share of approximately 5.1 million square feet gross floor area of residential and commercial properties during the second half of 2014 in 11 cities in the Mainland and in Singapore.

Retail[2]

The retail division delivered another period of strong revenue, earnings and cashflow growth in the first half of 2014. Store numbers totalling 10,812 stores in 25 markets represent an increase of 231 stores in the period up to 30 June 2014. Total revenue of HK$77,398 million, EBITDA of HK$6,611 million and EBIT of HK$5,336 million, were all 9% higher than the first half of 2013. The division reported like-for-like sales growth of 2.3% for the first half of 2014. In Asia, the like-for-like sales growth was 1.6% and it was 2.9% in Europe.

The health and beauty segment overall reported strong double digit growth for the first half of 2014, with EBITDA and EBIT increasing by 17% and 19% respectively. However, this was partly offset by the negative performance of the retail businesses in Hong Kong.

Despite European economies experiencing only modest recoveries during the first half of 2014, the Group's health and beauty operations in Europe overall were able to deliver strong earnings contribution with EBITDA and EBIT growth of 19% and 23% respectively, through a 7% increase in the portfolio of stores compared to 30 June 2013, comparable store sales growth of 2.9% as mentioned above, effective cost control measures and favourable foreign exchange rate impacts.

Health and beauty operations in the Mainland grew total revenue by 14%, mainly driven by high quality new store openings as well as strong comparable store sales growth of 4.3% in the period. EBITDA and EBIT growth remained robust at 20% and 19% respectively in the first half of 2014.

Improving consumer sentiment in the majority of the retail markets in which the Group's health and beauty segment operates and increasing customer loyalty and brand recognition provide a positive momentum for this division in the second half of 2014.

Cheung Kong Infrastructure

Cheung Kong Infrastructure Holdings Limited ("CKI"), our Hong Kong listed subsidiary, announced profit attributable to shareholders of HK$24,119 million, which includes its share of gain, after consolidation adjustments, arising from Power Assets' separate listing of its Hong Kong electricity business on the Main Board of the Stock Exchange of Hong Kong Limited in January 2014. Underlying operations continue to deliver strong performances and the newly acquired Enviro Waste Services Limited and AVR-Afvalverwerking B.V. also contributed to the solid results of this division for the first half of 2014.

CKI continued to invest in businesses with attractive earnings and cash flow profiles and to diversify its investment portfolio during the period. During the first half of 2014, a CKI-led joint-venture with CKH, announced the acquisition of Park'N Fly, an off-airport parking business in Canada for approximately C$381 million (approximately HK$2,720 million), and a CKI-led consortium with CKH and Power Assets, entered into a Bid Implementation Agreement in respect of a takeover bid for all the shares of Envestra Limited ("Envestra"), 17.46% currently owned by CKI, a distributor of natural gas in Australia which is listed on the Australian Securities Exchange, for a cash consideration of A$1.32 per share. The acquisition of Park'N Fly was completed on

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Note 2 : The Marionnaud business has been excluded from the retail division for the six months ended 30 June 2014 and 2013, and included under "Others" following the Group's strategic review of the retail division in 2013.

25 July 2014 and the completion of Envestra's takeover, which is conditional on satisfaction or waiver of the relevant conditions precedent, is expected in the second half of this year.

Husky Energy
Husky Energy, our associated company listed in Canada, announced profit attributable to shareholders of C$1,290 million, a growth of 13% over the same period last year primarily reflecting higher average commodity prices realised in Western Canada, improved natural gas prices and increased production. Average production in the first six months of 2014 was 329,800 barrels of oil equivalent per day ("BOEs per day") compared to 315,600 BOEs per day in the first six months of 2013.

The first of the three fields to be developed at the Liwan deep-water natural gas development ("Liwan project") located in the South China Sea achieved first gas at the end of March 2014 and gas sales to the Guangdong market natural gas grid commenced in late April 2014. Production from the Liwan project is being sold on a continuous basis into the Guangdong natural gas market. Natural gas liquids that are separated from the gas sales at the Gaolan gas plant are also being sold into the Guangdong market. The first phase of the Sunrise Energy oil sands development ("Sunrise project") in Canada is advancing towards start-up by the end of 2014 and is expected to ramp up production over an 18 to 24 month period to produce up to 60,000 barrels per day (30,000 barrels per day net to Husky Energy's 50% working interest).

3 Group Europe
The Group's registered 3G customer base in Europe increased 1% during the period and totalled over 26.9 million customers as at 30 June 2014, of which approximately 22.6 million were active, a 2% increase during the period. **3** Group Europe reported total revenue of HK$31,063 million, a 3% increase over the same period last year. EBITDA and EBIT grew by 15% and 23% to HK$6,504 million and HK$2,282 million respectively. **3** Group Europe overall continued to achieve positive EBITDA less capex for the period, which reflects continued contribution of this division through improvements in the underlying operating performances and a well-disciplined operating and capital expenditure profile.

On 15 July 2014, the Group completed the acquisition of O_2 Ireland for €780 million with an additional deferred payment of €70 million payable upon achievement of certain agreed financial targets.

3 Group Europe is expected to further increase its contribution to the Group's overall results due to the division's highly competitive network assets and service offerings, stringent cost controls across all operations and the continued realisation of cost synergies from the recently completed acquisitions in Austria and Ireland.

Hutchison Telecommunications Hong Kong
Hutchison Telecommunications Hong Kong Holdings ("HTHKH"), our Hong Kong listed telecommunications subsidiary operating in Hong Kong and Macau, announced profit attributable to shareholders of HK$323 million and earnings per share of 6.70 HK cents, a decrease of 44% compared to same period last year.

As of 30 June 2014, HTHKH had approximately 3.6 million active mobile customers in Hong Kong and Macau.

Hutchison Asia Telecommunications

As of 30 June 2014, Hutchison Asia Telecommunications ("HAT") had approximately 46.5 million active customers, a 7% increase from 31 December 2013. Reported total revenue of HK$3,506 million was an increase of 18% compared to the same period last year, reflecting the increase in customer base in Indonesia as a result of the completion of a major network rollout in the third quarter of 2013 and an increased average spend per user in Vietnam. EBITDA of HK$502 million in the first half of 2014 is a turnaround from an LBITDA of HK$59 million for the same period last year, driven by revenue growth in Indonesia and Vietnam. LBIT of HK$76 million in the first half of 2014 is an 89% reduction against the same period last year.

HAT will continue to focus on growing its customer base and customer service revenues in Indonesia.

Finance & Investments and Others

The contribution from this division mainly represents returns earned on the Group's holdings of cash and liquid investments as well as results of other small operating units. The increase in contribution in the first six months of 2014 was mainly due to profits from the disposal of certain listed equity investments and other investments.

During the first six months of 2014, the Group raised HK$21,401 million from the debt market and HK$43,696 million from the strategic alliance with Temasek, and repaid debts as they matured and partially early repaid certain long-term borrowings and notes of HK$16,931 million. The Group's weighted average cost of debt remained unchanged at 3.2% for the first half of 2014 compared to the same period last year. At 30 June 2014, the Group's consolidated cash and liquid investments totalled HK$120,824 million and consolidated debt amounted to HK$229,031 million, resulting in consolidated net debt of HK$108,207 million and net debt to a net total capital ratio of 17.1%.

The Group will continue to closely monitor its liquidity and debt profile and expects its consolidated Group net debt to net total capital ratio to remain less than 25% for the foreseeable future.

Outlook

In the first half, although weak global economic conditions and government policies and restrictions continue to affect several markets and geographies in which the Group operates, generally improving trends first noted in the second half of 2013 continued into 2014, leading to a constructive outlook for the Group's businesses overall for the second half of 2014. Whilst economic and political uncertainty will remain a challenge for the remainder of 2014, the Group will adhere to its fundamental principle of always acting in the best long-term interest of its shareholders. The Group will continue pursuing a strategy of "Advancing with Stability", with the objective to achieving for its shareholders sustainable recurring earnings growth and maintaining a strong financial and liquidity profile. Barring unforeseen material adverse external developments, I expect that the Group will continue to meet these objectives in the second half of 2014. I continue to have confidence in the Group's prospects.

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

Li Ka-shing
Chairman
Hong Kong, 31 July 2014

Operations Highlights

Ports and Related Services [1]

	30 June 2014 HK$ millions	30 June 2013 HK$ millions	Change	Change in local currency
Total Revenue	**17,270**	16,891	+2%	+2%
EBITDA	**5,607**	5,410	+4%	+3%
EBIT	**3,531**	3,449	+2%	+2%

Contributed 8%, 12% and 12% respectively to total revenue, EBITDA and EBIT of the Group.

Throughput grew 5% to 39.6 million twenty-foot equivalent units ("TEU") during the first six months of 2014 as compared to the same period last year. Major contributors to the division's overall throughput growth are as follows:

	Change (millions TEU)	Change
HPH Trust	+ 0.6	+5%
Mainland China and other Hong Kong	+ 0.6	+11%
Europe	+ 0.3	+5%
Asia, Australia and Others	+ 0.2	+1%

EBITDA was 4% higher than the same period last year mainly due to the strong performances of the Europe segment and the Mainland China and other Hong Kong segment, partly offset by the effect of start-up losses of the Australian ports, lower contributions from Mexico and Indonesia, as well as lower share of EBITDA in Malaysia as the Group's share of results decreased from 31.45% to 23.55% subsequent to the IPO of Westports Holdings Bhd. in October 2013.

EBIT increased by 2% in the first half of 2014. The growth in EBIT was slightly below the growth in EBITDA due to higher depreciation charges of HK$114 million on new facilities in Mexico and Panama and the newly opened ports at Barcelona in Spain and Brisbane and Sydney in Australia.

In March 2014, HPH Trust divested 60% of its equity interest in Asia Container Terminals ("ACT HK") to the newly established joint venture with COSCO Pacific Limited (40%) and China Shipping Terminal Development (Hong Kong) Company Limited (20%). HPH Trust currently owns an effective interest of 40% in ACT HK.

Note 1: Total revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust for the six months ended 30 June 2014 and 2013.

Property and Hotels

	30 June 2014 HK$ millions	30 June 2013 HK$ millions	Change	Change in local currency
Total Revenue	**7,462**	11,186	-33%	-33%
EBITDA	**3,873**	5,918	-35%	-34%
EBIT	**3,703**	5,742	-36%	-35%

Contributed 4%, 8% and 12% respectively to total revenue, EBITDA and EBIT of the Group.

EBITDA from investment properties totalled HK$2,000 million in the first half of 2014, an 8% increase mainly due to the continuing trend of higher rental renewal rates and improvements in occupancy levels.

EBITDA from hotel operations increased by 1% to HK$639 million as compared to the first six months of 2013, mainly due to an improvement in the results from operations in the Bahamas, partly offset by lower average room and occupancy rates in the hotels in the Mainland as well as certain hotels in Hong Kong.

EBITDA from development properties, gains on disposal and others declined 64% to HK$1,234 million in the first half of 2014 primarily due to lower development sales, in particular in Tier 1 and Tier 2 cities where price competition was most intense, and deferrals in the completion of various development projects in the Mainland and in Singapore to the second half of the year.

The Group's current attributable landbank (including direct interests and its proportionate share of interests held by joint ventures and associated companies) can be developed into approximately 80 million square feet of mainly residential property, of which 97% is situated in the Mainland and 3% in the UK and Singapore. This landbank comprises 41 projects in 22 cities and, depending on market conditions and outlook, is expected to be developed in phases over several years.

In July 2014, the Group completed the disposal of its interest in the Shanghai Oriental Financial Center, on which the Group generated an after-tax gain of approximately HK$1,800 million.

Retail

	30 June 2014 HK$ millions	30 June 2013 [2] HK$ millions	Change	Change in local currency
Total Revenue	**77,398**	71,258	+9%	+7%
EBITDA	**6,611**	6,068	+9%	+8%
EBIT	**5,336**	4,911	+9%	+8%
Total Store Numbers	**10,812**	10,004	+8%	N/A

Contributed 38%, 14% and 17% respectively to total revenue, EBITDA and EBIT of the Group.

Total Revenue	**30 June 2014 HK$ millions**	30 June 2013 [2] HK$ millions	Change	Change in local currency
Health & Beauty China	**9,840**	8,653	+14%	+14%
Health & Beauty Asia	**10,344**	9,785	+6%	+9%
Health & Beauty Western Europe	**31,063**	27,722	+12%	+6%
Health & Beauty Eastern Europe	**7,121**	6,320	+13%	+14%
Health & Beauty Subtotal	**58,368**	52,480	+11%	+9%
Other Retail [3]	**19,030**	18,778	+1%	+1%
Total Retail	**77,398**	71,258	+9%	+7%
- Asia	*39,214*	*37,179*	*+5%*	*+6%*
- Europe	*38,184*	*34,079*	*+12%*	*+7%*

Comparable Stores Sales Growth (%) [4] - in local currency	**30 June 2014**	30 June 2013 [2]
Health & Beauty China	**+4.3%**	+1.4%
Health & Beauty Asia	**+3.9%**	+6.0%
Health & Beauty Western Europe	**+3.0%**	+3.5%
Health & Beauty Eastern Europe	**+2.8%**	+4.1%
Health & Beauty Subtotal	**+3.3%**	+3.8%
Other Retail [3]	**-0.9%**	+1.2%
Total Retail	**+2.3%**	+3.2%
- Asia	*+1.6%*	*+2.7%*
- Europe	*+2.9%*	*+3.6%*

Store Numbers	**30 June 2014**	30 June 2013 [2]	Change
Health & Beauty China	**1,799**	1,524	+18%
Health & Beauty Asia	**1,838**	1,741	+6%
Health & Beauty Western Europe	**4,758**	4,601	+3%
Health & Beauty Eastern Europe	**1,874**	1,621	+16%
Health & Beauty Subtotal	**10,269**	9,487	+8%
Other Retail [3]	**543**	517	+5%
Total Retail	**10,812**	10,004	+8%
- Asia	*4,180*	*3,782*	*+11%*
- Europe	*6,632*	*6,222*	*+7%*

Retail (continued)

EBITDA	30 June 2014 HK$ millions	30 June 2013 [(2)] HK$ millions	Change	Change in local currency
Health & Beauty China	**1,974**	1,651	+20%	+20%
Health & Beauty Asia	**870**	824	+6%	+10%
Health & Beauty Western Europe	**2,045**	1,701	+20%	+14%
Health & Beauty Eastern Europe	**908**	780	+16%	+14%
Health & Beauty Subtotal	**5,797**	4,956	+17%	+15%
Other Retail [(3)]	**814**	1,112	-27%	-27%
Total Retail	**6,611**	6,068	+9%	+8%
- Asia	*3,659*	*3,588*	*+2%*	*+3%*
- Europe	*2,952*	*2,480*	*+19%*	*+14%*

EBITDA Margin %	30 June 2014	30 June 2013 [(2)]
Health & Beauty China	**20%**	19%
Health & Beauty Asia	**8%**	8%
Health & Beauty Western Europe	**7%**	6%
Health & Beauty Eastern Europe	**13%**	12%
Health & Beauty Subtotal	**10%**	9%
Other Retail [(3)]	**4%**	6%
Total Retail	**9%**	9%
- Asia	*9%*	*10%*
- Europe	*8%*	*7%*

Note 2: First half of 2013 results exclude Marionnaud results in the comparatives as the business is no longer reported under this division following the Group's strategic review of its retail division in 2013.

Note 3: Other Retail includes PARKnSHOP, Fortress, Watsons Wine, Nuance-Watson and manufacturing operations for water and beverage businesses.

Note 4: Comparable store sales growth represents the percentage change in revenue contributed by stores which, as at the first day of the relevant financial year (a) have been operating for over 12 months and (b) have not undergone major resizing within the previous 12 months.

Cheung Kong Infrastructure [5], subsidiary listed on The Stock Exchange of Hong Kong Limited

	30 June 2014 HK$ millions	30 June 2013 HK$ millions	Change
Total Revenue	**22,264**	20,133	+11%
EBITDA	**11,819**	11,469	+3%
EBIT	**8,945**	8,940	–

Contributed 11%, 25% and 29% respectively to total revenue, EBITDA and EBIT of the Group.

Reported EBIT, after the Group's asset valuation consolidation adjustments, of HK$8,945 million was flat as compared to the same period last year due to earnings growth from its UK operations and full six-month contributions of the newly acquired operations (Enviro Waste Services Limited and AVR-Afvalverwerking B.V.), being largely offset by the lower contribution from the Hong Kong electricity business following its separate listing in January 2014.

Note 5: After the Group's asset valuation consolidation adjustments.

Husky Energy [6], associated company listed on Toronto Stock Exchange

	30 June 2014 HK$ millions	30 June 2013 HK$ millions	Change	Change in local currency
Total Revenue	**28,660**	29,911	-4%	+3%
EBITDA	**8,145**	7,991	+2%	+9%
EBIT	**4,329**	4,152	+4%	+12%

The Group's share of Husky Energy's results contributed 14%, 18% and 14% respectively to total revenue, EBITDA and EBIT of the Group.

Note 6: After the Group's asset valuation consolidation adjustments.

3 Group Europe

	30 June 2014 HK$ millions	30 June 2013 HK$ millions	Change	Change in local currency
Total Revenue	**31,063**	30,101	+3%	-3%
- Net customer service revenue	**23,950**	22,037	+9%	+3%
- Handset revenue	**6,490**	7,417	-12%	
- Other revenue	**623**	647	-4%	
Net customer service margin [7]	**18,844**	16,831	+12%	+6%
Net customer service margin %	*79%*	*76%*		
Other margin	**368**	507	-27%	
Total CACs	(10,036)	(10,624)	+6%	
Less: Handset revenue	6,490	7,417	-12%	
Total CACs (net of handset revenue)	**(3,546)**	(3,207)	-11%	
Operating expenses	**(9,162)**	(8,470)	-8%	
Opex as a % of Net customer service margin	*49%*	*50%*		
EBITDA	**6,504**	5,661	+15%	+9%
EBITDA margin % [8]	*26%*	*25%*		
Depreciation & Amortisation	**(4,222)**	(3,807)	-11%	
EBIT	**2,282**	1,854	+23%	+16%
Capex (excluding licence)	**(4,876)**	(4,167)	-17%	
EBITDA less Capex	**1,628**	1,494	+9%	
Licence [9]	**(4)**	(2,674)	N/A	

Contributed 15%, 14% and 7% respectively to total revenue, EBITDA and EBIT of the Group.

Note 7: Net customer service margin represents net customer service revenue deducting direct variable costs (including interconnection charges and roaming costs).

Note 8: EBITDA margin % represents EBITDA as a % of total revenue excluding handset revenue.

Note 9: Licence costs at 30 June 2014 represent incidental costs in relation to licences acquired in the prior year.

3 Group Europe Overall

	30 June 2014	30 June 2013
Contract customers as a percentage of the total registered customer base	**59%**	59%
Contract customers' contribution to the net customer service revenue base (%)	**89%**	87%
Average monthly churn rate of the total contract registered customer base (%)	**1.6%**	1.7%
Active contract customers as a percentage of the total contract registered customer base	**98%**	97%
Active customers as a percentage of the total registered customer base	**84%**	82%
6 months data usage per active customers (Gigabyte)	**12.2**	8.8

Key Business Indicators

Registered Customer Base

	Registered Customers at 30 June 2014 ('000)			Registered Customer Growth (%) from 31 December 2013 to 30 June 2014		
	Prepaid	Postpaid	**Total**	Prepaid	Postpaid	**Total**
United Kingdom	3,799	5,916	**9,715**	-4%	+1%	**-1%**
Italy	5,081	4,757	**9,838**	+1%	+2%	**+2%**
Sweden	201	1,586	**1,787**	+26%	+4%	**+6%**
Denmark	336	733	**1,069**	+12%	+1%	**+4%**
Austria	975	2,525	**3,500**	+5%	+1%	**+2%**
Ireland	684	343	**1,027**	+12%	-2%	**+7%**
3 Group Europe Total	11,076	15,860	**26,936**	+1%	+1%	**+1%**

Active [10] Customer Base

	Active Customers at 30 June 2014 ('000)			Active Customer Growth (%) from 31 December 2013 to 30 June 2014		
	Prepaid	Postpaid	**Total**	Prepaid	Postpaid	**Total**
United Kingdom	2,209	5,777	**7,986**	–	+1%	**+1%**
Italy	3,819	4,602	**8,421**	+4%	+2%	**+3%**
Sweden	121	1,586	**1,707**	+32%	+4%	**+5%**
Denmark	307	733	**1,040**	+10 %	+1%	**+3%**
Austria	370	2,502	**2,872**	+3%	+1%	**+1%**
Ireland	253	313	**566**	+7%	+1%	**+3%**
3 Group Europe Total	7,079	15,513	**22,592**	+3%	+1%	**+2%**

Note 10: An active customer is one that generated revenue from an outgoing call, incoming call or data / content service in the preceding three months.

12-month Trailing Average Revenue per Active User ("ARPU") [11] to 30 June 2014

	Prepaid	Postpaid	**Blended Total**	% Variance compared to 31 December 2013
United Kingdom	£5.55	£27.00	**£21.02**	+1%
Italy	€7.13	€18.93	**€13.65**	-7%
Sweden	SEK114.06	SEK310.26	**SEK298.28**	+1%
Denmark	DKK134.90	DKK174.26	**DKK163.22**	-5%
Austria	€7.50	€21.57	**€19.68**	-4%
Ireland	€15.30	€38.03	**€28.26**	-2%
3 Group Europe Average	€7.81	€26.64	**€20.80**	-2%

Note 11: ARPU equals total monthly revenue, including incoming mobile termination revenue and contributions for a handset / device in postpaid contract bundled plans, divided by the average number of active customers during the period.

Key Business Indicators (continued)

12-month Trailing Net Average Revenue per Active User ("Net ARPU")[(12)] to 30 June 2014

	Prepaid	Postpaid	**Blended Total**	% Variance compared to 31 December 2013
United Kingdom	£5.55	£18.96	**£15.22**	+1%
Italy	€7.13	€18.93	**€13.65**	-7%
Sweden	SEK114.06	SEK224.51	**SEK217.76**	+3%
Denmark	DKK134.90	DKK161.90	**DKK154.33**	-4%
Austria	€7.50	€17.84	**€16.45**	-6%
Ireland	€15.30	€30.48	**€23.96**	-1%
3 Group Europe Average	€7.81	€21.21	**€17.06**	-2%

12-month Trailing Net Average Margin per Active User ("Net AMPU")[(13)] to 30 June 2014

	Prepaid	Postpaid	**Blended Total**	% Variance compared to 31 December 2013
United Kingdom	£4.79	£14.85	**£12.04**	–
Italy	€5.48	€14.32	**€10.37**	-5%
Sweden	SEK81.78	SEK191.98	**SEK185.25**	+6%
Denmark	DKK116.44	DKK140.81	**DKK133.97**	-3%
Austria	€6.45	€14.26	**€13.21**	-2%
Ireland	€11.02	€24.80	**€18.88**	–
3 Group Europe Average	€6.28	€16.79	**€13.53**	-1%

Note 12: Net ARPU equals total monthly revenue, including incoming mobile termination revenue but excluding contributions for a handset / device in postpaid contract bundled plans, divided by the average number of active customers during the period.

Note 13: Net AMPU equals total monthly revenue, including incoming mobile termination revenue but excluding contributions for a handset / device in postpaid contract bundled plans, less direct variable costs (including interconnection charges and roaming costs) (i.e. net customer service margin), divided by the average number of active customers during the period.

3 Group Europe's net ARPU and net AMPU, which exclude the monthly contributions for a handset / device in postpaid contract bundled plans, on a 12-month trailing average active customer basis, decreased 2% and 1% to €17.06 and €13.53 respectively compared to the full year 2013. Despite these decreases net customer service revenue and net customer service margin increased by 3% and 6% respectively in local currency mainly due to the enlarged active customer base compared to the same period last year.

United Kingdom

	30 June 2014 GBP millions	30 June 2013 GBP millions	Change
Total Revenue	**974**	1,002	-3%
- Net customer service revenue	723	667	+8%
- Handset revenue	241	321	-25%
- Other revenue	10	14	-29%
Net customer service margin	**556**	519	+7%
Net customer service margin %	*77%*	*78%*	
Other margin	**4**	11	-64%
Total CACs	(358)	(457)	+22%
Less: Handset revenue	241	321	-25%
Total CACs (net of handset revenue)	**(117)**	(136)	+14%
Operating expenses	**(211)**	(206)	-2%
Opex as a % of Net customer service margin	*38%*	*40%*	
EBITDA	**232**	188	+23%
EBITDA margin %	*32%*	*28%*	
Depreciation & Amortisation	**(109)**	(102)	-7%
EBIT	**123**	86	+43%
Capex (excluding licence)	**(116)**	(87)	-33%
EBITDA less Capex	**116**	101	+15%
Licence	**(0.3)**	(225)	N/A

	30 June 2014	30 June 2013
Total registered customer base (millions)	**9.7**	9.2
Total active customer base (millions)	**8.0**	7.5
Contract customers as a percentage of the total registered customer base	**61%**	60%
Contract customers' contribution to the net customer service revenue base (%)	**90%**	88%
Average monthly churn rate of the total contract registered customer base (%)	**1.6%**	1.6%
Active contract customers as a percentage of the total contract registered customer base	**98%**	97%
Active customers as a percentage of the total registered customer base	**82%**	82%

3 UK experienced another period of strong underlying results, reporting EBITDA and EBIT growth of 23% and 43% to £232 million and £123 million respectively. This reflects the growth in net customer service margin and lower total CACs as well as continuing stringent cost controls.

Italy

	30 June 2014 EUR millions	30 June 2013 EUR millions	Change
Total Revenue	**815**	891	-9%
- Net customer service revenue	662	684	-3%
- Handset revenue	139	185	-25%
- Other revenue	14	22	-36%
Net customer service margin	**502**	496	+1%
Net customer service margin %	*76%*	*73%*	
Other margin	**13**	22	-41%
Total CACs	(259)	(270)	+4%
Less: Handset revenue	139	185	-25%
Total CACs (net of handset revenue)	**(120)**	(85)	-41%
Operating expenses	**(323)**	(299)	-8%
Opex as a % of Net customer service margin	*64%*	*60%*	
EBITDA	**72**	134	-46%
EBITDA margin %	*11%*	*19%*	
Depreciation & Amortisation	**(143)**	(139)	-3%
LBIT	**(71)**	(5)	-1,320%
Capex (excluding licence)	**(151)**	(187)	+19%
EBITDA less Capex	**(79)**	(53)	-49%

	30 June 2014	30 June 2013
Total registered customer base (millions)	**9.8**	9.5
Total active customer base (millions)	**8.4**	7.7
Contract customers as a percentage of the total registered customer base	**48%**	48%
Contract customers' contribution to the net customer service revenue base (%)	**75%**	82%
Average monthly churn rate of the total contract registered customer base (%)	**2.2%**	2.4%
Active contract customers as a percentage of the total contract registered customer base	**97%**	94%
Active customers as a percentage of the total registered customer base	**86%**	80%

The increasingly competitive environment in the Italian market continued to add pressure to **3** Italy's revenue growth and resulted in higher total CACs to acquire or retain quality customers. Together with the increased operating costs to support an enlarged network, **3** Italy reported a 46% lower EBITDA to €72 million and a LBIT of €71 million for the first half of 2014. The operation is expected to improve its performance in the second half of 2014 through enhancing its customer and tariff mix.

Sweden

	30 June 2014 SEK millions	30 June 2013 SEK millions	Change
Total Revenue	**3,054**	2,699	+13%
- Net customer service revenue	2,123	1,833	+16%
- Handset revenue	827	760	+9%
- Other revenue	104	106	-2%
Net customer service margin	**1,811**	1,455	+24%
Net customer service margin %	*85%*	*79%*	
Other margin	**26**	55	-53%
Total CACs	(1,127)	(1,012)	-11%
Less: Handset revenue	827	760	+9%
Total CACs (net of handset revenue)	**(300)**	(252)	-19%
Operating expenses	**(666)**	(641)	-4%
Opex as a % of Net customer service margin	*37%*	*44%*	
EBITDA	**871**	617	+41%
EBITDA margin %	*39%*	*32%*	
Depreciation & Amortisation	**(380)**	(346)	-10%
EBIT	**491**	271	+81%
Capex (excluding licence)	**(392)**	(461)	+15%
EBITDA less Capex	**479**	156	+207%

	30 June 2014	30 June 2013
Total registered customer base (millions)	**1.8**	1.6
Total active customer base (millions)	**1.7**	1.6
Contract customers as a percentage of the total registered customer base	**89%**	90%
Contract customers' contribution to the net customer service revenue base (%)	**96%**	97%
Average monthly churn rate of the total contract registered customer base (%)	**1.4%**	1.2%
Active contract customers as a percentage of the total contract registered customer base	**100%**	100%
Active customers as a percentage of the total registered customer base	**95%**	95%

3 Sweden reported an increase in net customer service revenue and margin mainly due to the enlarged active customer base and the completion of the transition to a non-subsidised handset model in its customer base at the end of 2013. This margin improvement is partly offset by higher total CACs and operating expenses, resulting in the operation reporting a 41% improvement in EBITDA to SEK871 million and an EBIT improvement of 81% to SEK491 million for the first half of 2014.

Denmark

	30 June 2014 DKK millions	30 June 2013 DKK millions	Change
Total Revenue	**1,008**	930	+8%
- Net customer service revenue	887	827	+7%
- Handset revenue	92	62	+48%
- Other revenue	29	41	-29%
Net customer service margin	**772**	708	+9%
Net customer service margin %	*87%*	*86%*	
Other margin	**13**	27	-52%
Total CACs	(216)	(172)	-26%
Less: Handset revenue	92	62	+48%
Total CACs (net of handset revenue)	**(124)**	(110)	-13%
Operating expenses	**(315)**	(309)	-2%
Opex as a % of Net customer service margin	*41%*	*44%*	
EBITDA	**346**	316	+9%
EBITDA margin %	*38%*	*36%*	
Depreciation & Amortisation	**(146)**	(138)	-6%
EBIT	**200**	178	+12%
Capex (excluding licence)	**(69)**	(91)	+24%
EBITDA less Capex	**277**	225	+23%

	30 June 2014	30 June 2013
Total registered customer base (millions)	**1.1**	0.9
Total active customer base (millions)	**1.0**	0.9
Contract customers as a percentage of the total registered customer base	**69%**	72%
Contract customers' contribution to the net customer service revenue base (%)	**77%**	81%
Average monthly churn rate of the total contract registered customer base (%)	**2.7%**	2.5%
Active contract customers as a percentage of the total contract registered customer base	**100%**	100%
Active customers as a percentage of the total registered customer base	**97%**	98%

Despite intense price competition driving down net ARPU, **3** Denmark reported an increase in net customer service revenue and margin, primarily due to the enlarged customer base. EBITDA of DKK346 million and EBIT of DKK200 million represented an improvement of 9% and 12% respectively against the same period last year, reflecting net customer service margin contribution and good cost control under challenging conditions.

Austria

	30 June 2014 EUR millions	30 June 2013 EUR millions	Change
Total Revenue	**342**	369	-7%
– Net customer service revenue	271	306	-11%
– Handset revenue	58	57	+2%
– Other revenue	13	6	+117%
Net customer service margin	**222**	230	-3%
Net customer service margin %	*82%*	*76%*	
Other margin	**10**	6	+67%
Total CACs	(70)	(75)	+7%
Less: Handset revenue	58	57	+2%
Total CACs (net of handset revenue)	**(12)**	(18)	+33%
Operating expenses	**(104)**	(128)	+19%
Opex as a % of Net customer service margin	*47%*	*56%*	
EBITDA	**116**	90	+29%
EBITDA margin %	*41%*	*29%*	
Depreciation & Amortisation	**(37)**	(38)	+3%
EBIT	**79**	52	+52%
Capex (excluding licence)	**(53)**	(35)	-51%
EBITDA less Capex	**63**	55	+15%

	30 June 2014	30 June 2013
Total registered customer base (millions)	**3.5**	3.3
Total active customer base (millions)	**2.9**	2.8
Contract customers as a percentage of the total registered customer base	**72%**	74%
Contract customers' contribution to the net customer service revenue base (%)	**93%**	94%
Average monthly churn rate of the total contract registered customer base (%)	**0.6%**	0.8%
Active contract customers as a percentage of the total contract registered customer base	**99%**	99%
Active customers as a percentage of the total registered customer base	**82%**	85%

3 Austria continued to benefit from the realisation of additional cost synergies following the acquisition of Orange Austria in 2013, which contributed to the EBITDA and EBIT growth of 29% and 52% to €116 million and €79 million respectively for the first half of 2014.

Ireland

	30 June 2014 EUR millions	30 June 2013 EUR millions	Change
Total Revenue	**97**	87	+11%
- Net customer service revenue	80	72	+11%
- Handset revenue	13	14	-7%
- Other revenue	4	1	+300%
Net customer service margin	**63**	56	+13%
Net customer service margin %	*79%*	*78%*	
Other margin	**2**	–	N/A
Total CACs	(22)	(23)	+4%
Less: Handset revenue	13	14	-7%
Total CACs (net of handset revenue)	**(9)**	(9)	–
Operating expenses	**(59)**	(47)	-26%
Opex as a % of Net customer service margin	*94%*	*84%*	
LBITDA	**(3)**	–	N/A
LBITDA margin %	*-4%*	–	
Depreciation & Amortisation	**(22)**	(18)	-22%
LBIT	**(25)**	(18)	-39%
Capex (excluding licence)	**(60)**	(21)	-186%
LBITDA less Capex	**(63)**	(21)	-200%

	30 June 2014	30 June 2013
Total registered customer base	**1,027,000**	901,000
Total active customer base	**566,000**	508,000
Contract customers as a percentage of the total registered customer base	**33%**	42%
Contract customers' contribution to the net customer service revenue base (%)	**72%**	76%
Average monthly churn rate of the total contract registered customer base (%)	**1.3%**	1.2%
Active contract customers as a percentage of the total contract registered customer base	**91%**	81%
Active customers as a percentage of the total registered customer base	**55%**	56%

As a result of an improved active customer base, **3** Ireland reported an increase in net customer service revenue and margin during the period. However, this improvement has been fully offset by an increase in operating costs and higher depreciation charge. The operation reported a LBITDA and LBIT of €3 million and €25 million respectively for the first half of 2014.

On 15 July 2014, the Group completed the acquisition of O_2 Ireland from Telefonica. The restructuring exercise to combine **3** Ireland and O_2 Ireland operations will begin and the combined operation is expected to provide a meaningful contribution to **3** Group Europe in 2015.

Hutchison Telecommunications Hong Kong Holdings [14], subsidiary listed on The Stock Exchange of Hong Kong Limited

	30 June 2014 HK$ millions	30 June 2013 HK$ millions	Change
Total Revenue	**6,227**	6,149	+1%
EBITDA	**1,230**	1,509	-18%
EBIT	**538**	834	-35%

Contributed 3%, 3% and 2% respectively to each of total revenue, EBITDA and EBIT of the Group.

Note 14: After the Group's consolidation and reclassification adjustments.

Hutchison Asia Telecommunications

	30 June 2014 HK$ millions	30 June 2013 HK$ millions	Change
Total Revenue	**3,506**	2,981	+18%
EBITDA (LBITDA)	**502**	(59)	+951%
LBIT	**(76)**	(697)	+89%

Contributed 2% and 1% respectively to total revenue and EBITDA of the Group and a negative 0.2% to EBIT of the Group.

HAT will continue to grow its customer base, particularly in Indonesia, where a major network rollout was completed in the third quarter of 2013 and the 3G footprint is now extended to 150 cities covering 86% of the population. The operation has achieved positive EBITDA operationally in both the second half of 2013 and the first half of 2014.

HTAL (50% share of joint venture Vodafone Hutchison Australia), subsidiary listed on Australian Securities Exchange

	30 June 2014 AUD millions	30 June 2013 AUD millions	Change
Announced Total Revenue	**863**	872	-1%
Announced EBIT (LBIT)	**6**	(34)	+118%
Announced Loss Attributable to Shareholders	**(79)**	(96)	+17%

VHA continued the momentum of its turnaround plan in the first half of the year with further improvements in both operational and financial performances. During the period, VHA also continued to invest in the network, adding on average more than 100 new 4G sites each month and this is expected to increase to 300 new sites a month later in 2014. Further progress is anticipated in the second half of the year, with additional financial improvements expected.

Hutchison Whampoa Limited
Condensed Consolidated Income Statement
for the six months ended 30 June 2014

	Note	**Unaudited** **2014** **HK$ millions**	As restated Note 2 2013 HK$ millions
Revenue	3	**130,734**	123,262
Cost of inventories sold		**(52,368)**	(48,655)
Staff costs		**(17,360)**	(16,524)
Telecommunications customer acquisition costs		**(11,118)**	(11,751)
Depreciation and amortisation	3	**(8,348)**	(7,699)
Other operating expenses		**(27,198)**	(26,166)
Change in fair value of investment properties		**-**	7
Profits on disposal of investments and others	4	**(1,213)**	(116)
Share of profits less losses after tax of:			
Associated companies before profits on disposal of investments and others		**5,036**	5,225
Joint ventures		**5,039**	5,509
Associated companies' profits on disposal of investments and others	4	**20,554**	-
	3	**43,758**	23,092
Interest expenses and other finance costs	5	**(3,904)**	(4,335)
Profit before tax		**39,854**	18,757
Current tax	6	**(1,638)**	(1,925)
Deferred tax	6	**(996)**	(896)
Profit after tax		**37,220**	15,936
Allocated as : Profit attributable to non-controlling interests and holders of perpetual capital securities		**(8,777)**	(3,538)
Profit attributable to ordinary shareholders of the Company		**28,443**	12,398
Earnings per share for profit attributable to ordinary shareholders of the Company	7	**HK$ 6.67**	HK$ 2.91

Details of distribution paid to the holders of perpetual capital securities, special dividend paid and interim dividend payable to the ordinary shareholders of the Company are set out in note 8.

Hutchison Whampoa Limited
Condensed Consolidated Statement of Comprehensive Income
for the six months ended 30 June 2014

	Unaudited 2014 HK$ millions	As restated Note 2 2013 HK$ millions
Profit after tax	**37,220**	15,936
Other comprehensive income (losses)		
Items that will not be reclassified to profit or loss:		
Remeasurement of defined benefit obligations recognised directly in reserves	**(124)**	116
Share of other comprehensive income (losses) of associated companies	**(131)**	60
Share of other comprehensive income (losses) of joint ventures	**(18)**	(180)
Tax relating to items that will not be reclassified to profit or loss	**29**	2
	(244)	(2)
Items that have been reclassified or may be subsequently reclassified to profit or loss:		
Available-for-sale investments		
Valuation gains recognised directly in reserves	**653**	127
Valuation gains previously in reserves recognised in income statement	**(165)**	(57)
Gains (losses) on cash flow hedges arising from forward foreign currency contracts and interest rate swap contracts recognised directly in reserves	**(183)**	157
Gains (losses) on translating overseas subsidiaries' net assets recognised directly in reserves	**3,028**	(7,802)
Share of other comprehensive income (losses) of associated companies	**(245)**	(3,413)
Share of other comprehensive income (losses) of joint ventures	**514**	(1,747)
Tax relating to items that have been reclassified or may be subsequently reclassified to profit or loss	**(74)**	(18)
	3,528	(12,753)
Other comprehensive income (losses) after tax	**3,284**	(12,755)
Total comprehensive income	**40,504**	3,181
Allocated as : Attributable to non-controlling interests and holders of perpetual capital securities	**(9,140)**	(2,827)
Attributable to ordinary shareholders of the Company	**31,364**	354

Hutchison Whampoa Limited
Condensed Consolidated Statement of Financial Position
at 30 June 2014

	Note	**Unaudited 30 June 2014 HK$ millions**	Audited 31 December 2013 HK$ millions
ASSETS			
Non-current assets			
Fixed assets		**179,670**	177,324
Investment properties		**42,423**	42,454
Leasehold land		**9,101**	9,849
Telecommunications licences		**87,725**	86,576
Goodwill		**37,466**	38,028
Brand names and other rights		**18,811**	18,755
Associated companies		**131,580**	112,058
Interests in joint ventures		**116,106**	111,271
Deferred tax assets		**17,947**	18,548
Other non-current assets		**8,057**	7,934
Liquid funds and other listed investments		**18,908**	17,136
		667,794	639,933
Current assets			
Cash and cash equivalents	9	**101,916**	85,651
Trade and other receivables	10	**67,580**	69,083
Inventories		**21,070**	20,855
		190,566	175,589
Current liabilities			
Trade and other payables	11	**84,307**	86,812
Bank and other debts		**26,594**	18,159
Current tax liabilities		**3,371**	3,319
		114,272	108,290
Net current assets		**76,294**	67,299
Total assets less current liabilities		**744,088**	707,232
Non-current liabilities			
Bank and other debts		**203,755**	207,195
Interest bearing loans from non-controlling shareholders		**5,400**	5,445
Deferred tax liabilities		**10,313**	10,228
Pension obligations		**3,192**	3,095
Other non-current liabilities		**4,725**	5,037
		227,385	231,000
Net assets		**516,703**	476,232
CAPITAL AND RESERVES			
Share capital*		**29,425**	29,425
Perpetual capital securities		**39,460**	40,244
Reserves		**390,154**	356,940
Total ordinary shareholders' funds and perpetual capital securities		**459,039**	426,609
Non-controlling interests		**57,664**	49,623
Total equity		**516,703**	476,232

* *Share capital as at 31 December 2013 includes the balance on the share premium account and capital redemption reserve created under the sections 48B and 49H of the predecessor Companies Ordinance (Cap. 32) totalling HK$28,359 million, which under the Hong Kong Companies Ordinance (Cap. 622) effective on 3 March 2014 have been included in share capital. Also see note 13.*

Hutchison Whampoa Limited

Condensed Consolidated Statement of Changes in Equity

for the six months ended 30 June 2014

	Attributable to							
	Ordinary shareholders				Holders of perpetual capital securities	Total ordinary shareholders' funds and perpetual capital securities	Non-controlling interests	Unaudited Total equity
	Share capital [(a)]	Other reserves [(b)]	Retained profit	Sub-total				
	HK$ millions	HK$ millions	HK$ millions	HK$ millions	HK$ millions	HK$ millions	HK$ millions	HK$ millions
At 1 January 2014 *	**29,425**	**13,760**	**343,180**	**386,365**	**40,244**	**426,609**	**49,623**	**476,232**
Profit for the period	**-**	**-**	**28,443**	**28,443**	**990**	**29,433**	**7,787**	**37,220**
Other comprehensive income (losses)	**-**	**3,103**	**(182)**	**2,921**	**-**	**2,921**	**363**	**3,284**
Total comprehensive income	**-**	**3,103**	**28,261**	**31,364**	**990**	**32,354**	**8,150**	**40,504**
Dividends paid relating to 2013	**-**	**-**	**(7,248)**	**(7,248)**	**-**	**(7,248)**	**-**	**(7,248)**
Special dividends paid	**-**	**-**	**(29,843)**	**(29,843)**	**-**	**(29,843)**	**-**	**(29,843)**
Dividends paid to non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**(2,445)**	**(2,445)**
Distribution paid on perpetual capital securities	**-**	**-**	**-**	**-**	**(1,341)**	**(1,341)**	**-**	**(1,341)**
Equity contribution from non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**43,730**	**43,730**
Redemption of capital securities by a subsidiary	**-**	**-**	**-**	**-**	**-**	**-**	**(2,340)**	**(2,340)**
Share option lapsed	**-**	**(4)**	**4**	**-**	**-**	**-**	**-**	**-**
Unclaimed dividends write back	**-**	**-**	**5**	**5**	**-**	**5**	**-**	**5**
Repurchase of perpetual capital securities [(c)]	**-**	**-**	**(25)**	**(25)**	**(433)**	**(458)**	**-**	**(458)**
Relating to purchase of non-controlling interests	**-**	**(66)**	**-**	**(66)**	**-**	**(66)**	**(27)**	**(93)**
Relating to deemed dilution of subsidiary companies	**-**	**39,029**	**(2)**	**39,027**	**-**	**39,027**	**(39,027)**	**-**
	-	**38,959**	**(37,109)**	**1,850**	**(1,774)**	**76**	**(109)**	**(33)**
At 30 June 2014	**29,425**	**55,822**	**334,332**	**419,579**	**39,460**	**459,039**	**57,664**	**516,703**
At 1 January 2013 *	29,425	18,091	320,369	367,885	23,634	391,519	47,022	438,541
Profit for the period	-	-	12,398	12,398	773	13,171	2,765	15,936
Other comprehensive income (losses)	-	(12,045)	1	(12,044)	-	(12,044)	(711)	(12,755)
Total comprehensive income (losses)	-	(12,045)	12,399	354	773	1,127	2,054	3,181
Dividends paid relating to 2012	-	-	(6,523)	(6,523)	-	(6,523)	-	(6,523)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(2,084)	(2,084)
Distribution paid on perpetual capital securities	-	-	-	-	(689)	(689)	-	(689)
Equity contribution from non-controlling interests	-	-	-	-	-	-	107	107
Share option schemes of subsidiaries	-	(2)	-	(2)	-	(2)	1	(1)
Issuance of perpetual capital securities [(c)]	-	-	-	-	17,879	17,879	-	17,879
Transaction costs in relation to issuance of perpetual capital securities	-	-	(153)	(153)	-	(153)	-	(153)
Repurchase of perpetual capital securities [(c)]	-	-	(97)	(97)	(1,446)	(1,543)	-	(1,543)
Relating to acquisition of subsidiary companies	-	-	-	-	-	-	2	2
Relating to purchase of non-controlling interests	-	(8)	-	(8)	-	(8)	1	(7)
Relating to partial disposal of subsidiary companies	-	52	-	52	-	52	(52)	-
	-	42	(6,773)	(6,731)	15,744	9,013	(2,025)	6,988
At 30 June 2013 *	29,425	6,088	325,995	361,508	40,151	401,659	47,051	448,710

* *Share capital as at 1 January 2014, 30 June 2013 and 1 January 2013 include the balance on the share premium account and capital redemption reserve created under the sections 48B and 49H of the predecessor Companies Ordinance (Cap. 32) totalling HK$28,359 million, which under the Hong Kong Companies Ordinance (Cap. 622) effective on 3 March 2014 have been included in share capital. Also see note (a).*

(a) In accordance with the transitional provisions set out in section 37 of Schedule 11 to the Hong Kong Companies Ordinance (Cap. 622), on 3 March 2014, the amounts standing to the credit of the share premium account and capital redemption reserve created under the sections 48B and 49H of the predecessor Companies Ordinance (Cap. 32) have become part of the Company's share capital.

(b) Other reserves comprise exchange reserve, revaluation reserve, hedging reserve and other capital reserves. As at 30 June 2014, exchange reserve surplus amounted to HK$11,080 million (1 January 2014 - HK$6,789 million and 30 June 2013 - deficit of HK$386 million), revaluation reserve surplus amounted to HK$3,992 million (1 January 2014 - HK$3,883 million and 30 June 2013 - HK$3,669 million), hedging reserve deficit amounted to HK$535 million (1 January 2014 - HK$440 million and 30 June 2013 - HK$699 million) and other capital reserves surplus amounted to HK$41,285 million (1 January 2014 - HK$3,528 million and 30 June 2013 - HK$3,504 million). Revaluation surplus (deficit) arising from revaluation to market value of listed debt securities and listed equity securities which are available for sale are included in the revaluation reserve. Fair value changes arising from the effective portion of hedging instruments designated as cash flow hedges are included in the hedging reserve.

(c) During the six months ended 30 June 2014, the Group had repurchased US$55 million (approximately HK$433 million) (30 June 2013 - US$185 million, approximately HK$1,446 million) nominal amount of subordinated guaranteed perpetual capital securities (the "perpetual capital securities") that were originally issued in October 2010 at an aggregate nominal amount of US$2,000 million (approximately HK$15,600 million).

In May 2013, a wholly owned subsidiary company of the Group issued perpetual capital securities with a nominal amount of €1,750 million (approximately HK$17,879 million) for cash, which are classified as equity under Hong Kong Financial Reporting Standards.

Hutchison Whampoa Limited
Condensed Consolidated Statement of Cash Flows
for the six months ended 30 June 2014

	Note	Unaudited 2014 HK$ millions	2013 HK$ millions
Operating activities			
Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital	12 (a)	**29,716**	29,032
Interest expenses and other finance costs paid		**(3,562)**	(4,037)
Tax paid		**(1,404)**	(1,907)
Funds from operations		**24,750**	23,088
Changes in working capital	12 (b)	**(3,608)**	(5,489)
Net cash from operating activities		**21,142**	17,599
Investing activities			
Purchase of fixed assets and investment properties		**(7,887)**	(8,342)
Additions to leasehold land		**-**	(19)
Additions to telecommunications licences		**(6)**	(2,676)
Additions to brand names and other rights		**(170)**	(30)
Purchase of subsidiary companies	12 (c)	**-**	(17,499)
Additions to other unlisted investments and long term receivables		**(620)**	(2)
Repayments from associated companies and joint ventures		**2,868**	9,068
Purchase of and advances to (including deposits from) associated companies and joint ventures		**(4,045)**	(5,080)
Proceeds on disposal of fixed assets, leasehold land, investment properties and other assets		**718**	4,206
Proceeds on disposal of subsidiary companies	12 (d)	**-**	520
Proceeds on disposal of associated companies		**575**	47
Proceeds on disposal of other unlisted investments		**178**	-
Cash flows used in investing activities before additions to / disposal of liquid funds and other listed investments		**(8,389)**	(19,807)
Disposal of liquid funds and other listed investments		**1,217**	6,095
Additions to liquid funds and other listed investments		**(2,242)**	(124)
Cash flows used in investing activities		**(9,414)**	(13,836)
Net cash inflow before financing activities		**11,728**	3,763

Hutchison Whampoa Limited
Condensed Consolidated Statement of Cash Flows
for the six months ended 30 June 2014

	Unaudited 2014 HK$ millions	2013 HK$ millions
Financing activities		
New borrowings	**21,401**	23,373
Repayment of borrowings	**(16,931)**	(44,935)
Issue of shares by subsidiary companies to non-controlling shareholders and net loans from (to) non-controlling shareholders	**43,615**	80
Redemption of capital securities by a subsidiary	**(2,340)**	-
Payments to acquire additional interests in subsidiary companies	**(93)**	(8)
Proceeds on issue of perpetual capital securities, net of transaction costs	**-**	17,726
Repurchase of perpetual capital securities	**(458)**	(1,543)
Dividends paid to non-controlling interests	**(2,225)**	(2,096)
Distributions paid on perpetual capital securities	**(1,341)**	(689)
Dividends paid to ordinary shareholders	**(37,091)**	(6,523)
Cash flows from (used in) financing activities	**4,537**	(14,615)
Increase (decrease) in cash and cash equivalents	**16,265**	(10,852)
Cash and cash equivalents at 1 January	**85,651**	107,948
Cash and cash equivalents at 30 June	**101,916**	97,096

	30 June 2014 HK$ millions	30 June 2013 HK$ millions
Analysis of cash, liquid funds and other listed investments		
Cash and cash equivalents, as above	**101,916**	97,096
Liquid funds and other listed investments	**18,908**	17,164
Total cash, liquid funds and other listed investments	**120,824**	114,260
Total principal amount of bank and other debts	**229,031**	231,957
Interest bearing loans from non-controlling shareholders	**5,400**	5,572
Net debt	**113,607**	123,269
Interest bearing loans from non-controlling shareholders	**(5,400)**	(5,572)
Net debt (excluding interest bearing loans from non-controlling shareholders)	**108,207**	117,697

Notes

1 Basis of preparation

The financial information is extracted from the Group's unaudited condensed interim accounts which have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The financial information should be read in conjunction with the 2013 annual accounts, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

2 Significant accounting policies

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

The accounting policies applied and methods of computation used in the preparation of the interim accounts are consistent with those used in the 2013 annual accounts, except for the adoption of the new and revised standards, amendments and interpretations issued by the HKICPA that are relevant to the Group's operations and mandatory for annual accounting periods beginning 1 January 2014. The effect of the adoption of these new and revised standards, amendments and interpretations was not material to the Group's results of operations or financial position.

The Group adopted HKFRS 11 in 2013. The full year effect of this adoption, mainly reflecting a change in classification of certain equity-accounted for investments recorded by listed subsidiary, Cheung Kong Infrastructure on adoption of the same standard, was recorded in the results for the 2013 financial year and reported in the 2013 annual accounts. HKAS 34 requires the use of the same accounting policies uniformly throughout the year and accordingly, the Group has restated the 2013 interim accounts to conform to this policy.

The effects of the adoption of HKFRS 11 to the Group's financial statements is a reclassification of certain comparative line items within the respective statement in the consolidated accounts, as explained below, and has no impact on the Group's results or total equity.

2 Significant accounting policies (continued)

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

	As previously reported HK$ millions	HKFRS 11 HK$ millions	As restated HK$ millions
Revenue	123,262	-	123,262
Cost of inventories sold	(48,655)	-	(48,655)
Staff costs	(16,524)	-	(16,524)
Telecommunications customer acquisition costs	(11,751)	-	(11,751)
Depreciation and amortisation	(7,699)	-	(7,699)
Other operating expenses	(26,166)	-	(26,166)
Change in fair value of investment properties	7	-	7
Profits on disposal of investments and others	(116)	-	(116)
Share of profits less losses after tax of:			
Associated companies	7,573	(2,348)	5,225
Joint ventures	3,161	2,348	5,509
	23,092	-	23,092
Interest expenses and other finance costs	(4,335)	-	(4,335)
Profit before tax	18,757	-	18,757
Current tax	(1,925)	-	(1,925)
Deferred tax	(896)	-	(896)
Profit after tax	15,936	-	15,936
Allocated as : Profit attributable to non-controlling interests and holders of perpetual capital securities	(3,538)	-	(3,538)
Profit attributable to ordinary shareholders of the Company	12,398	-	12,398
Earnings per share for profit attributable to ordinary shareholders of the Company	HK$ 2.91	-	HK$ 2.91

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

	As previously reported HK$ millions	HKFRS 11 HK$ millions	As restated HK$ millions
Profit after tax	15,936	-	15,936
Other comprehensive income (losses)			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit obligations recognised directly in reserves	116	-	116
Share of other comprehensive income (losses) of associated companies	(128)	188	60
Share of other comprehensive income (losses) of joint ventures	8	(188)	(180)
Tax relating to items that will not be reclassified to profit or loss	2	-	2
	(2)	-	(2)
Items that have been reclassified or may be subsequently reclassified to profit or loss:			
Available-for-sale investments			
Valuation gains recognised directly in reserves	127	-	127
Valuation gains previously in reserves recognised in income statement	(57)	-	(57)
Gains on cash flow hedges arising from forward foreign currency contracts and interest rate swap contracts recognised directly in reserves	157	-	157
Losses on translating overseas subsidiaries' net assets recognised directly in reserves	(7,802)	-	(7,802)
Share of other comprehensive income (losses) of associated companies	(4,742)	1,329	(3,413)
Share of other comprehensive income (losses) of joint ventures	(418)	(1,329)	(1,747)
Tax relating to items that have been reclassified or may be subsequently reclassified to profit or loss	(18)	-	(18)
	(12,753)	-	(12,753)
Other comprehensive income (losses) after tax	(12,755)	-	(12,755)
Total comprehensive income	3,181	-	3,181
Allocated as : Attributable to non-controlling interests and holders of perpetual capital securities	(2,827)	-	(2,827)
Attributable to ordinary shareholders of the Company	354	-	354

3 Operating segment information

The following presents information regarding the Group's operating segments for the six months ended 30 June 2014 and 2013. Saved as disclosed in the notes below, the column headed as Company and Subsidiaries refers to the Company and subsidiary companies' respective items and the column headed as Associates and JV refers to the Group's share of associated companies' and joint ventures' respective items.

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

Finance & Investments and Others is presented to reconcile to the totals included in the Group's income statement and statement of financial position. As additional information, "Others" is presented as a separate line item, within Finance & Investments and Others, which covers the activities of other Group areas which are not presented separately and includes Hutchison Water, Hutchison Whampoa (China), Hutchison E-Commerce and corporate head office operations, the Marionnaud business, listed subsidiary Hutchison China MediTech, listed subsidiary Hutchison Harbour Ring and listed associate Tom Group. "Finance & Investments" within Finance & Investments and Others represents returns earned on the Group's holdings of cash and liquid investments.

Prior period corresponding segment information that is presented for comparative purposes has been restated to conform to changes adopted in the second half of 2013.

Revenue from external customers is after elimination of inter-segment revenue. The amounts eliminated are mainly attributable to Property and hotels of HK$198 million (30 June 2013 - HK$190 million) and Hutchison Telecommunications Hong Kong Holdings of HK$83 million (30 June 2013 - HK$70 million).

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

	Revenue							
	Six months ended 30 June 2014				Six months ended 30 June 2013			
	Company and Subsidiaries HK$ millions	**Associates and JV HK$ millions**	**Total HK$ millions**	**%**	Company and Subsidiaries HK$ millions	Associates and JV HK$ millions	Total HK$ millions	%
Ports and related services	**13,587**	**3,683**	**17,270**	**8%**	13,182	3,709	16,891	9%
Hutchison Ports Group other than HPH Trust	**13,565**	**2,355**	**15,920**	**8%**	13,119	2,410	15,529	8%
HPH Trust#	**22**	**1,328**	**1,350**	**-**	63	1,299	1,362	1%
Property and hotels	**3,547**	**3,915**	**7,462**	**4%**	3,319	7,867	11,186	6%
Retail	**61,890**	**15,508**	**77,398**	**38%**	57,470	13,788	71,258	36%
Cheung Kong Infrastructure	**2,999**	**19,265**	**22,264**	**11%**	2,246	17,887	20,133	10%
Husky Energy	**-**	**28,660**	**28,660**	**14%**	-	29,911	29,911	15%
3 Group Europe	**31,052**	**11**	**31,063**	**15%**	30,098	3	30,101	15%
Hutchison Telecommunications Hong Kong Holdings	**6,227**	**-**	**6,227**	**3%**	6,149	-	6,149	3%
Hutchison Asia Telecommunications	**3,506**	**-**	**3,506**	**2%**	2,981	-	2,981	1%
Finance & Investments and Others	**7,926**	**2,709**	**10,635**	**5%**	7,817	2,652	10,469	5%
Finance & Investments	**733**	**436**	**1,169**	**-**	659	376	1,035	-
Others	**7,193**	**2,273**	**9,466**	**5%**	7,158	2,276	9,434	5%
	130,734	**73,751**	**204,485**	**100%**	123,262	75,817	199,079	100%
Non-controlling interests' share of HPH Trust's revenue	**-**	**438**	**438**		-	413	413	
	130,734	**74,189**	**204,923**		123,262	76,230	199,492	

\# represents the Group's attributable share of HPH Trust's revenue based on the effective shareholdings in HPH Trust during 2014. Revenue reduced by HK$438 million and HK$413 million for the six months ended 30 June 2014 and 2013 respectively, being adjustments to exclude non-controlling interests' share of revenue of HPH Trust.

3 Operating segment information (continued)

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

	EBITDA (LBITDA) (m)							
	Six months ended 30 June 2014				Six months ended 30 June 2013			
	Company and Subsidiaries HK$ millions	**Associates and JV HK$ millions**	**Total HK$ millions**	**%**	Company and Subsidiaries HK$ millions	Associates and JV HK$ millions	Total HK$ millions	%
Ports and related services	**3,833**	**1,774**	**5,607**	**12%**	3,653	1,757	5,410	12%
Hutchison Ports Group other than HPH Trust	**3,814**	**1,091**	**4,905**	**10%**	3,594	1,118	4,712	10%
HPH Trust#	**19**	**683**	**702**	**2%**	59	639	698	2%
Property and hotels	**2,667**	**1,206**	**3,873**	**8%**	2,798	3,120	5,918	13%
Retail	**5,331**	**1,280**	**6,611**	**14%**	4,950	1,118	6,068	13%
Cheung Kong Infrastructure	**1,154**	**10,665**	**11,819**	**25%**	1,264	10,205	11,469	26%
Husky Energy	**-**	**8,145**	**8,145**	**18%**	-	7,991	7,991	18%
3 Group Europe	**6,516**	**(12)**	**6,504**	**14%**	5,676	(15)	5,661	13%
Hutchison Telecommunications Hong Kong Holdings	**1,192**	**38**	**1,230**	**3%**	1,480	29	1,509	3%
Hutchison Asia Telecommunications	**502**	**-**	**502**	**1%**	(59)	-	(59)	-
Finance & Investments and Others	**1,495**	**1,026**	**2,521**	**5%**	404	568	972	2%
Finance & Investments	**1,577**	**436**	**2,013**	**4%**	1,239	376	1,615	4%
Others	**(82)**	**590**	**508**	**1%**	(835)	192	(643)	-2%
EBITDA before property revaluation and profits on disposal of investments and others	**22,690**	**24,122**	**46,812**	**100%**	20,166	24,773	44,939	100%
Profits on disposal of investments (see note 4)	**-**	**20,554**	**20,554**		569	-	569	
Non-controlling interests' share of HPH Trust's EBITDA	**-**	**279**	**279**		-	290	290	
EBITDA (see note 12(a))	**22,690**	**44,955**	**67,645**		20,735	25,063	45,798	
Depreciation and amortisation	**(8,348)**	**(7,704)**	**(16,052)**		(7,699)	(7,462)	(15,161)	
Change in fair value of investment properties	**-**	**-**	**-**		7	27	34	
Others (see note 4)	**(652)**	**(561)**	**(1,213)**		-	(685)	(685)	
Group's share of the following income statement items of associated companies and joint ventures:								
Interest expenses and other finance costs	**-**	**(3,434)**	**(3,434)**		-	(2,927)	(2,927)	
Current tax	**-**	**(4,240)**	**(4,240)**		-	(3,298)	(3,298)	
Deferred tax	**-**	**1,185**	**1,185**		-	(511)	(511)	
Non-controlling interests	**-**	**(133)**	**(133)**		-	(158)	(158)	
	13,690	**30,068**	**43,758**		13,043	10,049	23,092	

\# represents the Group's attributable share of HPH Trust's EBITDA based on the effective shareholdings in HPH Trust during 2014. EBITDA reduced by HK$279 million and HK$290 million for the six months ended 30 June 2014 and 2013 respectively, being adjustments to exclude non-controlling interests' share of EBITDA of HPH Trust.

3 Operating segment information (continued)

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

	EBIT (LBIT) [(n)]							
	Six months ended 30 June 2014				Six months ended 30 June 2013			
	Company and Subsidiaries HK$ millions	**Associates and JV HK$ millions**	**Total HK$ millions**	**%**	Company and Subsidiaries HK$ millions	Associates and JV HK$ millions	Total HK$ millions	%
Ports and related services	**2,349**	**1,182**	**3,531**	**12%**	2,327	1,122	3,449	12%
Hutchison Ports Group other than HPH Trust	**2,330**	**797**	**3,127**	**10%**	2,268	781	3,049	10%
HPH Trust#	**19**	**385**	**404**	**2%**	59	341	400	2%
Property and hotels	**2,557**	**1,146**	**3,703**	**12%**	2,682	3,060	5,742	19%
Retail	**4,363**	**973**	**5,336**	**17%**	4,066	845	4,911	16%
Cheung Kong Infrastructure	**997**	**7,948**	**8,945**	**29%**	1,167	7,773	8,940	30%
Husky Energy	**-**	**4,329**	**4,329**	**14%**	-	4,152	4,152	14%
3 Group Europe								
EBITDA before the following non-cash items:	**6,516**	**(12)**	**6,504**		5,676	(15)	5,661	
Depreciation	**(3,716)**	**-**	**(3,716)**		(3,370)	-	(3,370)	
Amortisation of licence fees and other rights	**(506)**	**-**	**(506)**		(437)	-	(437)	
EBIT (LBIT) - **3** Group Europe	**2,294**	**(12)**	**2,282**	**7%**	1,869	(15)	1,854	6%
Hutchison Telecommunications Hong Kong Holdings	**538**	**-**	**538**	**2%**	829	5	834	3%
Hutchison Asia Telecommunications	**(76)**	**-**	**(76)**	**-**	(697)	-	(697)	-2%
Finance & Investments and Others	**1,320**	**962**	**2,282**	**7%**	224	479	703	2%
Finance & Investments	**1,577**	**436**	**2,013**	**7%**	1,239	376	1,615	5%
Others	**(257)**	**526**	**269**	**-**	(1,015)	103	(912)	-3%
EBIT before property revaluation and profits on disposal of investments and others	**14,342**	**16,528**	**30,870**	**100%**	12,467	17,421	29,888	100%
Change in fair value of investment properties	**-**	**-**	**-**		7	27	34	
EBIT	**14,342**	**16,528**	**30,870**		12,474	17,448	29,922	
Profits on disposal of investments and others (see note 4)	**(652)**	**19,993**	**19,341**		569	(685)	(116)	
Non-controlling interests' share of HPH Trust's EBIT	**-**	**169**	**169**		-	180	180	
Group's share of the following income statement items of associated companies and joint ventures:								
Interest expenses and other finance costs	**-**	**(3,434)**	**(3,434)**		-	(2,927)	(2,927)	
Current tax	**-**	**(4,240)**	**(4,240)**		-	(3,298)	(3,298)	
Deferred tax	**-**	**1,185**	**1,185**		-	(511)	(511)	
Non-controlling interests	**-**	**(133)**	**(133)**		-	(158)	(158)	
	13,690	**30,068**	**43,758**		13,043	10,049	23,092	

\# represents the Group's attributable share of HPH Trust's EBIT based on the effective shareholdings in HPH Trust during 2014. EBIT reduced by HK$169 million and HK$180 million for the six months ended 30 June 2014 and 2013 respectively, being adjustments to exclude non-controlling interests' share of EBIT of HPH Trust.

3 Operating segment information (continued)

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

	Depreciation and amortisation					
	Six months ended 30 June 2014			Six months ended 30 June 2013		
	Company and Subsidiaries HK$ millions	**Associates and JV HK$ millions**	**Total HK$ millions**	Company and Subsidiaries HK$ millions	Associates and JV HK$ millions	Total HK$ millions
Ports and related services	**1,484**	**592**	**2,076**	1,326	635	1,961
Hutchison Ports Group other than HPH Trust	**1,484**	**294**	**1,778**	1,326	337	1,663
HPH Trust#	**-**	**298**	**298**	-	298	298
Property and hotels	**110**	**60**	**170**	116	60	176
Retail	**968**	**307**	**1,275**	884	273	1,157
Cheung Kong Infrastructure	**157**	**2,717**	**2,874**	97	2,432	2,529
Husky Energy	**-**	**3,816**	**3,816**	-	3,839	3,839
3 Group Europe	**4,222**	**-**	**4,222**	3,807	-	3,807
Hutchison Telecommunications Hong Kong Holdings	**654**	**38**	**692**	651	24	675
Hutchison Asia Telecommunications	**578**	**-**	**578**	638	-	638
Finance & Investments and Others	**175**	**64**	**239**	180	89	269
Finance & Investments	**-**	**-**	**-**	-	-	-
Others	**175**	**64**	**239**	180	89	269
	8,348	**7,594**	**15,942**	7,699	7,352	15,051
Non-controlling interests' share of HPH Trust's depreciation and amortisation	**-**	**110**	**110**	-	110	110
	8,348	**7,704**	**16,052**	7,699	7,462	15,161

\# represents the Group's attributable share of HPH Trust's depreciation and amortisation based on the effective shareholdings in HPH Trust during 2014. Depreciation and amortisation reduced by HK$110 million and HK$110 million for the six months ended 30 June 2014 and 2013 respectively, being adjustments to exclude non-controlling interests' share of depreciation and amortisation of HPH Trust.

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

	Capital expenditure							
	Six months ended 30 June 2014				Six months ended 30 June 2013			
	Fixed assets, investment properties and leasehold land HK$ millions	**Telecom-munications licences HK$ millions**	**Brand names and other rights HK$ millions**	**Total HK$ millions**	Fixed assets, investment properties and leasehold land HK$ millions	Telecom-munications licences HK$ millions	Brand names and other rights HK$ millions	Total HK$ millions
Ports and related services	**1,002**	**-**	**1**	**1,003**	1,799	-	1	1,800
Hutchison Ports Group other than HPH Trust	**1,002**	**-**	**1**	**1,003**	1,799	-	1	1,800
HPH Trust	**-**	**-**	**-**	**-**	-	-	-	-
Property and hotels	**36**	**-**	**-**	**36**	247	-	-	247
Retail	**720**	**-**	**-**	**720**	720	-	-	720
Cheung Kong Infrastructure	**221**	**-**	**12**	**233**	173	-	-	173
Husky Energy	**-**	**-**	**-**	**-**	-	-	-	-
3 Group Europe (o)	**4,749**	**4**	**127**	**4,880**	4,154	2,674	13	6,841
Hutchison Telecommunications Hong Kong Holdings	**420**	**2**	**30**	**452**	562	2	16	580
Hutchison Asia Telecommunications	**646**	**-**	**-**	**646**	608	-	-	608
Finance & Investments and Others	**93**	**-**	**-**	**93**	98	-	-	98
Finance & Investments	**-**	**-**	**-**	**-**	-	-	-	-
Others	**93**	**-**	**-**	**93**	98	-	-	98
	7,887	**6**	**170**	**8,063**	8,361	2,676	30	11,067

3 Operating segment information (continued)

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

	Total assets							
	30 June 2014				31 December 2013			
	Company and Subsidiaries		**Investments in associated companies and interests in joint ventures**		Company and Subsidiaries		Investments in associated companies and interests in joint ventures	
	Segment assets (p)	**Deferred tax assets**		**Total assets**	Segment assets (p)	Deferred tax assets		Total assets
	HK\$ millions	**HK\$ millions**	**HK\$ millions**	**HK\$ millions**	HK\$ millions	HK\$ millions	HK\$ millions	HK\$ millions
Ports and related services	**72,780**	**167**	**26,178**	**99,125**	71,164	169	27,548	98,881
Hutchison Ports Group other than HPH Trust	**72,780**	**167**	**12,407**	**85,354**	71,164	169	13,483	84,816
HPH Trust	**-**	**-**	**13,771**	**13,771**	-	-	14,065	14,065
Property and hotels	**50,345**	**21**	**44,960**	**95,326**	53,049	21	42,839	95,909
Retail	**38,462**	**734**	**5,012**	**44,208**	39,329	670	5,035	45,034
Cheung Kong Infrastructure	**21,908**	**21**	**110,020**	**131,949**	20,134	21	85,589	105,744
Husky Energy	**-**	**-**	**52,416**	**52,416**	-	-	51,833	51,833
3 Group Europe (q)	**236,590**	**16,640**	**13**	**253,243**	235,401	17,265	18	252,684
Hutchison Telecommunications Hong Kong Holdings	**19,042**	**332**	**536**	**19,910**	19,169	369	715	20,253
Hutchison Asia Telecommunications	**23,174**	**1**	**-**	**23,175**	20,785	1	-	20,786
Finance & Investments and Others	**130,426**	**29**	**3,026**	**133,481**	114,614	30	4,831	119,475
Finance & Investments	**105,597**	**-**	**-**	**105,597**	89,947	-	-	89,947
Others	**24,829**	**29**	**3,026**	**27,884**	24,667	30	4,831	29,528
	592,727	**17,945**	**242,161**	**852,833**	573,645	18,546	218,408	810,599
Reconciliation item@	**-**	**2**	**5,525**	**5,527**	-	2	4,921	4,923
	592,727	**17,947**	**247,686**	**858,360**	573,645	18,548	223,329	815,522

@ the reconciliation item comprises total assets of HTAL.

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

	Total liabilities							
	30 June 2014				31 December 2013			
	Segment liabilities (r)	**Current & non-current borrowings (s) and other non-current liabilities**	**Current & deferred tax liabilities**	**Total liabilities**	Segment liabilities (r)	Current & non-current borrowings (s) and other non-current liabilities	Current & deferred tax liabilities	Total liabilities
	HK\$ millions	**HK\$ millions**	**HK\$ millions**	**HK\$ millions**	HK\$ millions	HK\$ millions	HK\$ millions	HK\$ millions
Ports and related services	**16,564**	**27,641**	**4,812**	**49,017**	17,031	28,559	4,843	50,433
Hutchison Ports Group other than HPH Trust	**16,564**	**27,641**	**4,812**	**49,017**	17,031	28,559	4,843	50,433
HPH Trust	**-**	**-**	**-**	**-**	-	-	-	-
Property and hotels	**4,350**	**413**	**2,730**	**7,493**	4,156	409	2,730	7,295
Retail	**23,329**	**14,993**	**1,354**	**39,676**	24,670	87	1,066	25,823
Cheung Kong Infrastructure	**5,620**	**16,464**	**1,638**	**23,722**	5,200	13,443	1,532	20,175
Husky Energy	**-**	**-**	**-**	**-**	-	-	-	-
3 Group Europe	**23,548**	**84,930**	**863**	**109,341**	23,630	101,565	930	126,125
Hutchison Telecommunications Hong Kong Holdings	**3,970**	**4,982**	**401**	**9,353**	3,860	5,447	356	9,663
Hutchison Asia Telecommunications	**2,978**	**1,384**	**2**	**4,364**	3,151	1,550	3	4,704
Finance & Investments and Others	**7,004**	**89,667**	**1,884**	**98,555**	8,085	84,776	2,087	94,948
Finance & Investments	**-**	**82,464**	**-**	**82,464**	-	78,011	-	78,011
Others	**7,004**	**7,203**	**1,884**	**16,091**	8,085	6,765	2,087	16,937
	87,363	**240,474**	**13,684**	**341,521**	89,783	235,836	13,547	339,166
Reconciliation item@	**136**	**-**	**-**	**136**	124	-	-	124
	87,499	**240,474**	**13,684**	**341,657**	89,907	235,836	13,547	339,290

@ the reconciliation item comprises total liabilities of HTAL.

3 Operating segment information (continued)

Additional information in respect of geographical locations

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

	Revenue							
	Six months ended 30 June 2014				Six months ended 30 June 2013			
	Company and Subsidiaries HK$ millions	**Associates and JV HK$ millions**	**Total HK$ millions**	**%**	Company and Subsidiaries HK$ millions	Associates and JV HK$ millions	Total HK$ millions	%
Hong Kong	**27,234**	**3,622**	**30,856**	**15%**	26,429	4,246	30,675	15%
Mainland China	**14,761**	**6,812**	**21,573**	**11%**	13,050	9,267	22,317	11%
Europe	**61,447**	**26,973**	**88,420**	**43%**	57,379	23,255	80,634	41%
Canada [t]	**33**	**28,534**	**28,567**	**14%**	49	29,983	30,032	15%
Asia, Australia and others	**19,333**	**5,101**	**24,434**	**12%**	18,538	6,414	24,952	13%
Finance & Investments and Others	**7,926**	**2,709**	**10,635**	**5%**	7,817	2,652	10,469	5%
	130,734	**73,751**	**204,485** [(1)]	**100%**	123,262	75,817	199,079 [(1)]	100%

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

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

	EBITDA [(m)]							
	Six months ended 30 June 2014				Six months ended 30 June 2013			
	Company and Subsidiaries HK$ millions	**Associates and JV HK$ millions**	**Total HK$ millions**	**%**	Company and Subsidiaries HK$ millions	Associates and JV HK$ millions	Total HK$ millions	%
Hong Kong	**3,874**	**1,544**	**5,418**	**12%**	4,504	2,187	6,691	15%
Mainland China	**2,430**	**2,847**	**5,277**	**11%**	2,061	4,009	6,070	14%
Europe	**10,392**	**8,622**	**19,014**	**41%**	8,813	7,398	16,211	35%
Canada [t]	**30**	**7,849**	**7,879**	**17%**	36	7,878	7,914	18%
Asia, Australia and others	**4,469**	**2,234**	**6,703**	**14%**	4,348	2,733	7,081	16%
Finance & Investments and Others	**1,495**	**1,026**	**2,521**	**5%**	404	568	972	2%
EBITDA before property revaluation and profits on disposal of investments and others	**22,690**	**24,122**	**46,812** [(2)]	**100%**	20,166	24,773	44,939 [(2)]	100%

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

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

	EBIT [(n)]							
	Six months ended 30 June 2014				Six months ended 30 June 2013			
	Company and Subsidiaries HK$ millions	**Associates and JV HK$ millions**	**Total HK$ millions**	**%**	Company and Subsidiaries HK$ millions	Associates and JV HK$ millions	Total HK$ millions	%
Hong Kong	**2,923**	**911**	**3,834**	**12%**	3,571	1,440	5,011	17%
Mainland China	**2,071**	**2,223**	**4,294**	**14%**	1,769	3,507	5,276	18%
Europe	**5,169**	**6,728**	**11,897**	**39%**	4,127	5,943	10,070	33%
Canada [t]	**31**	**4,163**	**4,194**	**14%**	36	4,047	4,083	14%
Asia, Australia and others	**2,828**	**1,541**	**4,369**	**14%**	2,740	2,005	4,745	16%
Finance & Investments and Others	**1,320**	**962**	**2,282**	**7%**	224	479	703	2%
EBIT before property revaluation and profits on disposal of investments and others	**14,342**	**16,528**	**30,870**	**100%**	12,467	17,421	29,888	100%
Change in fair value of investment properties	**-**	**-**	**-**		7	27	34	
EBIT	**14,342**	**16,528**	**30,870** [(3)]		12,474	17,448	29,922 [(3)]	

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

3 Operating segment information (continued)

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

	Capital expenditure							
	Six months ended 30 June 2014				Six months ended 30 June 2013			
	Fixed assets, investment properties and leasehold land HK\$ millions	**Telecom-munications licences HK\$ millions**	**Brand names and other rights HK\$ millions**	**Total HK\$ millions**	Fixed assets, investment properties and leasehold land HK\$ millions	Telecom-munications licences HK\$ millions	Brand names and other rights HK\$ millions	Total HK\$ millions
Hong Kong	**667**	**2**	**33**	**702**	942	2	7	951
Mainland China	**232**	**-**	**-**	**232**	476	-	-	476
Europe	**5,369**	**4**	**127**	**5,500**	4,852	2,674	13	7,539
Canada	**-**	**-**	**-**	**-**	-	-	-	-
Asia, Australia and others	**1,526**	**-**	**10**	**1,536**	1,993	-	10	2,003
Finance & Investments and Others	**93**	**-**	**-**	**93**	98	-	-	98
	7,887	**6**	**170**	**8,063**	8,361	2,676	30	11,067

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

	Total assets							
	30 June 2014				31 December 2013			
	Company and Subsidiaries		**Investments in associated companies and interests in joint ventures HK\$ millions**	**Total assets HK\$ millions**	Company and Subsidiaries		Investments in associated companies and interests in joint ventures HK\$ millions	Total assets HK\$ millions
	Segment assets (p) HK\$ millions	**Deferred tax assets HK\$ millions**			Segment assets (p) HK\$ millions	Deferred tax assets HK\$ millions		
Hong Kong	**75,953**	**372**	**44,687**	**121,012**	77,353	417	28,724	106,494
Mainland China	**14,333**	**514**	**67,082**	**81,929**	14,264	495	65,724	80,483
Europe	**294,234**	**16,855**	**60,530**	**371,619**	294,553	17,424	56,252	368,229
Canada (t)	**336**	**-**	**48,042**	**48,378**	329	-	47,701	48,030
Asia, Australia and others	**77,445**	**177**	**24,319**	**101,941**	72,532	182	20,097	92,811
Finance & Investments and Others	**130,426**	**29**	**3,026**	**133,481**	114,614	30	4,831	119,475
	592,727	**17,947**	**247,686**	**858,360**	573,645	18,548	223,329	815,522

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

3 Operating segment information (continued)

(n) EBIT (LBIT) represents the EBIT (LBIT) of the Company and subsidiary companies as well as the Group's share of the EBIT (LBIT) of associated companies and joint ventures except for HPH Trust which are included based on the Group's effective share of EBIT for this operation. EBIT (LBIT) is defined as earnings (losses) before interest expenses and other finance costs and tax. Information concerning EBIT (LBIT) has been included in the Group's financial information and consolidated financial statements and is used by many industries and investors as one measure of results from operations. The Group considers EBIT (LBIT) to be an important performance measure which is used in the Group's internal financial and management reporting to monitor business performance. EBIT (LBIT) is therefore presented as a measure of segment results in accordance with HKFRS 8. EBIT (LBIT) is not a measure of financial performance under generally accepted accounting principles in Hong Kong and the EBIT (LBIT) measures used by the Group may not be comparable to other similarly titled measures of other companies. EBIT (LBIT) should not necessarily be construed as an alternative to results from operations as determined in accordance with generally accepted accounting principles in Hong Kong.

(o) Included in capital expenditures of **3** Group Europe for the six months ended 30 June 2014 is the effect of foreign exchange translation of overseas subsidiaries' fixed assets balances at 30 June 2014 which has an effect of increasing total expenditures by HK$256 million (30 June 2013 - decreasing total expenditures by HK$263 million).

(p) Segment assets comprise fixed assets, investment properties, leasehold land, telecommunications licences, goodwill, brand names and other rights, other non-current assets, liquid funds and other listed investments, cash and cash equivalents and other current assets. As additional information, non-current assets (excluding financial instruments, deferred tax assets, post-employment benefits assets and assets from insurance contracts) for Hong Kong, Mainland China, Europe, Canada, and Asia, Australia and others amounted to HK$109,936 million (31 December 2013 - HK$96,779 million), HK$78,074 million (31 December 2013 - HK$76,967 million), HK$312,254 million (31 December 2013 - HK$305,349 million), HK$48,082 million (31 December 2013 - HK$47,742 million) and HK$74,536 million (31 December 2013 - HK$69,478 million) respectively.

(q) Included in total assets of **3** Group Europe is an unrealised foreign currency exchange gain arising on 30 June 2014 of HK$2,539 million (31 December 2013 - HK$3,129 million) from the translation of overseas subsidiaries accounts to Hong Kong dollars with an offsetting amount recorded in other reserves.

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

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

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

4 Profits on disposal of investments and others

	Attributable to			
	Ordinary shareholders of the Company HK$ millions	**Holders of perpetual capital securities HK$ millions**	**Non-controlling interests HK$ millions**	**Total HK$ millions**
Six months ended 30 June 2014				
Profits on disposal of investments				
Share of an associated company's gain on disposal [(a)]	**16,066**	**-**	**4,488**	**20,554**
Others				
Impairment of goodwill and store closure provision [(b)]	**(652)**	**-**	**-**	**(652)**
HTAL - share of operating losses of joint venture VHA [(c)]	**(493)**	**-**	**(68)**	**(561)**
	(1,145)	**-**	**(68)**	**(1,213)**
Six months ended 30 June 2013				
Profits on disposal of investments[(d)]	569	-	-	569
Others - HTAL - share of operating losses of joint venture VHA[(c)]	(602)	-	(83)	(685)

(a) The balance represents the Group's share of gain arising from listed associated company, Power Assets Holdings Limited's separate listing of its Hong Kong electricity business on the Main Board of the Stock Exchange of Hong Kong.

(b) During the six months ended 30 June 2014, the Group recognised provisions of HK$652 million on the impairment of goodwill and store closures of the Marionnaud businesses to exit Poland and down-size operations in Portugal and Spain.

(c) VHA is undergoing a shareholder-sponsored restructuring under the leadership of the other shareholder under the applicable terms of the shareholders' agreement. In order to assist in providing a meaningful analysis of the ongoing operating activities, HTAL's share of VHA's results for the six months ended 30 June 2014 and 2013 are presented as a separate item above to separately identify it from the recurring earnings profile during this phase.

(d) During the six months ended 30 June 2013, the Group recognised a one-time net gain of HK$569 million, arising from the disposal of certain non-core telecommunications assets in Austria of HK$2,648 million, upon completion of the acquisition of Orange Austria, net with one-time costs of HK$2,079 million mainly relating to the restructuring of **3** Austria's business on the acquisition of Orange Austria. The related tax effect is a tax credit of HK$389 million.

5 Interest expenses and other finance costs

	Six months ended 30 June	
	2014	2013
	HK$ millions	HK$ millions
Interest on borrowings	**3,595**	3,971
Amortisation of loan facilities fees and premiums or discounts relating to borrowings	**135**	128
Notional non-cash interest accretion	**207**	170
Other finance costs	**16**	138
	3,953	4,407
Less: interest capitalised	**(49)**	(72)
	3,904	4,335

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	
	2014	2013
	HK$ millions	HK$ millions
Current tax		
Hong Kong	**315**	259
Outside Hong Kong	**1,323**	1,666
	1,638	1,925
Deferred tax		
Hong Kong	**154**	98
Outside Hong Kong	**842**	798
	996	896
	2,634	2,821

Hong Kong profits tax has been provided for at the rate of 16.5% (30 June 2013 - 16.5%) on the estimated assessable profits less estimated available tax losses. Tax outside Hong Kong has been provided for at the applicable rate on the estimated assessable profits less estimated available tax losses.

7 Earnings per share for profit attributable to ordinary shareholders of the Company

The calculation of earnings per share is based on profit attributable to ordinary shareholders of the Company HK$28,443 million (30 June 2013 - HK$12,398 million) and on 4,263,370,780 shares in issue during the first half of 2014 (30 June 2013 - 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 2014. The employee share options of these subsidiary and associated companies outstanding as at 30 June 2014 did not have a dilutive effect on earnings per share.

8 Distributions and dividends

	Six months ended 30 June 2014 HK$ millions	2013 HK$ millions
Distribution paid on perpetual capital securities	**1,341**	689
Dividends		
Interim dividend, declared	**2,814**	2,558
Special dividend, paid	**29,843**	-
Dividends per share		
Interim dividend per share	**HK$ 0.66**	HK$ 0.60
Special dividend per share	**HK$ 7.00**	-

In addition, final dividend in respect of the 2013 year of HK$1.70 per share (2012 - HK$1.53 per share) totalling HK$7,248 million (2012 - HK$6,523 million) was approved and paid during the current period.

9 Cash and cash equivalents

	30 June 2014 HK$ millions	31 December 2013 HK$ millions
Cash at bank and in hand	**32,897**	24,149
Short term bank deposits	**69,019**	61,502
	101,916	85,651

10 Trade and other receivables

	30 June 2014 HK$ millions	31 December 2013 HK$ millions
Trade receivables	**23,095**	24,991
Less: provision for estimated impairment losses for bad debts	**(4,351)**	(4,296)
Trade receivables - net	**18,744**	20,695
Other receivables and prepayments	**48,834**	48,231
Fair value hedges		
Cross currency interest rate swaps	**-**	76
Cash flow hedges		
Forward foreign exchange contracts	**2**	81
	67,580	69,083

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

10 Trade and other receivables (continued)

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

	30 June 2014 HK$ millions	31 December 2013 HK$ millions
Less than 31 days	**11,499**	13,571
Within 31 to 60 days	**2,140**	2,091
Within 61 to 90 days	**814**	870
Over 90 days	**8,642**	8,459
	23,095	24,991

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

11 Trade and other payables

	30 June 2014 HK$ millions	31 December 2013 HK$ millions
Trade payables	**20,781**	22,309
Other payables and accruals	**60,692**	61,901
Provisions	**866**	928
Interest free loans from non-controlling shareholders	**1,162**	1,181
Cash flow hedges		
Interest rate swaps	**83**	-
Forward foreign exchange contracts	**723**	493
	84,307	86,812

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

	30 June 2014 HK$ millions	31 December 2013 HK$ millions
Less than 31 days	**12,699**	15,176
Within 31 to 60 days	**3,177**	3,221
Within 61 to 90 days	**1,758**	1,607
Over 90 days	**3,147**	2,305
	20,781	22,309

12 Notes to condensed consolidated statement of cash flows

(a) Reconciliation of profit after tax to cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital

	Six months ended 30 June 2014 HK$ millions	Six months ended 30 June 2013 HK$ millions
Profit after tax	**37,220**	15,936
Less: share of profits less losses after tax of		
Associated companies before profits on disposal of investments and others	**(5,036)**	(5,225)
Joint ventures	**(5,039)**	(5,509)
Associated companies' profits on disposal of investments and others	**(20,554)**	-
	6,591	5,202
Adjustments for:		
Current tax charge	**1,638**	1,925
Deferred tax charge	**996**	896
Interest expenses and other finance costs	**3,904**	4,335
Change in fair value of investment properties	**-**	(7)
Depreciation and amortisation	**8,348**	7,699
Others (see note 4)	**1,213**	685
EBITDA of Company and subsidiaries (i)	**22,690**	20,735
Profit on disposal of fixed assets, leasehold land, investment properties and other assets	**(365)**	(2,921)
Dividends received from associated companies and joint ventures	**7,422**	8,867
Distribution from property joint ventures	**41**	1,747
Profit on disposal of subsidiary and associated companies and joint ventures	**(178)**	(411)
Other non-cash items	**106**	1,015
	29,716	29,032

	Six months ended 30 June 2014 HK$ millions	Six months ended 30 June 2013 HK$ millions
(i) Reconciliation of EBITDA:		
EBITDA of Company and subsidiaries	**22,690**	20,735
Share of EBITDA of associated companies and joint ventures		
Share of profits less losses after tax:		
Associated companies before profits on disposal of investments and others	**5,036**	5,225
Joint ventures	**5,039**	5,509
Associated companies' profits on disposal of investments and others	**20,554**	-
Adjustment for:		
Depreciation and amortisation	**7,704**	7,462
Change in fair value of investment properties	**-**	(27)
Interest expenses and other finance costs	**3,434**	2,927
Current tax charge	**4,240**	3,298
Deferred tax charge (credit)	**(1,185)**	511
Non-controlling interests	**133**	158
	44,955	25,063
EBITDA (see notes 3(b) and 3(m))	**67,645**	45,798

12 Notes to condensed consolidated statement of cash flows (continued)

(b) Changes in working capital

	Six months ended 30 June 2014 HK$ millions	2013 HK$ millions
Increase in inventories	**(318)**	(33)
Decrease (increase) in debtors and prepayments	**1,462**	(1,362)
Decrease in creditors	**(3,939)**	(2,052)
Other non-cash items	**(813)**	(2,042)
	(3,608)	(5,489)

(c) Purchase of subsidiary companies

The following table summarises the consideration paid for acquisitions completed during the periods, and the amounts of the assets acquired and liabilities assumed recognised at the respective acquisition date.

	Six months ended 30 June 2014 HK$ millions	2013 HK$ millions
Fair value		
Fixed assets	-	1,653
Telecommunications licences	-	440
Brand names and other rights	-	4,297
Interests in joint ventures	-	163
Deferred tax assets	-	259
Other non-current assets	-	6
Trade and other receivables	-	973
Inventories	-	980
Creditors and current tax liabilities	-	(1,605)
Bank and other debts	-	(308)
Deferred tax liabilities	-	(489)
Other non-current liabilities	-	(292)
Non-controlling interests	-	(2)
	-	6,075
Goodwill arising on acquisition	-	11,424
Discharged by cash payment	-	17,499
Net cash outflow (inflow) arising from acquisition:		
Cash payment	-	19,018
Cash and cash equivalents acquired	-	(1,519)
Total net cash paid	-	17,499

Amounts disclosed for the comparative period mainly related to the acquisition of Orange Austria. The assets acquired and liabilities assumed are recognised at the acquisition date fair value and are recorded at the consolidation level. No fair value adjustments arising from acquisitions are recognised at the underlying companies' separate financial statements. Goodwill arising on these acquisitions is recorded at the consolidation level and is not expected to be deductible for tax purposes. The contribution to the Group's revenue and profit after tax for the comparative period from these subsidiaries acquired since the respective date of acquisition is not material.

12 Notes to condensed consolidated statement of cash flows (continued)

(d) Disposal of subsidiary companies

	Six months ended 30 June	
	2014	2013
	HK$ millions	HK$ millions
Aggregate net assets disposed at date of disposal (excluding cash and cash equivalents):		
Investment properties	**-**	109
	-	109
Profit on disposal *	**-**	411
	-	520
Satisfied by:		
Cash and cash equivalents received as consideration	**-**	520

* The profit on disposal for the six months ended 30 June 2013 are recognised in the consolidated income statement and are included in the line item titled other operating expenses.

The effect on the Group's results from the subsidiaries disposed is not material for the six months ended 30 June 2013.

13 Share capital

In accordance with the transitional provisions set out in section 37 of Schedule 11 to the Hong Kong Companies Ordinance (Cap. 622), on 3 March 2014, the amounts standing to the credit of the share premium account and capital redemption reserve created under the sections 48B and 49H of the predecessor Companies Ordinance (Cap. 32) have become part of the Company's share capital.

Group Capital Resources and Liquidity

Treasury Management

The Group's treasury function sets financial risk management policies in accordance with policies and procedures that are approved by the Executive Directors, and which are also subject to periodic review by the Group's internal audit function. The Group's treasury policies are designed to mitigate the impact of fluctuations in interest rates and exchange rates on the Group's overall financial position and to minimise the Group's financial risks. The Group's treasury function operates as a centralised service for managing financial risks, including interest rate and foreign exchange risks, and for providing cost-efficient funding to the Group and its companies. It manages the majority of the Group's funding needs, interest rate, foreign currency and credit risk exposures. It is the Group's policy not to have credit rating triggers that would accelerate the maturity dates of the Group's borrowings. The Group uses interest rate and foreign currency swaps and forward 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, for which the proportions will change depending upon financial market conditions and projected interest rates. The Group regularly and closely monitors its overall debt position and reviews its funding costs and maturity profile to facilitate refinancing.

Interest Rate Exposure

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

At 30 June 2014, approximately 36% of the Group's total principal amount of bank and other debts were at floating rates and the remaining 64% were at fixed rates. The Group has entered into various interest rate agreements with major financial institution counterparties to swap approximately HK$51,030 million principal amount of fixed interest rate borrowings to effectively become floating interest rate borrowings. In addition, HK$6,801 million principal amount of floating interest rate borrowings were swapped to fixed interest rate borrowings. After taking into consideration these interest rate swaps, approximately 55% of the Group's total principal amount of bank and other debts were at floating rates and the remaining 45% were at fixed rates at 30 June 2014. All of the aforementioned interest rate derivatives are designated as hedges and these hedges are considered highly effective.

Foreign Currency Exposure

For overseas subsidiaries, 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 refinance these businesses with local currency borrowings in the future when conditions are more appropriate. Exposure to movements in exchange rates for individual transactions (such as major procurement contracts) directly related to the underlying businesses is minimised by using forward foreign exchange contracts and currency swaps where active markets for the relevant currencies exist. The Group generally does not enter into foreign currency hedges in respect of its long-term equity investments in overseas subsidiaries and associates. During the period, the currencies of certain countries where the Group has overseas operations, including Euro, British Pound, the Canadian and Australian dollars as well as Renminbi in the Mainland, fluctuated against the Hong Kong dollar. This gave rise to an unrealised gain of approximately HK$3,082 million (30 June 2013 – loss of HK$12,451 million) on translation of these operations' net assets to the Group's Hong Kong dollar reporting currency, including the Group's share of the translation gains and losses of associated companies and joint ventures. This unrealised gain is reflected as a movement in the Consolidated Statement of Changes in Equity under the heading of Other Reserves.

At 30 June 2014, the Group had currency swap arrangements with banks to swap US dollar principal amount of borrowings equivalent to HK$16,968 million to Hong Kong dollar principal amount of borrowings to match the currency exposures of the underlying businesses. The Group's total principal amount of bank and other debts, after the above swaps, are denominated as follows: 36% in Euro, 32% in US dollars, 18% in HK dollars, 7% in British Pounds and 7% in other currencies.

Credit Exposure

The Group's holdings of cash, managed funds and other liquid investments, and interest rate and foreign currency swaps and forward currency contracts with financial institutions expose the Group to credit risk of counterparties. The Group controls its credit risk to non-performance by its counterparties through monitoring their equity share price movements and credit ratings as well as 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 2014, our long-term credit ratings were A3 from Moody's, A- from Standard & Poor's and A- from Fitch, with all three agencies maintaining stable outlooks on the Group's ratings.

Market Price Risk

The Group's main market price risk exposures relate to listed/traded debt and equity securities described in "Liquid Assets" below and the interest rate swaps as described in "Interest Rate Exposure" above. The Group's holding of listed/traded debt and equity securities represented approximately 15% (31 December 2013 – approximately 16%) of the cash, liquid funds and other listed investments ("liquid assets"). The Group controls this risk through active monitoring of price movements and changes in market conditions that may have an impact on the value of these financial assets and instruments.

Liquid Assets

The Group continues to maintain a robust financial position. Liquid assets amounted to HK$120,824 million at 30 June 2014, an increase of 18% from the balance of HK$102,787 million at 31 December 2013, mainly reflecting net cash proceeds of HK$13,853 million, after special dividend of HK$7.00 per share amounting to HK$29,843 million, from Temasek's acquisition of a 24.95% equity interest in A.S. Watson Holdings Limited during the period, the cash arising from positive funds from operations from the Group's businesses and cash from new borrowings, net of utilisation of cash for the redemption of perpetual capital securities issued in 2012 of US$300 million (approximately HK$2,340 million) by listed subsidiary, CKI, dividend payments to ordinary and non-controlling shareholders as well as distributions to perpetual capital securities holders, the repayment and early repayment of certain borrowings and the acquisition of fixed assets. Liquid assets were denominated as to 16% in HK dollars, 41% in US dollars, 12% in Renminbi, 15% in Euro, 4% in British Pounds and 12% in other currencies.

Cash and cash equivalents represented 85% (31 December 2013 – 84%) of the liquid assets, US Treasury notes and listed/traded debt securities 6% (31 December 2013 – 8%) and listed equity securities 9% (31 December 2013 – 8%).

The US Treasury notes and listed/traded debt securities, including those held under managed funds, consisted of US Treasury notes of 38%, government and government guaranteed notes of 25%, notes issued by the Group's associated company, Husky Energy of 3%, notes issued by financial institutions of 3%, and others of 31%. Of these US Treasury notes and listed/traded debt securities, 59% are rated at Aaa/AAA or Aa1/AA+ with an average maturity of 3.3 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[1] amounted to HK$67,645 million, an increase of 48% compared to HK$45,798 million for the same period last year which included the share of gain arising of HK$20,554 million from Power Asset Holdings Limited's separate listing of its Hong Kong electricity business in January 2014. Consolidated funds from operations ("FFO") before cash profits from disposals, capital expenditures, investments and changes in working capital amounts to HK$24,750 million, a 7% increase compared to same period last year mainly due to higher EBITDA contributions by the Group's subsidiaries, in particular **3** Group Europe, partly offset by a decrease in dividends and distributions received from associated companies and joint ventures.

The Group's capital expenditures decreased 27% to total HK$8,063 million during the first half of 2014 (30 June 2013 – HK$11,067 million), primarily due to lower capital expenditures for the acquisition of telecommunications licences in Europe, together with lower capital expenditures for the acquisition of fixed assets, particularly for the ports and related services division. Capital expenditures on fixed assets for the ports and related services division amounted to HK$1,002 million (30 June 2013 – HK$1,799 million); for the property and hotels division HK$36 million (30 June 2013 – HK$247 million); for the retail division[2] HK$720 million (30 June 2013 – HK$720 million); for CKI HK$221 million (30 June 2013 – HK$173 million); for **3** Group Europe HK$4,749 million (30 June 2013 – HK$4,154 million); for HTHKH HK$420 million (30 June 2013 – HK$562 million); for HAT HK$646 million (30 June 2013 – HK$608 million); and for the finance and investments and others segment[2] HK$93 million (30 June 2013 – HK$98 million). Capital expenditures for licences, brand names and other rights were HK$1 million (30 June 2013 – HK$1 million) for the ports and related services division; for CKI HK$12 million (30 June 2013 – nil); **3** Group Europe HK$131 million (30 June 2013 – HK$2,687 million); and for HTHKH HK$32 million (30 June 2013 – HK$18 million).

During the first half of 2014, no major acquisitions of new investments were carried out by the Group compared to the first half of 2013 for which the Group had spent HK$17,499 million on the acquisition of new investments which included the acquisition of Orange Austria as well as Enviro Waste in New Zealand.

Purchases of and advances to (including deposits from) associated companies and joint ventures, net of repayments from associated companies and joint ventures, resulted in a net cash outflow of HK$1,177 million (30 June 2013 – net cash inflow of HK$3,988 million). This is mainly due to lower repayments from associated companies and joint ventures and higher advances to property joint ventures in the first six months of 2014, which reflects the tightening of monetary policies in the Mainland resulting in the need for short-term cash retention by property joint ventures for construction purposes.

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

For further information of the Group's capital expenditures by divisions and cash flow, please see Note 3(e) and the "Consolidated Statement of Cash flows" section of this Interim Report.

Debt Maturity and Currency Profile

The Group's total principal amount of bank and other debts at 30 June 2014 increased 2% to total HK$229,031 million (31 December 2013 – HK$223,822 million), of which 65% (31 December 2013 – 70%) are notes and bonds and 35% (31 December 2013 – 30%) are bank and other loans. The net increase in principal amount of bank and other debts was primarily due to new borrowings of HK$21,401 million and the unfavourable impact of HK$563 million upon translation of foreign currency-denominated loans to Hong Kong dollars, partially offset by the repayment of debts as they matured as well as the early repayment of certain debts totalling HK$16,931 million. The Group's weighted average cost of debt at 30 June 2014 increased slightly by 0.1%-points to 3.2% (31 December 2013 – 3.1%). Interest bearing loans from non-controlling shareholders, which are viewed as quasi-equity, totalled HK$5,400 million at 30 June 2014 (31 December 2013 – HK$5,445 million).

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

[2] The Marionnaud business has been excluded from the retail division for the six months ended 30 June 2014 and 2013, and included under "Others" following the Group's strategic review of the retail division in 2013.

The maturity profile of the Group's total principal amount of bank and other debts at 30 June 2014 is set out below:

	HK$	US$	Euro	GBP	Others	Total
In remainder of 2014	1%	1%	-	1%	-	3%
In 2015	14%	-	8%	2%	4%	28%
In 2016	-	1%	13%	-	-	14%
In 2017	2%	10%	11%	2%	1%	26%
In 2018	1%	-	1%	-	1%	3%
In 2019 - 2023	-	15%	3%	-	1%	19%
In 2024 - 2033	-	5%	-	2%	-	7%
Beyond 2033	-	-	-	-	-	-
Total	**18%**	**32%**	**36%**	**7%**	**7%**	**100%**

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

Changes in Debt Financing

The significant financing activities in the first half of 2014 were as follows:

- In January, repaid US$1,309 million (approximately HK$10,206 million) principal amount of fixed rate notes on maturity;
- In February, prepaid HK$800 million of a floating rate term loan facility of HK$2,800 million maturing in November 2014;
- In March, obtained a five-year floating rate loan facility of US$130 million (approximately HK$1,014 million);
- In April, prepaid €100 million (approximately HK$1,055 million) of a floating rate term loan facility of €240 million maturing in July 2015;
- In April and June, prepaid a total of SEK2,500 million (approximately HK$2,925 million) of a floating rate term loan facility of SEK10,000 million maturing in July 2015;
- In April, obtained a five-year floating rate loan facility of SEK1,786 million (approximately HK$2,108 million);
- In May, obtained a three-year floating rate loan facility of HK$3,296 million;
- In May, obtained a three-year floating rate loan facility of €1,113 million (approximately HK$11,738 million);
- In May, listed subsidiary CKI obtained a three-year floating rate term loan facility of AUD705 million (approximately HK$5,139 million); and
- In June, listed subsidiary CKI issued three-year floating rate notes of US$300 million (approximately HK$2,340 million).

Capital, Net Debt and Interest Coverage Ratios

The Group's total ordinary shareholders' funds and perpetual capital securities increased 8% to HK$459,039 million at 30 June 2014, compared to HK$426,609 million at 31 December 2013, reflecting the profits for the first half of 2014, an increase of HK$39,026 million in relation to Temasek's acquisition of a 24.95% equity interest in A.S. Watson Holdings Limited during the period, as well as net exchange gains on translation of the Group's overseas operations' net assets to the Group's Hong Kong dollar reporting currency including the Group's share of the translation gains and losses of associated companies and joint ventures, partly offset by a special dividend of HK$29,843 million paid following Temasek's acquisition, 2013 final dividend and distributions paid and other items recognised directly in reserves. At 30 June 2014, the consolidated net debt of the Group, excluding interest bearing loans from non-controlling shareholders which are viewed as quasi-equity, unamortised loan facilities fees and premiums or discounts on issue and fair value changes of interest rate swap contracts, was HK$108,207 million (31 December 2013 – HK$121,035 million), a reduction of 11% compared to the net debt at the beginning of the year. The Group's net debt to net total capital ratio at 30 June 2014 reduced to 17.1% (31 December 2013 – 20.0%). The Group's consolidated cash and liquid investments as at 30 June 2014 were sufficient to repay all outstanding consolidated Group debt maturing through 2016 and approximately 32% of the maturities in 2017.

The following table shows the net debt to net total capital ratio calculated on the basis of including interest bearing loans from non-controlling shareholders and also with the Group's investments in its listed subsidiaries and associated companies marked to market value at 30 June 2014. The net debt to net total capital ratio can be significantly affected by foreign currency translation effects on total ordinary shareholders' funds and perpetual capital securities and on debt balances. The ratios as at 30 June 2014 before and after the effect of foreign currency translation and other non-cash movements for the period are shown below:

Net debt/Net total capital ratios at 30 June 2014:	**Before the effect of foreign currency translation and other non-cash movements**	**After the effect of foreign currency translation and other non-cash movements**
A1: excluding interest bearing loans from non-controlling shareholders from debt	17.1%	17.1%
A2: as in A1 above and investments in listed subsidiaries and associated companies marked to market value	15.7%	15.8%
B1: including interest bearing loans from non-controlling shareholders as debt	17.9%	18.0%
B2: as in B1 above and investments in listed subsidiaries and associated companies marked to market value	16.5%	16.5%

The Group's consolidated gross interest expenses and other finance costs of subsidiaries, before capitalisation, decreased 10% in the first half of 2014 to total HK$3,953 million, compared to HK$4,407 million in the same period last year, mainly due to lower average borrowings during the period.

Consolidated EBITDA of HK$67,645 million and FFO of HK$24,750 million for the period covered consolidated net interest expenses and other finance costs 29.8 times and 12.0 times respectively (31 December 2013 – 17.9 times and 10.2 times).

Secured Financing

At 30 June 2014, assets of the Group totalling HK$2,357 million (31 December 2013 – HK$2,299 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 2014 amounted to the equivalent of HK$8,864 million (31 December 2013 – HK$4,479 million).

Contingent Liabilities

At 30 June 2014, the Group provided guarantees in respect of bank and other borrowing facilities to its associated companies and joint ventures totalling HK$24,765 million (31 December 2013 – HK$24,610 million), of which HK$23,056 million (31 December 2013 – HK$22,839 million) has been drawn down as at 30 June 2014, and also provided performance and other guarantees of HK$4,187 million (31 December 2013 – HK$4,131 million).

PURCHASE, SALE OR REDEMPTION OF SHARES

During the six months ended 30 June 2014, neither the Company nor any of its subsidiaries has purchased or sold any of the Company's ordinary shares. In addition, the Company has not redeemed any of its ordinary shares during the period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

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

The Company has complied throughout the six months ended 30 June 2014 with all code provisions of the Corporate Governance Code contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), other than those in respect of the nomination committee. The Company has considered the merits of establishing a nomination committee but is of the view that it is in the best interests of the Company that the Board collectively reviews, deliberates on and approves the structure, size and composition of the Board as well as the appointment of any new Director, as and when appropriate. The Board is tasked with ensuring that it has a balanced composition of skills and experience appropriate for the requirements of the business of the Group and that appropriate individuals with the relevant expertise and leadership qualities are appointed to the Board to complement the capabilities of the existing Directors. In addition, the Board as a whole is also responsible for reviewing the succession plan for Directors, including the Chairman of the Board and the Group Managing Director.

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

The Board has adopted its own Model Code for Securities Transactions by Directors (the "HWL Securities Code") regulating Directors' dealings in securities (Group and otherwise), on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules. The HWL Securities Code has been updated to reflect the recent amendments to the Listing Rules which took effect in July 2014. In response to specific enquiries made, all Directors have confirmed that they have complied with the HWL Securities Code in their securities transactions throughout the six months ended 30 June 2014.

REVIEW OF ACCOUNTS

The unaudited condensed consolidated accounts of the Company and its subsidiary companies for the six months ended 30 June 2014 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 2014 have also been reviewed by the Audit Committee of the Company.

RECORD DATE FOR INTERIM DIVIDEND

The record date for the purpose of determining shareholders' entitlement to the interim dividend is Friday, 29 August 2014.

In order to qualify for the interim dividend payable on Wednesday, 10 September 2014, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar (Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong) for registration no later than 4:30 pm on Friday, 29 August 2014.

CORPORATE STRATEGY

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

PAST PERFORMANCE AND FORWARD LOOKING STATEMENTS

The performance and the results of operations of the Group contained within the 2014 Interim Report are historical in nature, and past performance is no guarantee of the future results of the Group. Any forward-looking statements and opinions contained within the 2014 Interim Report are based on current plans, estimates and projections, and therefore involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements and opinions. The Group, the Directors, employees and agents of the Group assume (a) no obligation to correct or update the forward-looking statements or opinions contained in the 2014 Interim Report; and (b) no liability in the event that any of the forward-looking statements or opinions do not materialise or turn out to be incorrect.

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

Executive Directors:

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

Non-executive Directors:

Mr LEE Yeh Kwong, Charles
Mr George Colin MAGNUS

Independent Non-executive Directors:

Mr CHENG Hoi Chuen, Vincent
The Hon Sir Michael David KADOORIE
Ms LEE Wai Mun, Rose
Mr William Elkin MOCATTA
(Alternate to The Hon Sir Michael David Kadoorie)
Mr William SHURNIAK
Mr WONG Chung Hin

Financial Performance Summary

	For the six months ended 30 June 2014 HK$ millions	%	For the six months ended 30 June 2013 HK$ millions	%	Change %
Total Revenue [1]					
Ports and related services	**17,270**	**8%**	16,891	9%	**2%**
Hutchison Ports Group other than HPH Trust	*15,920*	*8%*	*15,529*	*8%*	*3%*
HPH Trust [1]	*1,350*	*–*	*1,362*	*1%*	*-1%*
Property and hotels	**7,462**	**4%**	11,186	6%	**-33%**
Retail [2]	**77,398**	**38%**	71,258	36%	**9%**
Cheung Kong Infrastructure	**22,264**	**11%**	20,133	10%	**11%**
Husky Energy	**28,660**	**14%**	29,911	15%	**-4%**
3 Group Europe	**31,063**	**15%**	30,101	15%	**3%**
Hutchison Telecommunications Hong Kong Holdings	**6,227**	**3%**	6,149	3%	**1%**
Hutchison Asia Telecommunications	**3,506**	**2%**	2,981	1%	**18%**
Finance & Investments and Others	**10,635**	**5%**	10,469	5%	**2%**
Finance & Investments	*1,169*	*–*	*1,035*	*–*	*13%*
Others [2]	*9,466*	*5%*	*9,434*	*5%*	*–*
Total Reported Revenue	**204,485**	**100%**	199,079	100%	**3%**
EBITDA [1]					
Ports and related services	**5,607**	**12%**	5,410	12%	**4%**
Hutchison Ports Group other than HPH Trust	*4,905*	*10%*	*4,712*	*10%*	*4%*
HPH Trust [1]	*702*	*2%*	*698*	*2%*	*1%*
Property and hotels	**3,873**	**8%**	5,918	13%	**-35%**
Retail [2]	**6,611**	**14%**	6,068	13%	**9%**
Cheung Kong Infrastructure	**11,819**	**25%**	11,469	26%	**3%**
Husky Energy	**8,145**	**18%**	7,991	18%	**2%**
3 Group Europe	**6,504**	**14%**	5,661	13%	**15%**
Hutchison Telecommunications Hong Kong Holdings	**1,230**	**3%**	1,509	3%	**-18%**
Hutchison Asia Telecommunications	**502**	**1%**	(59)	–	**951%**
Finance & Investments and Others	**2,521**	**5%**	972	2%	**159%**
Finance & Investments	*2,013*	*4%*	*1,615*	*4%*	*25%*
Others [2]	*508*	*1%*	*(643)*	*-2%*	*179%*
Reported EBITDA before profits on disposal of investments & others and property revaluation	**46,812**	**100%**	44,939	100%	**4%**
EBIT [1]					
Ports and related services	**3,531**	**12%**	3,449	12%	**2%**
Hutchison Ports Group other than HPH Trust	*3,127*	*10%*	*3,049*	*10%*	*3%*
HPH Trust [1]	*404*	*2%*	*400*	*2%*	*1%*
Property and hotels	**3,703**	**12%**	5,742	19%	**-36%**
Retail [2]	**5,336**	**17%**	4,911	16%	**9%**
Cheung Kong Infrastructure	**8,945**	**29%**	8,940	30%	**–**
Husky Energy	**4,329**	**14%**	4,152	14%	**4%**
3 Group Europe	**2,282**	**7%**	1,854	6%	**23%**
Hutchison Telecommunications Hong Kong Holdings	**538**	**2%**	834	3%	**-35%**
Hutchison Asia Telecommunications	**(76)**	**–**	(697)	-2%	**89%**
Finance & Investments and Others	**2,282**	**7%**	703	2%	**225%**
Finance & Investments	*2,013*	*7%*	*1,615*	*5%*	*25%*
Others [2]	*269*	*–*	*(912)*	*-3%*	*129%*
Reported EBIT before profits on disposal of investments & others and property revaluation	**30,870**	**100%**	29,888	100%	**3%**
Interest expenses and other finance costs [1]	**(7,338)**		(7,262)		**-1%**
Profit before tax	**23,532**		22,626		**4%**
Tax [1]					
– Current tax	**(5,878)**		(5,223)		**-13%**
– Deferred tax	**189**		(1,794)		**111%**
	(5,689)		(7,017)		**19%**
Profit after tax	**17,843**		15,609		**14%**
Non-controlling interests and perpetual capital securities holders' interests	**(4,321)**		(3,599)		**-20%**
Profit attributable to ordinary shareholders before profits on disposal of investments & others and property revaluation	**13,522**		12,010		**13%**
Property revaluation, after tax	**–**		32		**-100%**
Profits on disposal of investments & others, after tax [3]	**14,921**		356		**4,091%**
Profit attributable to ordinary shareholders	**28,443**		12,398		**129%**

Note 1: Total revenue, earnings before interest expenses and other finance costs, tax, depreciation and amortisation ("EBITDA") and earnings before interest expenses and other finance costs and tax ("EBIT"), interest expenses and other finance costs and tax include the Group's proportionate share of associated companies' and joint ventures' respective items. Total revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust for the six months ended 30 June 2014 and 2013.

Note 2: The Marionnaud businesses has been excluded from the retail division for the six months ended 30 June 2014 and 2013, and included under "Others" following the Group's strategic review of the retail division in 2013.

Note 3: Profits on disposal of investments and others, after tax for the six months ended 30 June 2014 which comprises the Group's share of the gain arising from Power Assets Holdings Limited's separate listing of its Hong Kong electricity business of HK$16,066 million, partly offset by the provisions of HK$652 million on the impairment of goodwill and store closures of the Marionnaud businesses to exit Poland and down-size operations in Portugal and Spain and the Group's share of operating losses of Vodafone Hutchison Australia ("VHA") of HK$493 million for the first half of 2014. The 2013 comparative comprises the one-time net gain after tax of HK$958 million, arising from the completion of the Orange Austria transaction, partly offset by the Group's share of operating losses of VHA for the first half of 2013 of HK$602 million.

2014 Interim Results

Operations Analysis

Disclaimer

Potential investors and shareholders of the Company (the "Potential Investors and Shareholders") are reminded that information contained in this Presentation comprises extracts of operational data and financial information of the Group. The information included is solely for the use in this Presentation and certain information has not been independently verified. No representations or warranties, expressed or implied, are made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions presented or contained in this Presentation. Potential Investors and Shareholders should refer to the 2014 Interim Report for the unaudited results of the Company which are published in accordance with the listing rules of the Stock Exchange of Hong Kong Limited.

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

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

Performance in 1H 2014

Reported Revenue[1]	HK$204.5bn	+3%
Reported EBITDA[1]	HK$46.8bn	+4%
Reported EBIT[1]	HK$30.9bn	+3%
Reported Earnings	HK$28.4bn	+129%
Recurring Earnings[2]	HK$13.5bn	+13%
Reported Earnings per share	HK$6.67	+129%
Recurring Earnings per share[2]	HK$3.17	+13%
Interim Dividend per share	HK$0.66	+10%
Special Dividend per share	HK$7.00	

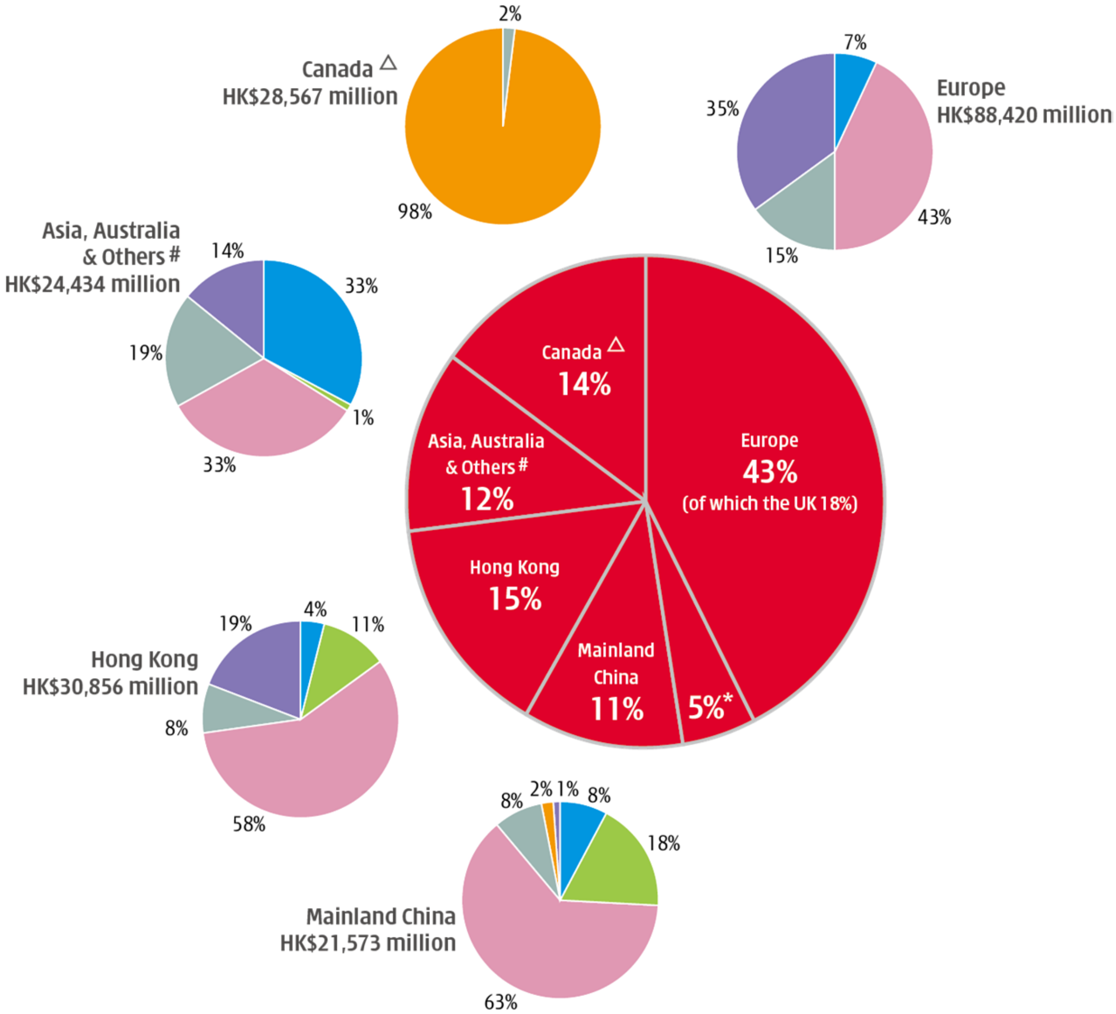
Note (1): Reported revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust.

Note (2): Recurring earnings is before profits on disposal of investments and others and property revaluation, after tax. Profits on disposal of investments and others, after tax in 1H 2014 were HK$14,921 million which comprises the Group's share of the gain arising from Power Assets' separate listing of its Hong Kong electricity businesses of HK$16,066 million, partly offset by the provisions of HK$652 million on the impairment of goodwill and the store closures of the Marionnaud businesses to exit Poland and down-size operations in Portugal and Spain and the Group's share of operating losses of Vodafone Hutchison Australia's ("VHA") for 1H 2014 of HK$493 million. There were no property revaluation gains, after tax in 1H 2014. Profits on disposal of investments and others, after tax in 1H 2013 were HK$356 million which comprises the one-time net gain of HK$958 million, arising from the completion of the Orange Austria transaction, partly offset by the Group's share of operating losses of VHA for 1H 2013 of HK$602 million. Property revaluation gains, after tax for 1H 2013 totalled HK$32 million.

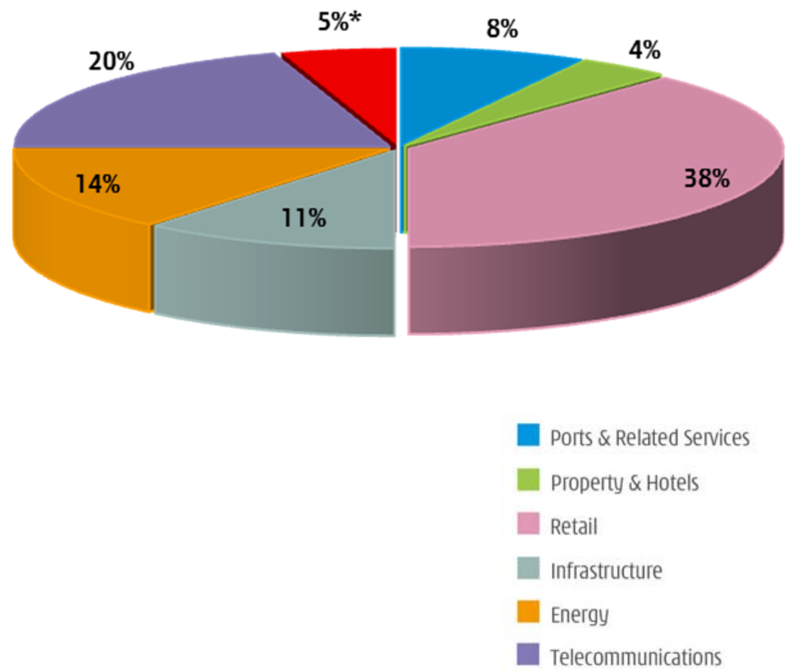
Business & Geographical Diversification

1H 2014 Reported Revenue: HK$204,485 million
Growth of 3%

1H 2014 Revenue Contribution
by Geographical Location



1H 2014 Revenue Contribution
by Division



* Represents contribution from Finance & Investments and others

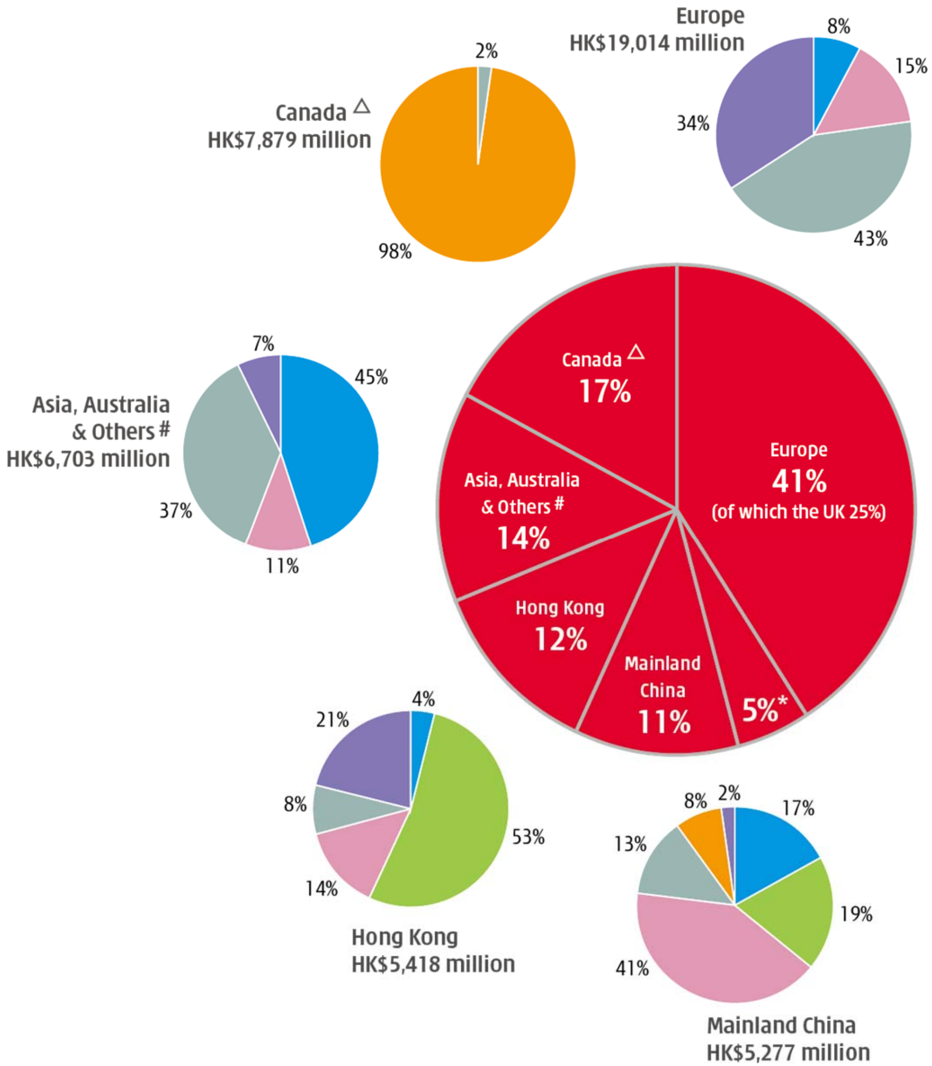
\# Includes Panama, Mexico and the Middle East

Δ Includes contribution from the USA for Husky Energy

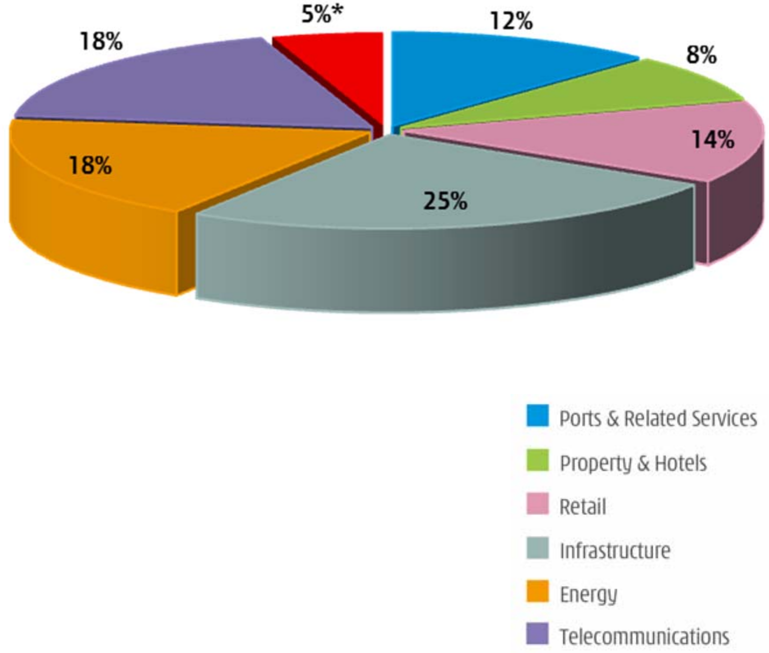
Business & Geographical Diversification

1H 2014 Reported EBITDA: HK$46,812 million
Growth of 4%

1H 2014 EBITDA Contribution
by Geographical Location



1H 2014 EBITDA Contribution
by Division

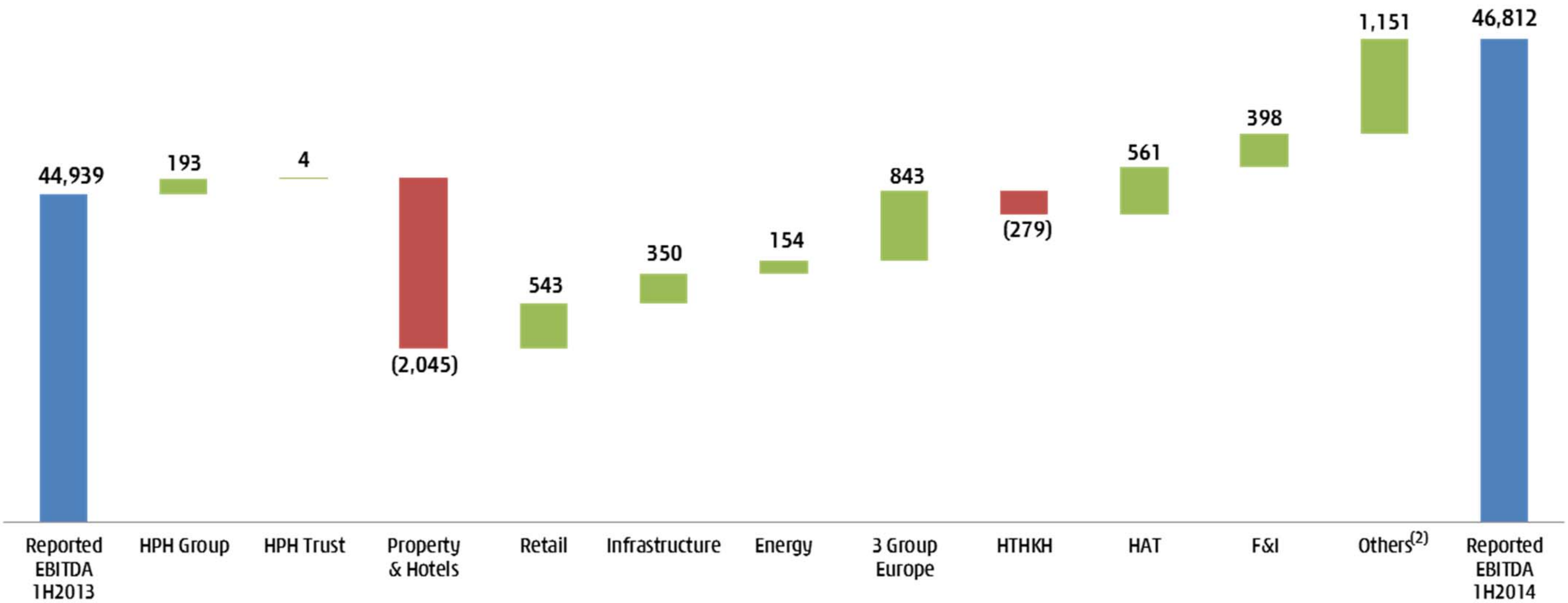


* *Represents contribution from Finance & Investments and others*
\# *Includes Panama, Mexico and the Middle East*
Δ *Includes contribution from the USA for Husky Energy*

Business & Geographical Diversification

EBITDA Growth

1H 2014 Reported EBITDA[1] (HK$ millions)
Growth of 4%



Note (1): Reported EBITDA were adjusted to exclude non-controlling interests' share of results of HPH Trust.

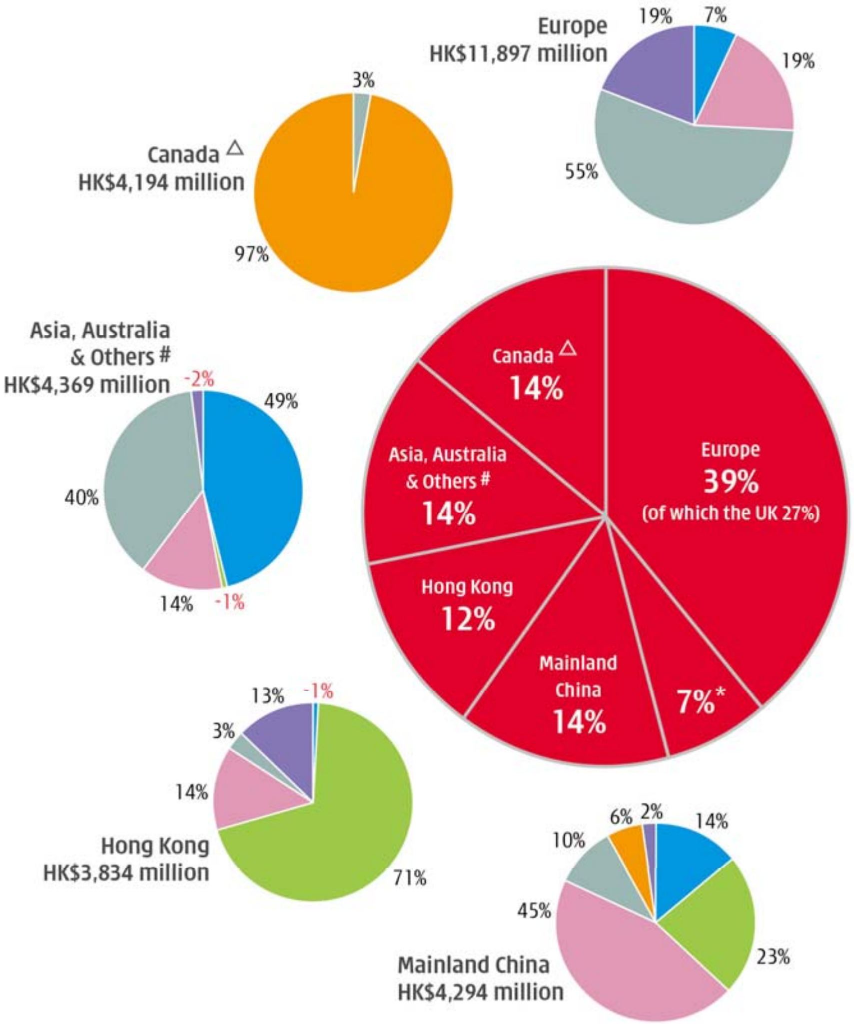
Note (2): Others includes Hutchison Whampoa (China), Hutchison E-Commerce, Hutchison Harbour Ring, Hutchison China MediTech, TOM Group, Hutchison Water, the Marionnaud business and corporate overhead and expenses

Business & Geographical Diversification

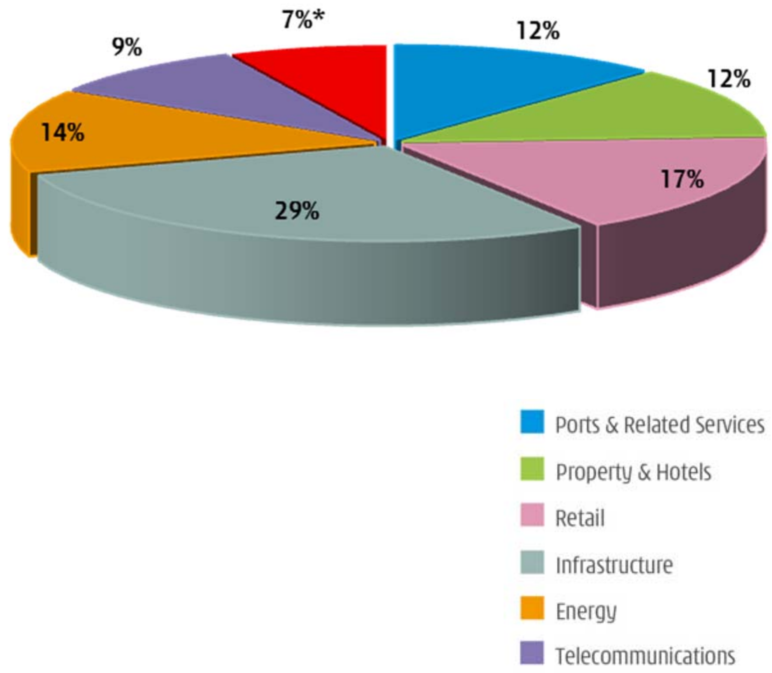
1H 2014 Reported EBIT: HK$30,870 million

Growth of 3%

1H 2014 EBIT Contribution
by Geographical Location



1H 2014 EBIT Contribution
by Division



* *Represents contribution from Finance & Investments and others*

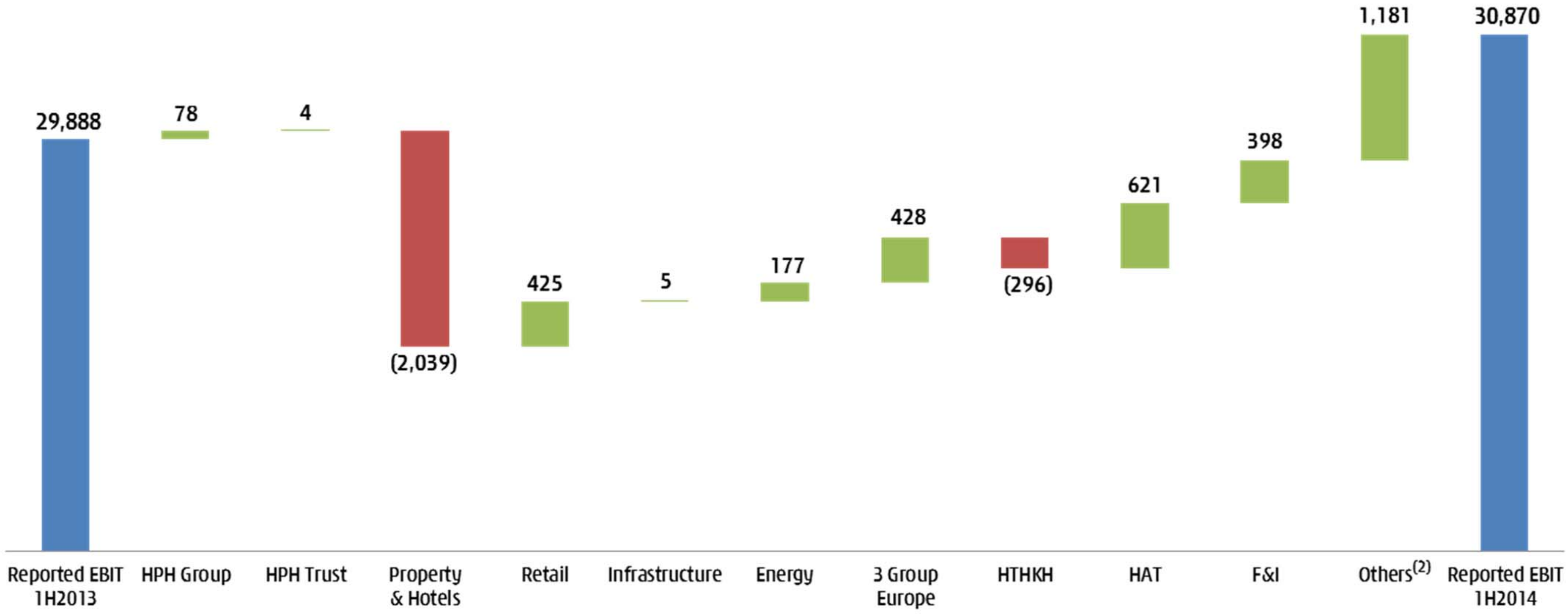
\# *Includes Panama, Mexico and the Middle East*

Δ *Includes contribution from the USA for Husky Energy*

Business & Geographical Diversification

EBIT Growth

1H 2014 Reported EBIT[1] (HK$ millions)
Growth of 3%



Note (1): Reported EBITDA were adjusted to exclude non-controlling interests' share of results of HPH Trust.

Note (2): Others includes Hutchison Whampoa (China), Hutchison E-Commerce, Hutchison Harbour Ring, Hutchison China MediTech, TOM Group, Hutchison Water, the Marionnaud business and corporate overhead and expenses

European Contribution

Revenue, EBITDA & EBIT

1H 2014 Total Revenue

	HK$ billions	Change (%)
Europe	88.4	+10%
Non-Europe[1]	116.1	-2%
Total HWL	204.5	+3%

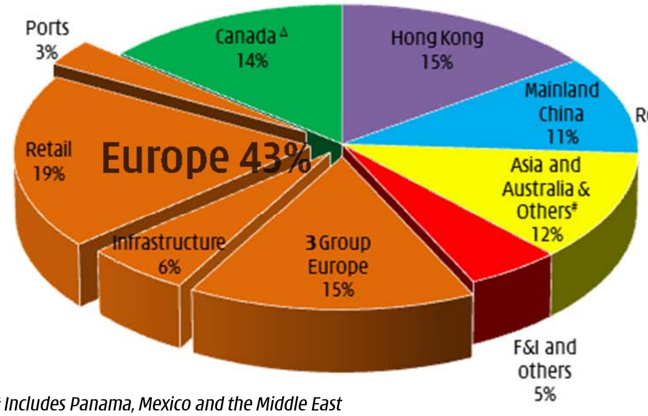
1H 2014 EBITDA

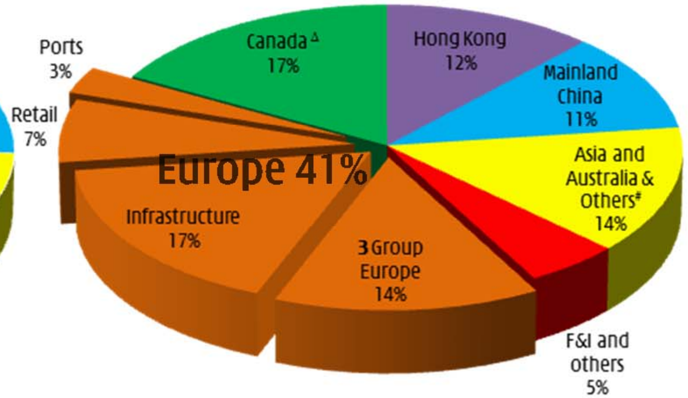
	HK$ billions	Change (%)
Europe	19.0	+17%
Non-Europe[1]	27.8	-3%
Total HWL	46.8	+4%

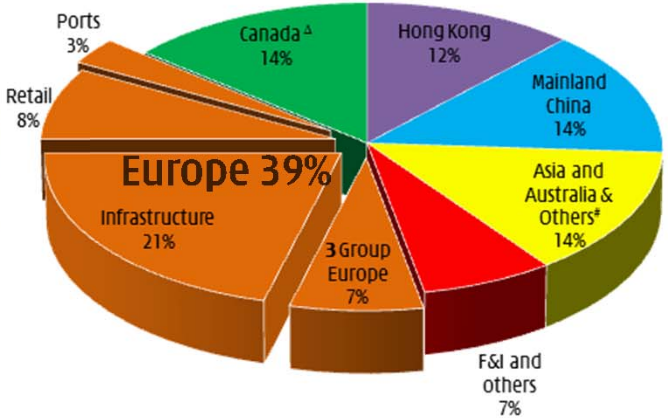
1H 2014 EBIT

	HK$ billions	Change (%)
Europe	11.9	+18%
Non-Europe[1]	19.0	-4%
Total HWL	30.9	+3%

Note (1): Includes Finance & Investments and Others

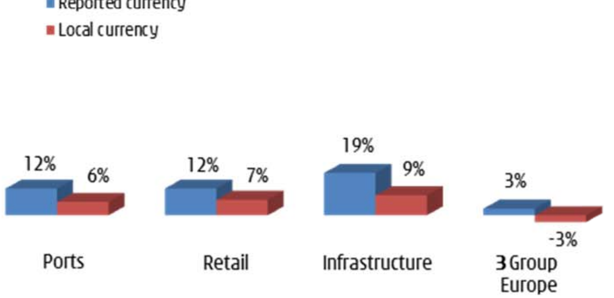




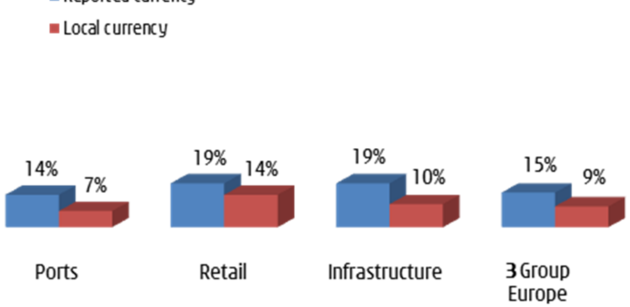


 # Includes Panama, Mexico and the Middle East
△ Includes contribution from the USA for Husky Energy

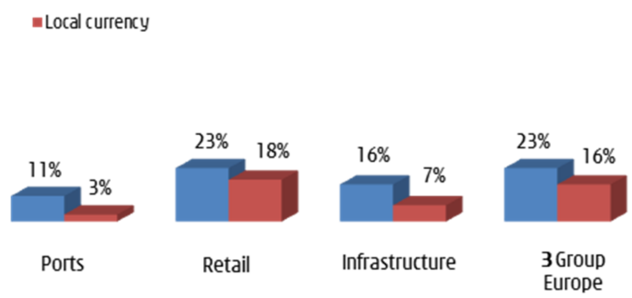
Revenue - European growth by division (%)



EBITDA - European growth by division (%)



EBIT - European growth by division (%)

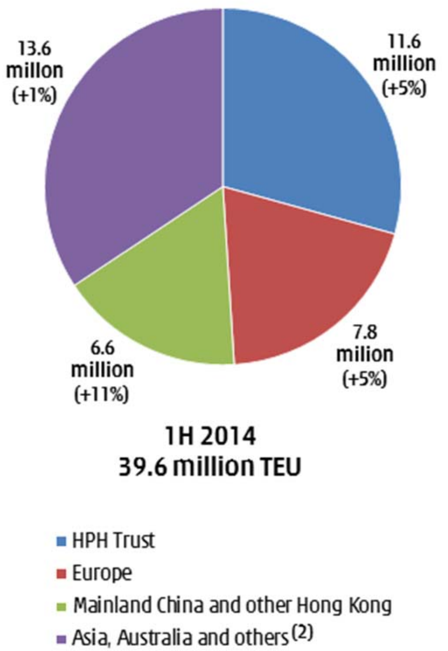


Ports and Related Services

8% of Group Revenue, 12% of Group EBITDA & 12% of Group EBIT

	1H 2014 HK$ millions	1H 2013 HK$ millions	Change	Change in local currency
Total Revenue(1)	**17,270**	16,891	+2%	+2%
EBITDA(1)	**5,607**	5,410	+4%	+3%
EBIT(1)	**3,531**	3,449	+2%	+2%
Throughput	**39.6 million TEU**	37.9 million TEU	+5%	NA

Total Container Throughput (+5%)
by Subdivision

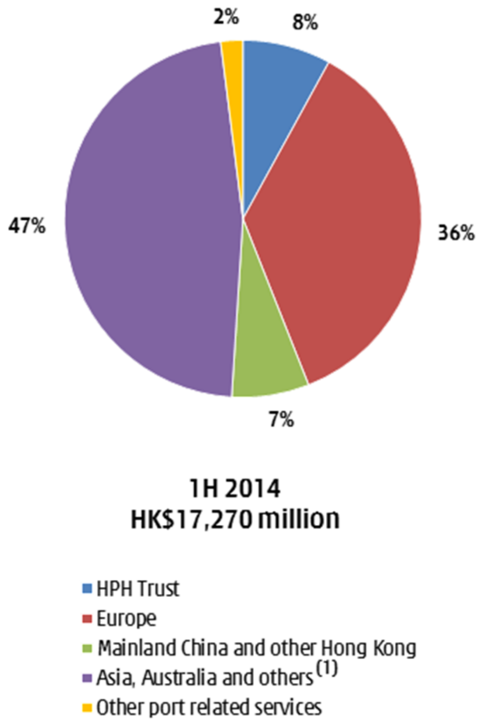


- Throughput increased 5% to 39.6 million TEU in 1H 2014 when compared to the same period last year, reflecting stable market recovery in all segments of this division.
- EBITDA was up 4% against the same period last year mainly due to the strong performances of the Europe segment and the Mainland China and other Hong Kong segment, partly offset by the effect of start-up losses of the Australian ports, lower contributions from Mexico and Indonesia, as well as a lower share of EBITDA in Malaysia as the Group's share of results decreased from 31.45% to 23.55% subsequent to the IPO of Westports Holdings Bhd. in October 2013.
- EBIT increased by 2% in 1H 2014. The growth in EBIT was lower mainly due to higher depreciation charges of HK$114 million on new facilities in Mexico and Panama and the newly opened ports at Barcelona in Spain and Brisbane and Sydney in Australia.
- 282 operating berths at the end of 1H 2014, a net increase of 4 operating berths. In 1H 2014, 6 new berths commenced operations, with the opening of additional berths in Brisbane, Australia (1), Westports, Malaysia (2) and Sohar, Oman (3). 2 berths of the existing terminal in Oman ceased operations and will be returned to the Port Authority as the operations will be fully migrated to the new 3-berth terminal in 2H 2014.
- In March 2014, HPH Trust divested 60% of its equity interest in Asia Container Terminals ("ACT HK") to the newly established joint venture with COSCO Pacific (40%) and China Shipping Group (20%). HPH Trust currently owns an effective interest of 40% in ACT HK.

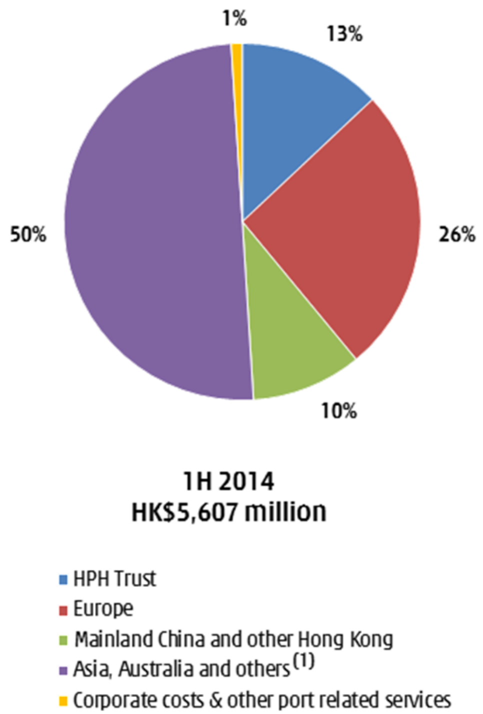
Note (1): Total revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust.
Note (2): Includes Panama, Mexico and the Middle East

Ports and Related Services

Total Revenue (+2%)
by Subdivision



EBITDA (+4%)
by Subdivision



Note (1): Includes Panama, Mexico and the Middle East

Outlook

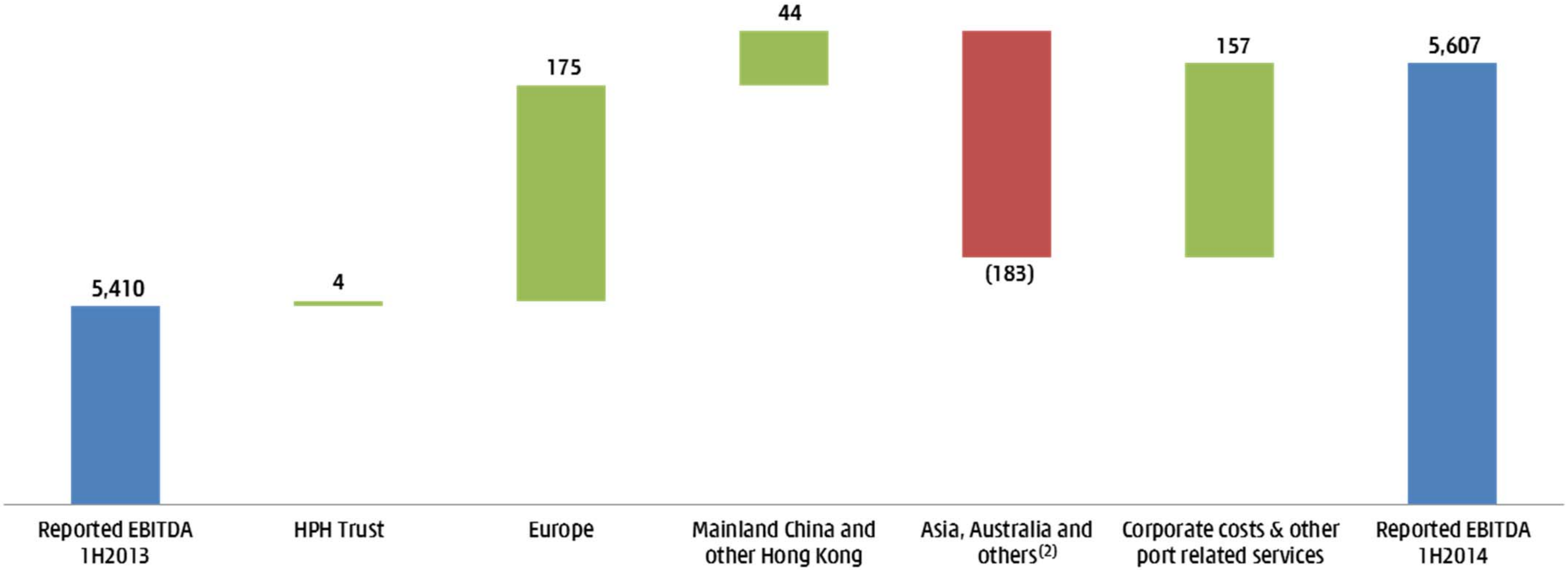
- Number of operating berths is expected to increase to 284 by the end of 2014 with the opening of 2 additional berths in Dammam, Saudi Arabia.
- The division is expected to grow volumes in 2H 2014 and will continue to focus on productivity gains, cost efficiency and selective acquisition and development opportunities to enhance profitability.

Ports and Related Services

EBITDA Growth

1H 2014 Reported EBITDA[1] (HK$ millions)

Growth of 4%



Note (1): Reported EBITDA were adjusted to exclude non-controlling interests' share of results of HPH Trust.

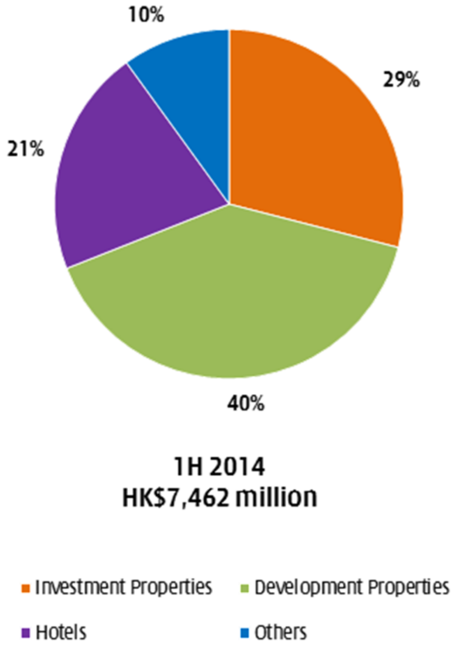
Note (2): Includes Panama, Mexico and the Middle East

Property and Hotels

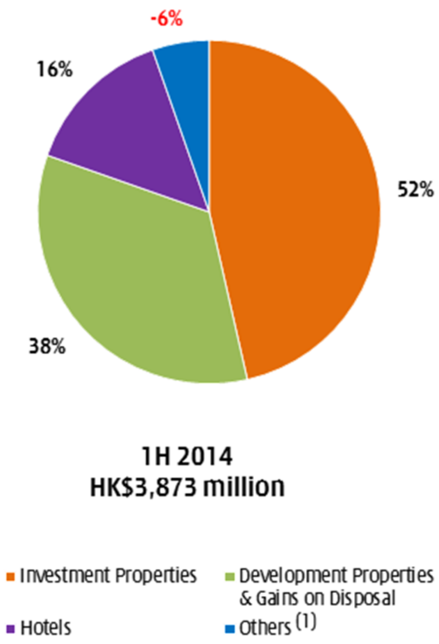
4% of Group Revenue, 8% of Group EBITDA & 12% of Group EBIT

	1H 2014 HK$ millions	1H 2013 HK$ millions	Change	Change in local currency
Total Revenue	7,462	11,186	-33%	-33%
EBITDA	3,873	5,918	-35%	-34%
EBIT	3,703	5,742	-36%	-35%

Total Revenue (-33%)
by Subdivision



EBITDA (-35%)
by Subdivision



Note (1): Includes net service income, corporate overheads, impact of foreign exchange rate movements and others

Note (2): Based on room numbers

Note (3): HOP represents EBITDA after depreciation of furniture, fixtures and equipment

Investment Properties

- Overall gross rental income, including share of rental income from the commercial properties of our hotel division, was 7% higher than 1H 2013 at HK$2,208 million mostly due to the continuing trend of rising rental renewal rates and improvements in occupancy levels.
- Attributable 11.8 million sq.ft. Gross Floor Area ("GFA") portfolio of rental properties in Hong Kong and attributable 1.6 million sq.ft. GFA portfolio in the Mainland and overseas.
- The Group's investment properties generated 9.1% yield on carrying value of approximately HK$48,400 million.
- Investment properties average occupancy rate at 95%, up from 94% for the same period last year.

Hotels

- The Group has an average effective interest[(2)] of approximately 63% in the 8,503 total rooms of the 11 hotels mainly in Hong Kong (an attributable share of GFA of approximately 1.9 million sq.ft. in Hong Kong).
- Attributable hotel operating profit ("HOP")[(3)] per sq.ft. for Hong Kong hotels ranges from HK$13 per sq. ft. per month to HK$70 per sq.ft. per month and averages HK$36 per sq. ft. per month.
- Total average hotel rooms occupancy rate at 94% in Hong Kong.
- The Group's attributable interest in the hotels in Hong Kong generated 19.1% annualised EBIT yield on its attributable carrying value of these hotels of approximately HK$3,678 million.

Property and Hotels

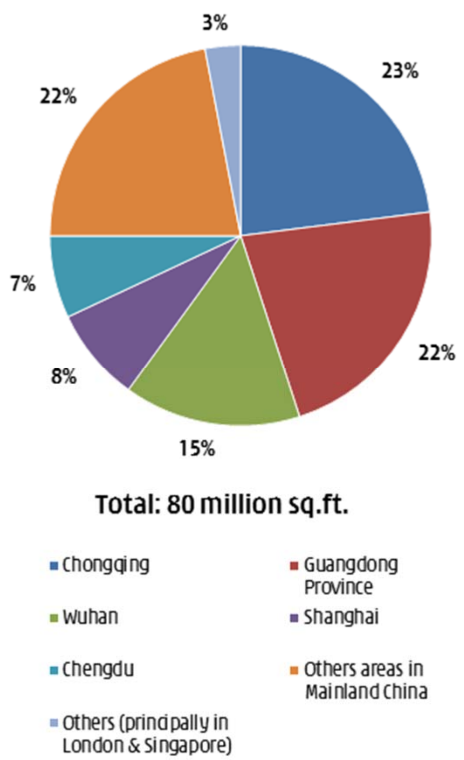
EBITDA Movement

1H 2014 Reported EBITDA (HK$ millions)
Change of -35%

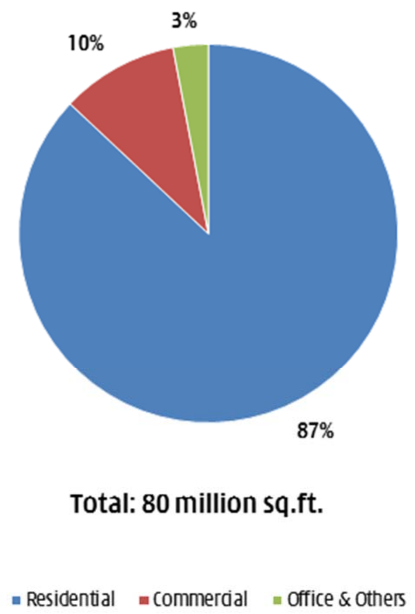
Note (1): Includes net service income, corporate overheads, impact of foreign exchange rate movements and others

Property and Hotels

Gross Floor Area of Development Projects
by Geographical Location



Gross Floor Area of Development Projects
by Property Type



Development Activities

- Attributable landbank of approximately 80 million sq.ft., comprising 41 projects in 22 cities. Average land cost of attributable landbank in the Mainland is approximately RMB235 per sq.ft. or HK$291 per sq.ft.
- Average land cost relating to the recognised sale of residential properties in 1H 2014 in the Mainland is approximately HK$273 per sq.ft. Average construction cost and average professional, marketing, funding and other costs are approximately HK$493 per sq.ft. and HK$367 per sq.ft. respectively for residential properties.
- Completed an attributable share of GFA of approximately 2.9 million sq.ft. in residential and commercial properties in the Mainland during 1H 2014.
- The lower contribution of this segment in 1H 2014 reflects the slower sales experienced in the Mainland, particularly in Tier 1 and Tier 2 cities that have been significantly affected by local purchase and pricing restrictions, and which represented over 90% of the division's recognised sales in terms of GFA. Average selling price ("ASP") from the recognised sales of residential property increased 25% to HK$1,774 per sq.ft. in 1H 2014, reflecting the division's pricing strategy on prime location products.
- The overall gross margin after land appreciation tax ("LAT") for the period was approximately 34%, an increase compared to the 31% for the comparable period last year.

Outlook

- In July 2014, the Group completed the disposal of its interests in the Shanghai Oriental Financial Center and generated an after tax gain of approximately HK$1,800 million.
- The Group expects to complete an attributable share of approximately 5.1 million sq.ft. in GFA of residential and commercial properties during 2H 2014 primarily in 11 Mainland cities and in Singapore.
- The Group is targeting full year contracted sales of over 7,200 residential units as well as the disposal of a number of commercial properties primarily in the Mainland. A total attributable share of over 5.8 million sq.ft. of GFA (which includes an attributable share of 0.4 million sq.ft. commercial properties) is expected to be sold in 17 cities in the Mainland as well as in Singapore and the UK for full year 2014.

Property and Hotels

Development Properties - Mainland China

	1H 2014	1H 2013	% Change
Total Attributable Sales Value (HK$ millions)			
Recognised Sales[1]	**2,926**	5,786	-49%
- of which relates to residential property	*2,685*	*3,883*	*-31%*
ASP[2] **of residential property** (HK$/sq.ft.)	**1,774**	1,420	+25%
Contracted Sales[1]	**3,258**	6,983	-53%
- of which relates to residential property	*2,713*	*5,395*	*-50%*
ASP[2] **of residential property** (HK$/sq.ft.)	**1,959**	1,701	+15%
Total Attributable Sales in GFA ('000 sq.ft.)			
Presold Property b/f	**1,558**	2,321	
Recognised Sales in GFA	**1,665**	3,369	-51%
- of which relates to residential property	*1,606*	*2,909*	*-45%*
Contracted Sales in GFA	**1,637**	3,757	-56%
- of which relates to residential property	*1,469*	*3,373*	*-56%*
Presold Property c/f[3]	**1,530**	2,709	

Note (1): Net of business tax

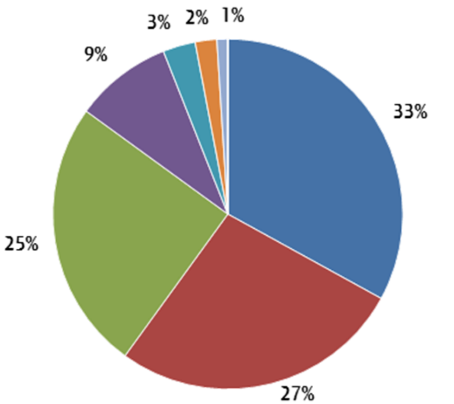
Note (2): ASP is stated inclusive of business tax

Note (3): Presold property value (net of business tax) of HK$3,360 million and HK$4,248 million at the end of 1H 2014 and 1H 2013 respectively

Residential Property Sales

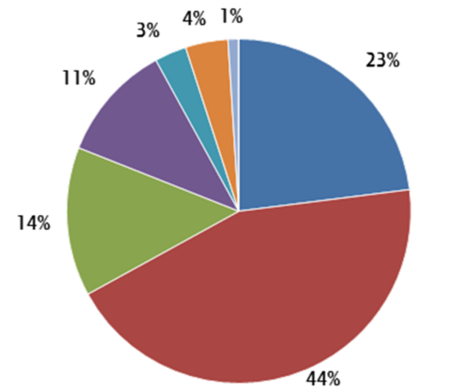
By Geographical Location

Recognised Sales



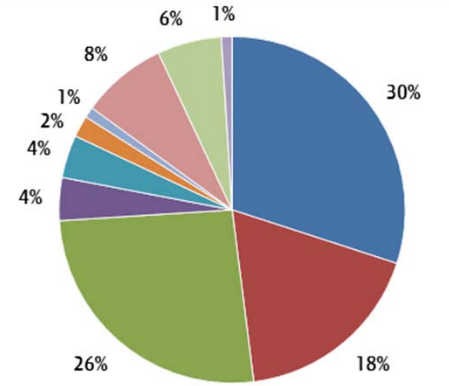
1H 2014: HK$2,685 mllion (-31%)

Recognised Sales GFA



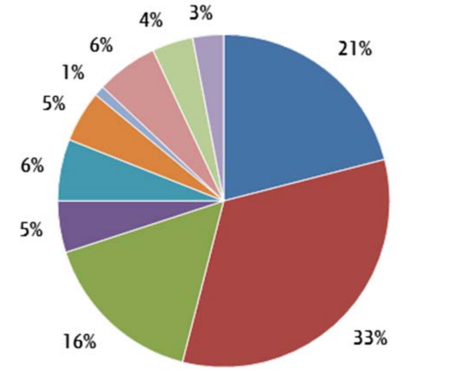
1H 2014: 1.6 million sq.ft. (-45%)

Contracted Sales

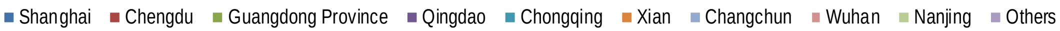


1H 2014: HK$2,713 million (-50%)

Contracted Sales GFA



1H 2014: 1.5 million sq.ft. (-56%)

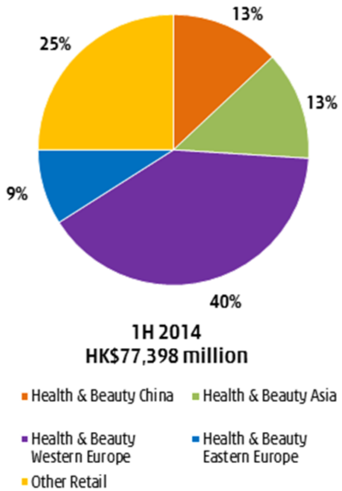


Retail

38% of Group Revenue, 14% of Group EBITDA & 17% of Group EBIT

	1H 2014 HK$ millions	1H 2013[1] HK$ millions	Change	Change in local currency
Total Revenue	77,398	71,258	+9%	+7%
EBITDA	6,611	6,068	+9%	+8%
EBIT	5,336	4,911	+9%	+8%
Total Store Numbers	10,812	10,004	+8%	NA

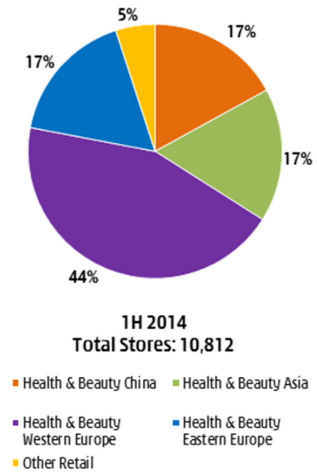
Total Revenue (+9%)
by Subdivision



Total Revenue	1H 2014 HK$ millions	1H 2013[1] HK$ millions	Change	Change in local currency
Health & Beauty China	9,840	8,653	+14%	+14%
Health & Beauty Asia	10,344	9,785	+6%	+9%
Health & Beauty Western Europe	31,063	27,722	+12%	+6%
Health & Beauty Eastern Europe	7,121	6,320	+13%	+14%
Health & Beauty Subtotal	58,368	52,480	+11%	+9%
Other Retail[2]	19,030	18,778	+1%	+1%
Total Retail	77,398	71,258	+9%	+7%
- Asia	39,214	37,179	+5%	+6%
- Europe	38,184	34,079	+12%	+7%

	Store Numbers			Comparable Store Sales Growth[3] (%)	
	1H 2014 Stores	1H 2013 Stores	Change	1H 2014	1H 2013
Health & Beauty China	1,799	1,524	+18%	+4.3%	+1.4%
Health & Beauty Asia	1,838	1,741	+6%	+3.9%	+6.0%
Health & Beauty Western Europe	4,758	4,601	+3%	+3.0%	+3.5%
Health & Beauty Eastern Europe	1,874	1,621	+16%	+2.8%	+4.1%
Health & Beauty Subtotal	10,269	9,487	+8%	+3.3%	+3.8%
Other Retail[2]	543	517	+5%	-0.9%	+1.2%
Total Retail	10,812	10,004	+8%	+2.3%	+3.2%
- Asia	4,180	3,782	+11%	+1.6%	+2.7%
- Europe	6,632	6,222	+7%	+2.9%	+3.6%

Total Retail Store Numbers (+8%)
by Subdivision



Note (1): 1H 2013 results exclude Marionnaud results in the comparatives as the business is no longer reported under this division following the Group's strategic review of its retail division in 2013.

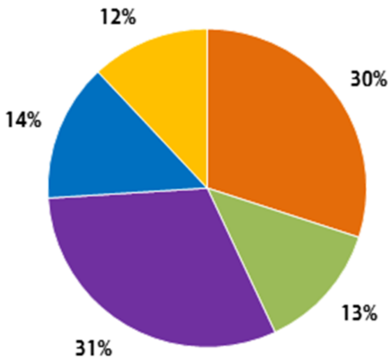
Note (2): Other Retail includes PARKnSHOP, Fortress, Watsons Wine, Nuance-Watson and manufacturing operations for water and beverage businesses.

Note (3): Comparable store sales growth represents the percentage change in revenue contributed by stores which, as at the first day of the relevant financial year (a) have been operating for over 12 months and (b) have not undergone major resizing within the previous 12 months.

Retail

EBITDA by segment

EBITDA (+9%)
by Subdivision



1H 2014
HK$6,611 million

- Health & Beauty China
- Health & Beauty Asia
- Health & Beauty Western Europe
- Health & Beauty Eastern Europe
- Other Retail

EBITDA	1H 2014 HK$ millions	EBITDA Margin %	1H 2013[2] HK$ millions	EBITDA Margin %	Change	Change in local currency
Health & Beauty China	1,974	20%	1,651	19%	+20%	+20%
Health & Beauty Asia	870	8%	824	8%	+6%	+10%
Health & Beauty Western Europe	2,045	7%	1,701	6%	+20%	+14%
Health & Beauty Eastern Europe	908	13%	780	12%	+16%	+14%
Health & Beauty Subtotal	5,797	10%	4,956	9%	+17%	+15%
Other Retail[1]	814	4%	1,112	6%	-27%	-27%
Total Retail	6,611	9%	6,068	9%	+9%	+8%
- Asia	3,659	9%	3,588	10%	+2%	+3%
- Europe	2,952	8%	2,480	7%	+19%	+14%

Note (1): Other Retail includes PARKnSHOP, Fortress, Watsons Wine, Nuance-Watson and manufacturing operations for water and beverage businesses.

Note (2): 1H 2013 EBITDA exclude Marionnaud results in the comparatives as the business is no longer reported under this division following the Group's strategic review of its retail division in 2013.

- H&B overall delivered 11% and 17% growth on total revenue and EBITDA respectively, mainly driven by comparable store sales growth and high quality new store openings.
- Total sales growth for H&B China remained strong at 14% with comparable store sales growth of 4.3% and 18% higher number of stores compared to 1H 2013. The EBITDA margin of H&B China was 20% in 1H 2014.
- Other Retail's EBITDA decreased 27% from HK$1,112 million in 1H 2013 to HK$814 million in 1H 2014, mainly due to lower contributions from PARKnSHOP operations as well as Fortress during the period.
- Comparable store sales growth of the H&B retail operations in Europe was 2.9%.
- Comparable store sales growth of the H&B retail operations in Asia was 4.1%. Including Other Retail, comparable store sales growth in Asia was 1.6%.
- In April 2014, the Group entered into a strategic alliance with Temasek Holdings (Private) Limited ("Temasek") with Temasek acquiring a 24.95% equity interest in A.S. Watson Holdings Limited for approximately HK$44 billion, resulting in an increase of approximately HK$39 billion in the Group's shareholders' funds. The net proceeds from this transaction were partly used for a special dividend distribution of HK$7.00 per share amounting to approximately HK$30 billion in May 2014. The net impact of this transaction, after the distribution of special dividend, resulted in an increase of shareholders' funds of HK$9 billion.

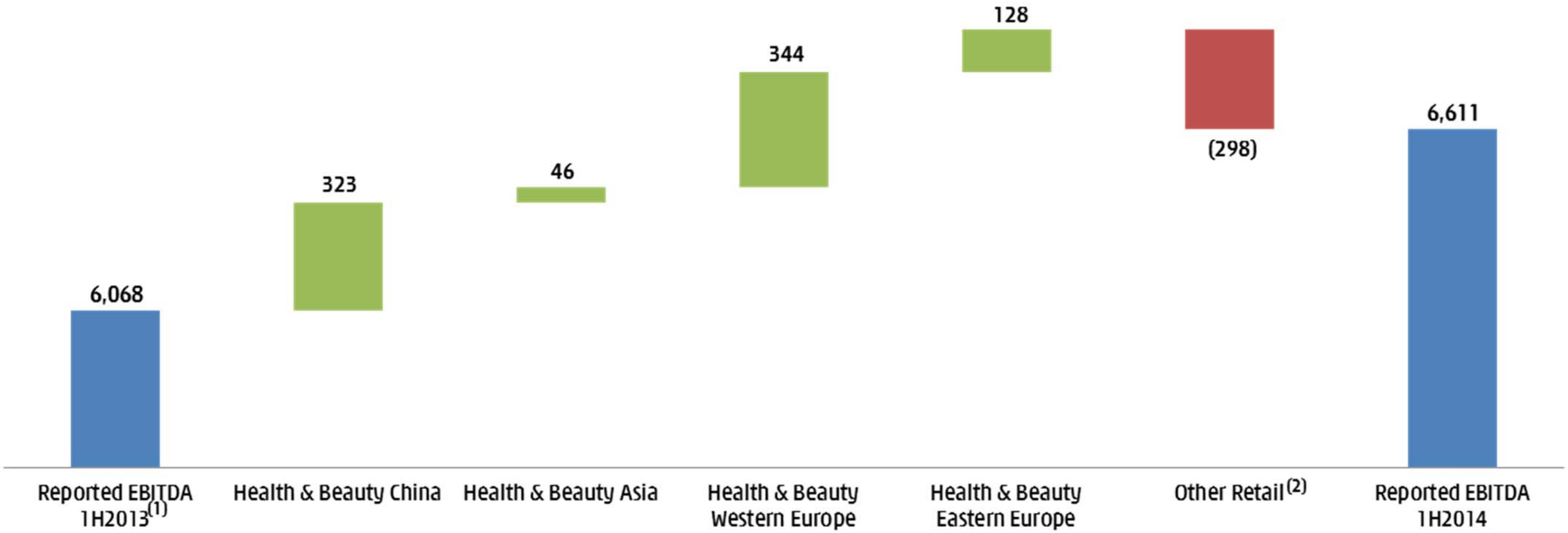
Outlook

- Looking into 2H 2014 and beyond, the Group will continue to expand its portfolio of retail stores and expects net openings of approximately 650 stores in the second half of the year, totalling approximately 881 stores for full year 2014.

Retail

EBITDA Growth

1H 2014 Reported EBITDA (HK$ millions)
Growth of 9%



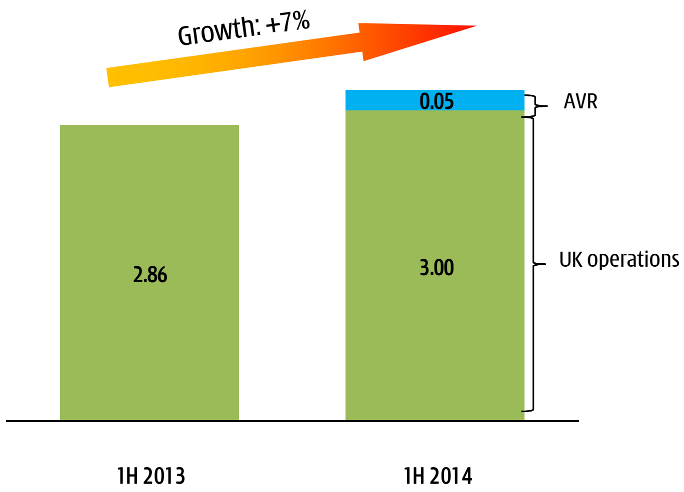
Note (1): 1H 2013 EBITDA exclude Marionnaud results in the comparatives as the business is no longer reported under this division following the Group's strategic review of its retail division in 2013.
Note (2): Other Retail includes PARKnSHOP, Fortress, Watsons Wine, Nuance-Watson and manufacturing operations for water and beverage businesses.

Infrastructure

11% of Group Revenue, 25% of Group EBITDA & 29% of Group EBIT

	1H 2014 HK$ millions	1H 2013 HK$ millions	Change
Total Revenue	22,264	20,133	+11%
EBITDA	11,819	11,469	+3%
EBIT	8,945	8,940	-

Profits from European Operations Attributable to Shareholders[(1)] (HK$ billion)



Note (1): Profit from European operations represents contributions from CKI's direct shareholding in its UK and the Netherlands operations. 1H 2014 includes, amongst others, its 40% direct share in each of UK Power Networks and Northumbrian Water, as well as its 35% direct share in AVR. 1H 2013 includes, amongst others, its 40% direct share in each of UK Power Networks and Northumbrian Water only.

- Cheung Kong Infrastructure ("CKI")'s announced earnings for 1H 2014 of HK$24,119 million, which includes its share of gain from Power Assets' separate listing of its Hong Kong electricity business in January 2014.
- Reported EBIT, after the Group's asset valuation consolidation adjustments, was HK$8,945 million for 1H 2014, flat when compared to 1H 2013 mainly due to earnings growth from its UK operations and full 6-month contributions of the newly acquired operations (Enviro Waste and AVR), which largely offset by the lower contribution from the Hong Kong electricity business following its separate listing.

Outlook

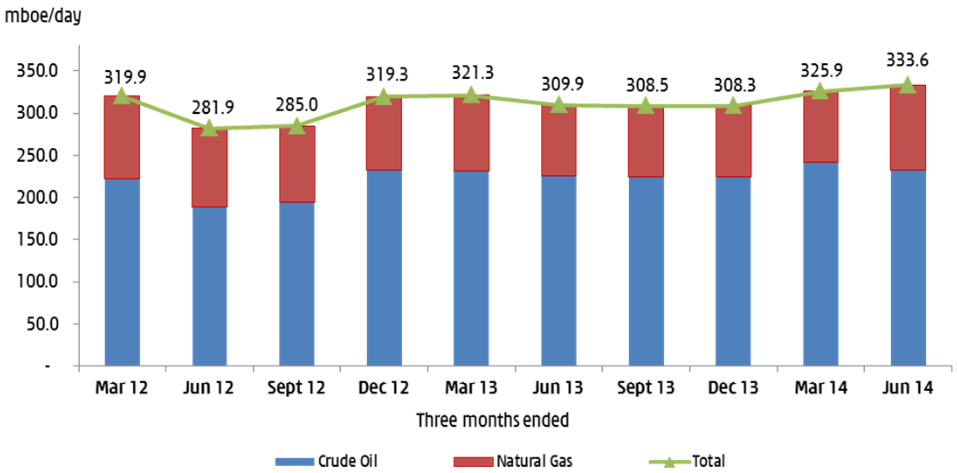
- CKI will continue to grow existing operations organically and look for opportunities to expand its portfolio by acquiring businesses with strong recurrent returns and to maintain its strong balance sheet with steady cashflow and low gearing.
- In May 2014, a CKI-led consortium with Cheung Kong (Holdings) Limited ("CKH") and Power Assets, in which CKI has a 33.3% stake, entered into a Bid Implementation Agreement in respect of a takeover bid for all the shares of Envestra Limited ("Envestra", in which CKI currently has a 17.46% interest), a distributor of natural gas in Australia, which is listed on the Australian Securities Exchange, for a cash consideration of A$1.32 per share.
- During 1H 2014, a CKI-led joint-venture with CKH, announced the acquisition of Park'N Fly, an off-airport parking business operating in Toronto, Montreal, Edmonton, Ottawa and Vancouver of Canada for approximately C$381 million (approximately HK$2.7 billion).
- The acquisition of Park'N Fly was completed on 25 July 2014 and the completion of Envestra's takeover, which is conditional on satisfaction or waiver of the relevant conditions precedent, including the consortium acquiring a relevant interest of more than 50% of Envestra's shares (which includes CKI's existing 17.46% interest), is expected in 2H 2014.

Energy

14% of Group Revenue, 18% of Group EBITDA & 14% of Group EBIT

	1H 2014 HK$ millions	1H 2013 HK$ millions	Change	Change in local currency
Total Revenue	28,660	29,911	-4%	+3%
EBITDA	8,145	7,991	+2%	+9%
EBIT	4,329	4,152	+4%	+12%
Production	329.8 mboe/day	315.6 mboe/day	+4%	NA

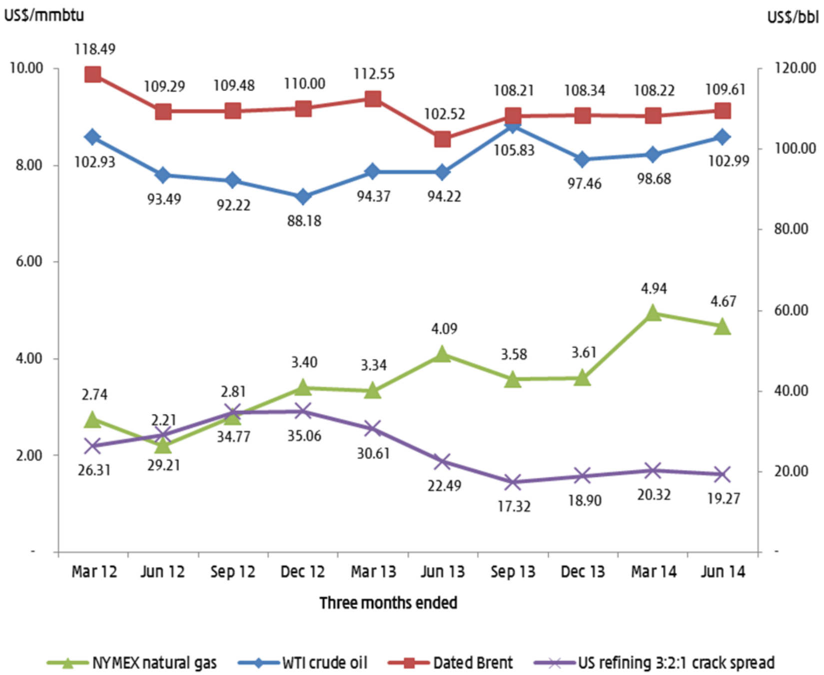
Average Production



- Profit from operations attributable to shareholders for 1H 2014 increased by 13% to C$1,290 million, reflecting higher average realised commodity prices in Western Canada resulting from higher Brent and WTI market prices and narrowing light/heavy crude oil differentials, improved natural gas prices and increased crude oil and natural gas production, partially offset by a decrease in upgrading margins due to lower average upgrading differentials and lower throughput and a decrease in US Refining and Marketing margins as a result of lower market crack spreads and reduced throughput from planned maintenance.
- Average production for 1H 2014 increased by 4% to 329.8 mboe/day, mainly due to commencement of natural gas production from the Liwan Gas Project, commissioning and production ramp up at the Sandall heavy oil thermal development, improved operating performance at Terra Nova and production from the multilateral well at North Amethyst brought on stream in Q4 2013, increased oil and liquids-rich natural gas resource play developments, partially offset by a planned turnaround at a Western Canada oil and gas facility, decreased Western Canada natural gas production due to natural reservoir declines and limited re-investment and lower production at Wenchang due to the planned FPSO vessel offstation.

Energy

Average Benchmark



Key Projects / Milestones

i. Liwan Gas Project (Husky Energy's working interest: 49%)

- First gas from the deep water wells achieved on the Liwan 3-1 gas field was achieved on 30 March 2014.
- Gas sales to the Guangdong market natural gas grid commenced on 24 April 2014.
- Production from the Liwan Gas Project is now being sold on a continuous basis into the Guangdong natural gas market. Natural gas liquids that are separated from the gas sales at the Gaolan gas plant are also being sold into the Guangdong market.

ii. Heavy Oil

- The 3,500 bbls/day Sandall thermal development was brought online in Q1 2014 with production averaging 5,300 bbls/day in Q2 2014.

Outlook

- Husky Energy will continue to maintain and enhance production in its Heavy Oil and Western Canada foundation as it repositions these areas towards thermal developments and resource plays, while advancing its three major growth pillars in the Asia Pacific Region, Oil Sands and in the Atlantic Region.
- Other key projects underway:

i. Sunrise Energy Project (Husky Energy's working interest: 50%)

- Phase I of the Sunrise Energy Project remains on track for start up by the end of 2014 and is expected to ramp up production over an 18-24 month period to 60,000 bbls/day (30,000 bbls/day net to Husky Energy); and
- The Sunrise Energy Project received Maximum Operating Pressure Approval for the initial development area of Phase I.

ii. Heavy Oil

- Construction work continued at the 10,000 bbls/day Rush Lake heavy oil thermal development with first production expected in 2H 2015;
- The two 10,000 bbls/day Edam East and Vawn heavy oil thermal development project are underway with first production expected in 2016; and
- Work commenced on the 3,500 bbls/day Edam West project with first production expected in 2016.

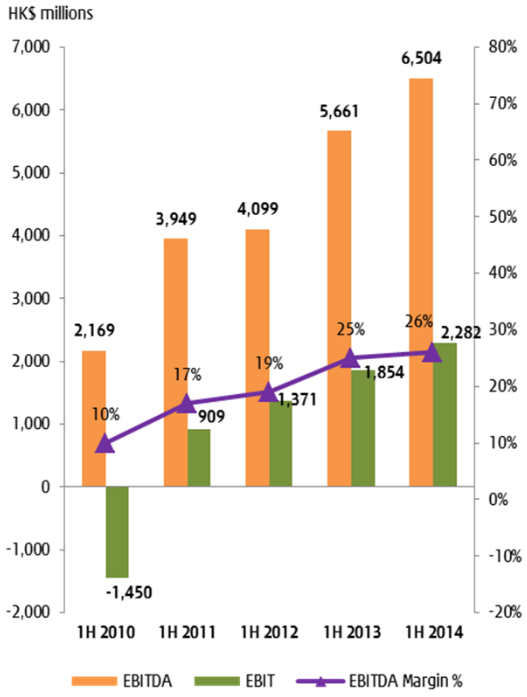
iii. Asia Pacific

- Regulatory approval was received for the contract award for an FPSO vessel to develop the BD field in the Madura Strait offshore Indonesia.

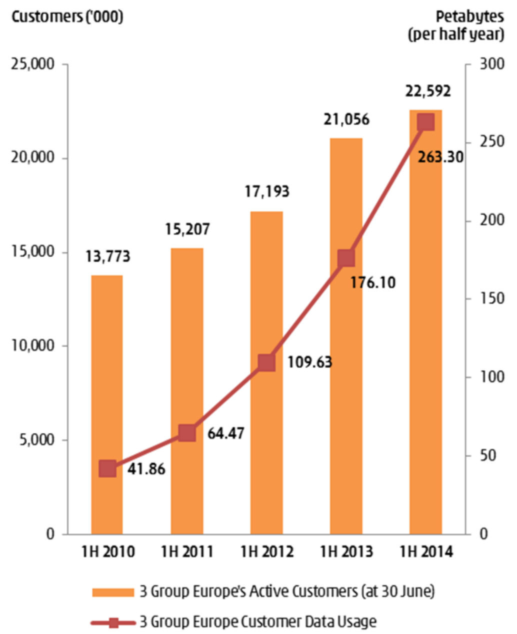
Telecommunications – 3 Group Europe

15% of Group Revenue, 14% of Group EBITDA & 7% of Group EBIT

3 Group Europe EBITDA & EBIT



3 Group Europe's Active Customers and 6 months Data Usage



- Postpaid gross additions reduced slightly from 2.29 million in 1H 2013 to 1.84 million in 1H 2014. Net additions, excluding those acquired from Orange Austria reduced from 0.70 million in 1H 2013 to 0.20 million in 1H 2014.
- In local currencies, **3** Group Europe's total revenue decreased by 3%, but EBITDA and EBIT increased 9% and 16% respectively compared to 1H 2013, primarily from better performances in the UK, Austria and Sweden, partially offset by a lower reported performance in Italy due to intense competition.
- Overall, net customer service margin continued to improve reflecting strong contribution from both smartphone and mobile data segments.
- Operating cost represented 49% of net customer service margin, a reduction from 50% in 1H 2013.
- Healthy EBITDA margin of 26%.

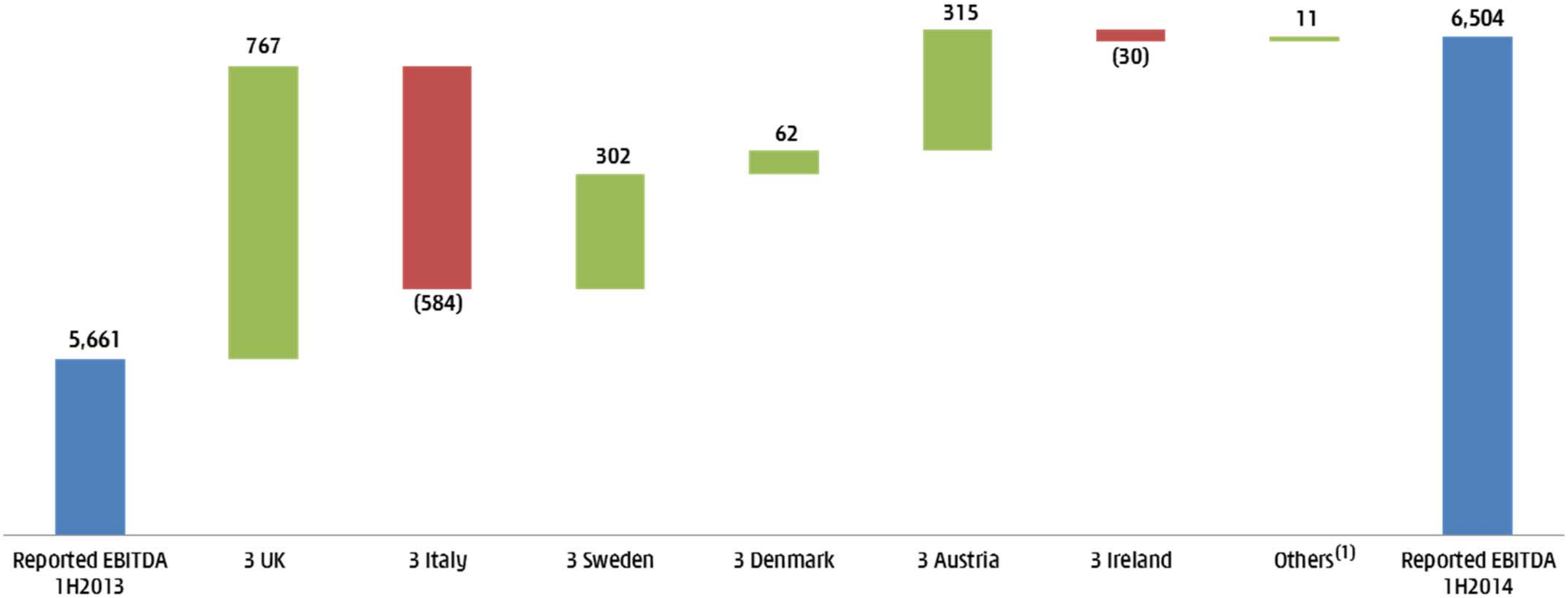
Outlook

- **3** Group Europe is expected to continue to perform well in 2H 2014, particularly with continued improvements in the UK and realisation of additional cost synergies in Austria.
- On 15 July 2014, the Group completed the acquisition of O_2 Ireland from Telefonica. The restructuring exercise to combine **3** Ireland and O_2 Ireland operations will begin and the combined operation is expected to provide a meaningful contribution to **3** Group Europe in 2015.

Telecommunications – 3 Group Europe

EBITDA Growth

1H 2014 Reported EBITDA (HK$ millions)
Growth of 15%



Note (1): Represents Skype intercompany charge elimination which is not applicable in 2014.

Telecommunications – 3 Group Europe

1H 2014 Results by operations

	UK		Italy		Sweden		Denmark		Austria		Ireland		3 Group Europe	
In millions	*GBP*		*EURO*		*SEK*		*DKK*		*EURO*		*EURO*		*HK$*	
	1H 2014	1H 2013	1H 2014	1H 2013	1H 2014	1H 2013	1H 2014	1H 2013	1H 2014	1H 2013	1H 2014	1H 2013	1H 2014	1H 2013
Total Revenue	**974**	1,002	**815**	891	**3,054**	2,699	**1,008**	930	**342**	369	**97**	87	**31,063**	30,101
% Improvement (Reduction)	*-3%*		*-9%*		*13%*		*8%*		*-7%*		*11%*		*3%*	
												Local currency change	*-3%*	
- Net Customer Service Revenue	723	667	662	684	2,123	1,833	887	827	271	306	80	72	23,950	22,037
% Improvement (Reduction)	*8%*		*-3%*		*16%*		*7%*		*-11%*		*11%*		*9%*	
												Local currency change	*3%*	
- Handset Revenue	241	321	139	185	827	760	92	62	58	57	13	14	6,490	7,417
- Other Revenue	10	14	14	22	104	106	29	41	13	6	4	1	623	647
Net Customer Service Margin[(1)]	**556**	519	**502**	496	**1,811**	1,455	**772**	708	**222**	230	**63**	56	**18,844**	16,831
% Improvement (Reduction)	*7%*		*1%*		*24%*		*9%*		*-3%*		*13%*		*12%*	
												Local currency change	*6%*	
Net Customer Service Margin %	77%	78%	76%	73%	85%	79%	87%	86%	82%	76%	79%	78%	79%	76%
Other margin	**4**	11	**13**	22	**26**	55	**13**	27	**10**	6	**2**	-	**368**	507
TOTAL CACs	(358)	(457)	(259)	(270)	(1,127)	(1,012)	(216)	(172)	(70)	(75)	(22)	(23)	(10,036)	(10,624)
Less: Handset Revenue	241	321	139	185	827	760	92	62	58	57	13	14	6,490	7,417
Total CACs (net of handset revenue)	**(117)**	(136)	**(120)**	(85)	**(300)**	(252)	**(124)**	(110)	**(12)**	(18)	**(9)**	(9)	**(3,546)**	(3,207)
Operating Expenses	**(211)**	(206)	**(323)**	(299)	**(666)**	(641)	**(315)**	(309)	**(104)**	(128)	**(59)**	(47)	**(9,162)**	(8,470)
Opex as a % of net customer service margin	38%	40%	64%	60%	37%	44%	41%	44%	47%	56%	94%	84%	49%	50%
EBITDA (LBITDA)	**232**	188	**72**	134	**871**	617	**346**	316	**116**	90	**(3)**	-	**6,504**	5,661
% Improvement (Reduction)	*23%*		*-46%*		*41%*		*9%*		*29%*		*N/A*		*15%*	
												Local currency change	*9%*	
EBITDA margin %[(2)]	32%	28%	11%	19%	39%	32%	38%	36%	41%	29%	-4%	-	26%	25%
Depreciation & Amortisation	**(109)**	(102)	**(143)**	(139)	**(380)**	(346)	**(146)**	(138)	**(37)**	(38)	**(22)**	(18)	**(4,222)**	(3,807)
EBIT (LBIT)	**123**	86	**(71)**	(5)	**491**	271	**200**	178	**79**	52	**(25)**	(18)	**2,282**	1,854
% Improvement (Reduction)	*43%*		*-1320%*		*81%*		*12%*		*52%*		*-39%*		*23%*	
												Local currency change	*16%*	
Capex (excluding licence)	**(116)**	(87)	**(151)**	(187)	**(392)**	(461)	**(69)**	(91)	**(53)**	(35)	**(60)**	(21)	**(4,876)**	(4,167)
EBITDA (LBITDA) less Capex	**116**	101	**(79)**	(53)	**479**	156	**277**	225	**63**	55	**(63)**	(21)	**1,628**	1,494
Licence[(3)]	**(0.3)**	(225)	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**(4)**	(2,674)

Note (1): Net customer service margin represents net customer service revenue deducting direct variable costs (including interconnection charges and roaming costs).

Note (2): EBITDA margin % represents EBITDA as a % of total revenue excluding handset revenue.

Note (3): Licence costs in 1H 2014 represent incidental costs in relation to licences acquired in the prior year.

Telecommunications – 3 Group Europe

Key Business Indicators

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

	UK	Italy	Sweden	Denmark	Austria	Ireland	3 Group Europe
Customer Base - Registered Customers at 30 June 2014 ('000)							
Postpaid	5,916	4,757	1,586	733	2,525	343	15,860
% Variance (June 2014 vs December 2013)	*1%*	*2%*	*4%*	*1%*	*1%*	*-2%*	*1%*
Prepaid	3,799	5,081	201	336	975	684	11,076
% Variance (June 2014 vs December 2013)	*-4%*	*1%*	*26%*	*12%*	*5%*	*12%*	*1%*
Total	9,715	9,838	1,787	1,069	3,500	1,027	26,936
% Variance (June 2014 vs December 2013)	*-1%*	*2%*	*6%*	*4%*	*2%*	*7%*	*1%*

	UK	Italy	Sweden	Denmark	Austria	Ireland	3 Group Europe
Customer Base - Active Customers[(1)] at 30 June 2014 ('000)							
Postpaid	5,777	4,602	1,586	733	2,502	313	15,513
% Variance (June 2014 vs December 2013)	*1%*	*2%*	*4%*	*1%*	*1%*	*1%*	*1%*
Prepaid	2,209	3,819	121	307	370	253	7,079
% Variance (June 2014 vs December 2013)	*-*	*4%*	*32%*	*10%*	*3%*	*7%*	*3%*
Total	7,986	8,421	1,707	1,040	2,872	566	22,592
% Variance (June 2014 vs December 2013)	*1%*	*3%*	*5%*	*3%*	*1%*	*3%*	*2%*

Note (1): An active customer is one that generated revenue from an outgoing call, incoming call or data/content service in the preceding 3 months.

Telecommunications – 3 Group Europe

Key Business Indicators

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

	UK	Italy	Sweden	Denmark	Austria	Ireland	3 Group Europe Average
12-month Trailing Average Revenue per Active User ("ARPU")[1] to 30 June 2014							
Postpaid ARPU[1]	£27.00	€18.93	SEK310.26	DKK174.26	€21.57	€38.03	€26.64
Prepaid ARPU[1]	£5.55	€7.13	SEK114.06	DKK134.90	€7.50	€15.30	€7.81
Blended Total ARPU[1]	£21.02	€13.65	SEK298.28	DKK163.22	€19.68	€28.26	€20.80
% Variance compared to 31 December 2013	*1%*	*-7%*	*1%*	*-5%*	*-4%*	*-2%*	*-2%*
12-month Trailing Net Average Revenue per Active User ("Net ARPU")[2] to 30 June 2014							
Postpaid Net ARPU[2]	£18.96	€18.93	SEK224.51	DKK161.90	€17.84	€30.48	€21.21
Prepaid Net ARPU[2]	£5.55	€7.13	SEK114.06	DKK134.90	€7.50	€15.30	€7.81
Blended Total Net ARPU[2]	£15.22	€13.65	SEK217.76	DKK154.33	€16.45	€23.96	€17.06
% Variance compared to 31 December 2013	*1%*	*-7%*	*3%*	*-4%*	*-6%*	*-1%*	*-2%*
12-month Trailing Net Average Margin per Active User ("Net AMPU")[3] to 30 June 2014							
Postpaid Net AMPU[3]	£14.85	€14.32	SEK191.98	DKK140.81	€14.26	€24.80	€16.79
Prepaid Net AMPU[3]	£4.79	€5.48	SEK81.78	DKK116.44	€6.45	€11.02	€6.28
Blended Total Net AMPU[3]	£12.04	€10.37	SEK185.25	DKK133.97	€13.21	€18.88	€13.53
% Variance compared to 31 December 2013	*-*	*-5%*	*6%*	*-3%*	*-2%*	*-*	*-1%*

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

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

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

Telecommunications – 3 Group Europe

Key Business Indicators

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

1H 2014	UK	Italy	Sweden	Denmark	Austria	Ireland	3 Group Europe Average
Contract customers as a % of the total registered customer base	**61%**	**48%**	**89%**	**69%**	**72%**	**33%**	**59%**
Contract customers' contribution to the net customer service revenue base (%)	**90%**	**75%**	**96%**	**77%**	**93%**	**72%**	**89%**
Average monthly churn rate of the total contract registered customer base (%)	**1.6%**	**2.2%**	**1.4%**	**2.7%**	**0.6%**	**1.3%**	**1.6%**
Active contract customers as a % of the total contract registered customer base	**98%**	**97%**	**100%**	**100%**	**99%**	**91%**	**98%**
Active customers as a % of the total registered customer base	**82%**	**86%**	**95%**	**97%**	**82%**	**55%**	**84%**
6 months data usage per active customer (Gigabyte)							**12.2**

1H 2013	UK	Italy	Sweden	Denmark	Austria	Ireland	3 Group Europe Average
Contract customers as a % of the total registered customer base	60%	48%	90%	72%	74%	42%	59%
Contract customers' contribution to the net customer service revenue base (%)	88%	82%	97%	81%	94%	76%	87%
Average monthly churn rate of the total contract registered customer base (%)	1.6%	2.4%	1.2%	2.5%	0.8%	1.2%	1.7%
Active contract customers as a % of the total contract registered customer base	97%	94%	100%	100%	99%	81%	97%
Active customers as a % of the total registered customer base	82%	80%	95%	98%	85%	56%	82%
6 months data usage per active customer (Gigabyte)							8.8

Telecommunications – HTHKH & HAT

HTHKH

3% of Group Revenue, 3% of Group EBITDA & 2% of Group EBIT

	1H 2014 HK$ millions	1H 2013 HK$ millions	Change
Total Revenue	6,227	6,149	+1%
EBITDA	1,230	1,509	-18%
EBIT	538	834	-35%

- HTHKH had a combined active mobile customer base maintained at approximately 3.6 million in Hong Kong and Macau.
- The shortfall in HTHKH's EBITDA and EBIT against the same period last year was primarily due to the weaker performance of the mobile business, resulting from lower demand for new handset models and consumers being increasingly price sensitive.
- The fixed line business in 1H 2014 continued to perform well and reported 7% and 19% growth in EBITDA and EBIT to HK$597 million and HK$247 million respectively.

HAT

2% of Group Revenue, 1% of Group EBITDA & -0.2% of Group EBIT

	1H 2014 HK$ millions	1H 2013 HK$ millions	Change
Total Revenue	3,506	2,981	+18%
EBITDA / (LBITDA)	502	(59)	+951%
LBIT	(76)	(697)	+89%

- HAT had an active customer base of approximately 46.5 million with operations in Indonesia, Vietnam and Sri Lanka.
- EBITDA turnaround from an LBITDA of HK$59 million in 1H 2013 to an EBITDA of HK$502 million in 1H 2014, driven by revenue growth in Indonesia and Vietnam.
- Indonesia active customer base increased by 34% from the same period last year to over 34.8 million customers with strong revenue growth of 16% compared to 1H 2013. Monthly revenue has increased to approximately US$57.9 million in June 2014 representing a 26% increase in monthly revenue in local currency compared to June 2013. The operation achieved positive EBITDA operationally in both 2H 2013 and 1H 2014.
- HAT will continue to grow its customer base, particularly in Indonesia, where a major network rollout was completed in the third quarter of 2013 and the 3G footprint is now extended to 150 cities covering 86% of the population (1H 2013: 124 cities with 75% population coverage).

Telecommunications – HTAL , Share of VHA

	1H 2014 A$ millions	1H 2013 A$ millions	Change
Announced Total Revenue	863	872	-1%
Announced EBIT / (LBIT)	6	(34)	+118%
Announced Loss Attributable to Shareholders	(79)	(96)	+17%

- HTAL owns 50% of VHA and announced a A$79 million loss attributable to shareholders in 1H 2014, a 17% improvement as compared to the same period last year.

- VHA's customer base declined by 3% in 1H 2014 to over 5.2 million (including MVNOs), mainly in the prepaid and MVNO sectors due to stiff competition from alternative providers. However, the postpaid customer base stabilised with steady growth in high value customers.

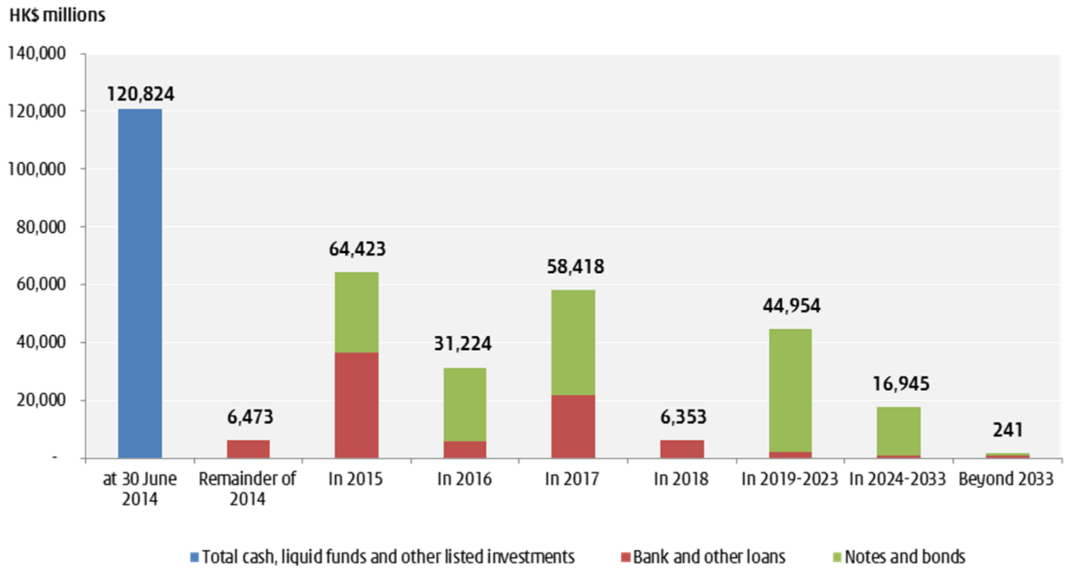
- In 1H 2014, VHA added on average more than 100 new 4G sites each month and this is expected to increase to 300 new sites a month later in 2014. The VHA network covered 96% of the Australian population at the end of June and continues to expand.

- VHA's operating losses continue to be included as a P&L charge under "Others" of the Group's profits on disposal of investments and others line as VHA continues with its shareholder sponsored restructuring under the leadership of Vodafone under the applicable terms of our shareholders' agreement since 2H 2012.

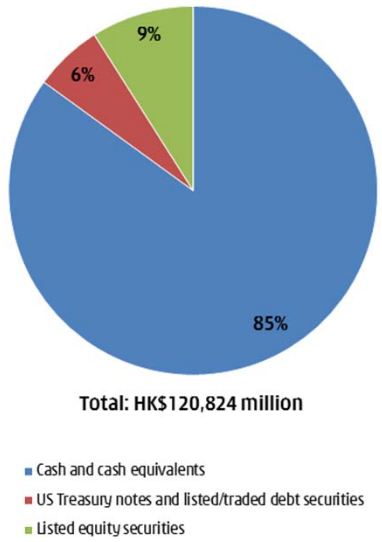
Financial profile

Net Debt Ratio remaining below 25% with healthy liquidity

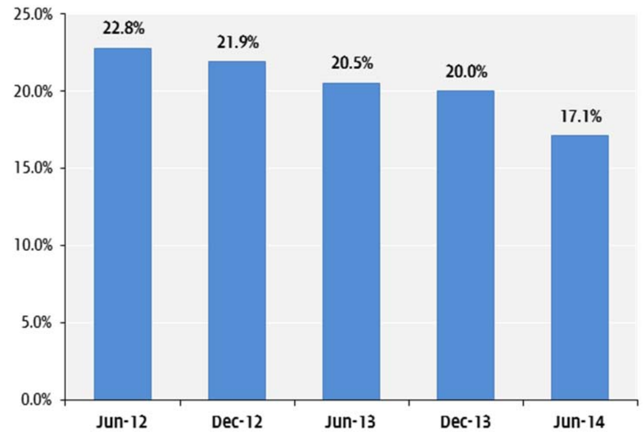
Debt Maturity Profile at 30 June 2014



Liquid Assets by Type at 30 June 2014



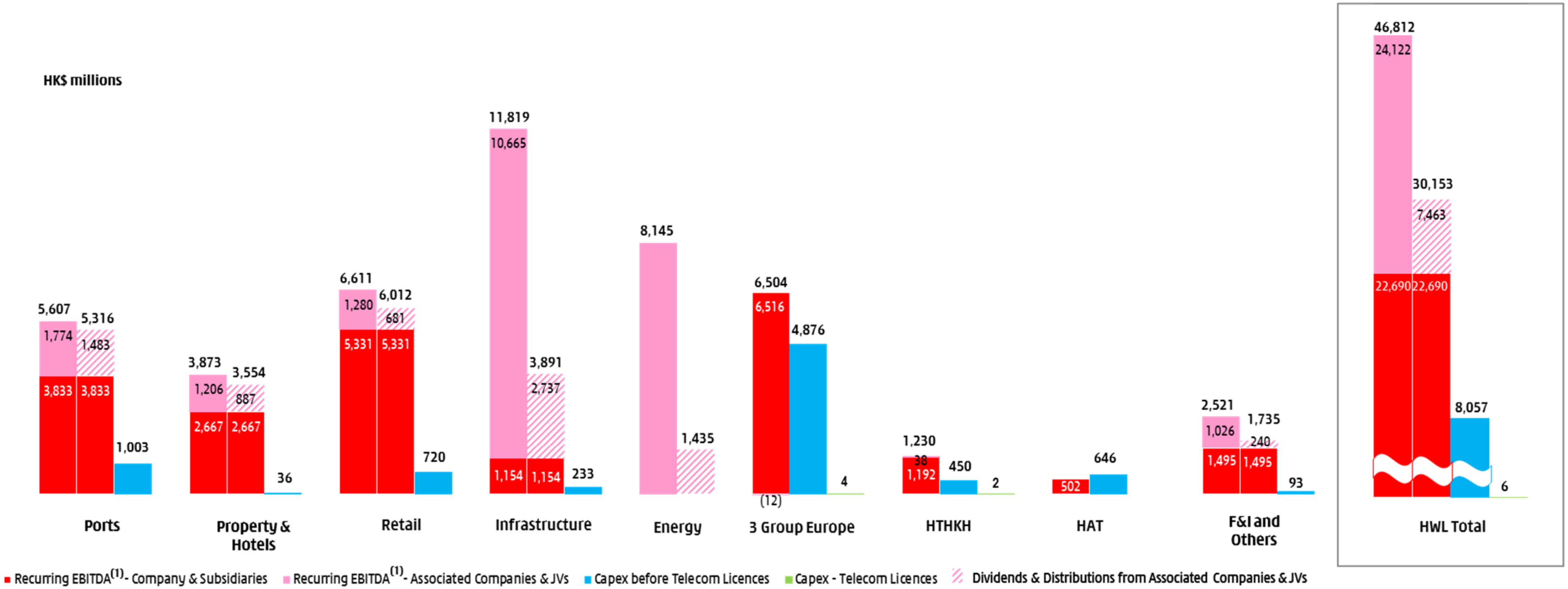
Net Debt to Net Total Capital Ratio



Financial profile

1H 2014 EBITDA, Dividends and Distributions from Associated Companies and JVs less Capex of Company & Subsidiaries

by division



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

2014 Interim Results

- Reported revenue grew 3% and recurring earnings up 13% from the same period last year.
- Declared an interim dividend of HK$0.66 per share, a 10% increase.
- Paid a special dividend of HK$7.00 per share, amounting to approximately HK$30 billion, in May 2014 after the Temasek's acquisition of 24.95% equity interest in A.S. Watson Holdings for approximately HK$44 billion.
- Healthy cash generation with 4% reported EBITDA growth to HK$46.8 billion and a 7% increase in funds from operations to HK$24.8 billion for 1H 2014.
- Net Debt ratio reduced to 17.1% at 30 June 2014.