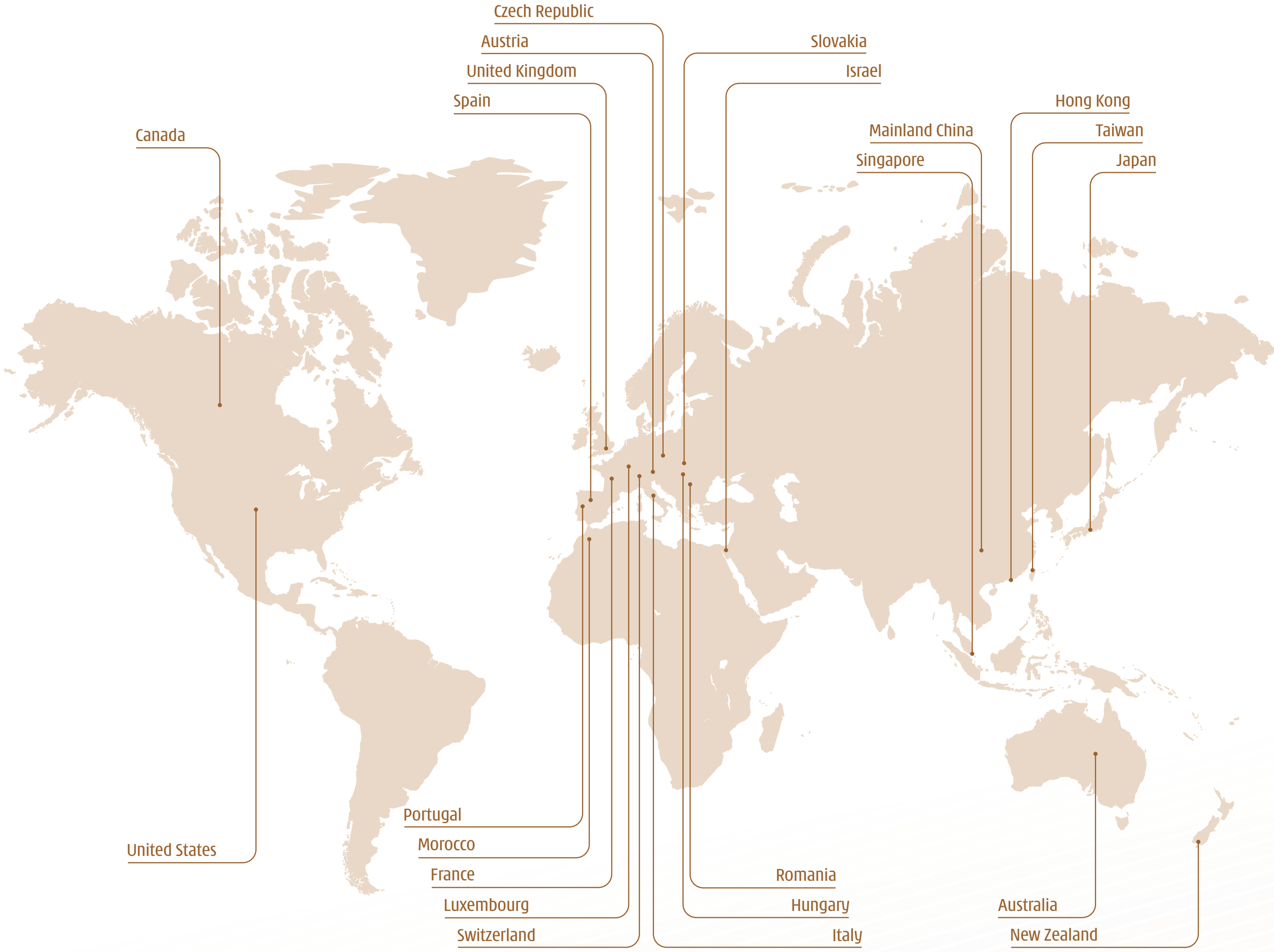
Guangzhou Aircraft Maintenance Engineering Co completes China's first A380 six-year check, with over 140 engineers servicing on the aircraft at the peak.

Finance & Investments
and Others



The finance & investments and others segment includes returns earned on the Group's holdings of cash and liquid investments, Hutchison Whampoa (China) Limited ("HWCL"), listed associate TOM Group ("TOM"), Hutchison Water [1], the Marionnaud businesses, listed associate CK Life Sciences Group ("CKLS") and listed subsidiary, HTAL, which has a 50% interest in VHA.

	2017 HK$ million	2016 HK$ million	Change
Total Revenue	**34,097**	32,211	+6%
EBITDA	**5,736**	4,058	+41%
EBIT	**3,632**	1,879	+93%

Finance and Investments

Finance and investments mainly represents returns earned on the Group's holdings of cash and liquid investments, which totalled HK$168,283 million at 31 December 2017. Further information on the Group's treasury function can be found in the "Group Capital Resources and Liquidity" section of the 2017 Annual Report. The EBITDA and EBIT contribution of this segment included a disposal gain relating to a manufacturing plant in the Mainland.

Note 1: Subsequent to December 2017, the Group's investment in the Hutchison Water Group was deconsolidated and is currently an unlisted investment.

Other Operations

Hutchison Whampoa (China) Limited

HWCL operates various manufacturing, service and distribution joint ventures in the Mainland and Hong Kong, and also has an investment in Hutchison China MediTech Limited ("Chi-Med"), a 60.4% owned subsidiary that is dual-listed on the AIM market of the London Stock Exchange in the UK and the Nasdaq Global Select Market ("Nasdaq") in the U.S.. A secondary offering of Chi-Med's shares on Nasdaq was completed in October 2017 and raised gross proceeds of approximately US$300 million. Chi-Med is an innovative biopharmaceutical company which researches, develops, manufactures and sells pharmaceuticals and healthcare products. HWCL has completed the return of a manufacturing plant in the Mainland in December 2017 and recognised an after-tax disposal gain of approximately HK$1.5 billion.

In March 2018, HWCL completed the acquisition of 21.2% interest in Gama Aviation Plc, a global business aviation services provider listed on the AIM Market of the London Stock Exchange in the UK, for a total consideration of £33.0 million and simultaneously completed the disposal of its entire 20% interest in China Aircraft Services Limited and 50% interest in Gama Aviation Hutchison Holdings Limited to a subsidiary of Gama Aviation Plc for an aggregated consideration of £14.2 million.

TOM Group

TOM, a 36.73% associate, is a media and technology company listed on SEHK. In addition to its media businesses in publishing and advertising, TOM also has a technology platform with operations principally in e-commerce as well as investments in fintech and big data analytics sectors.

Marionnaud

Marionnaud currently operates approximately 1,000 stores in 11 European markets, providing luxury perfumery and cosmetic products.

CK Life Sciences Group

The Group has an approximate 45.32% interest in CKLS, a company listed on SEHK. CKLS is engaged in the business of research and development, manufacturing, commercialisation, marketing, sale of, and investment in, products and assets which are nutraceuticals, pharmaceuticals and agriculture-related.

HTAL, share of VHA

HTAL, an 87.87% owned subsidiary listed on the Australian Securities Exchange, has 50% interest of VHA, a mobile telecommunication joint venture with Vodafone Group in Australia. VHA's active customer base increased 4% to approximately 5.8 million (including MVNOs) at 31 December 2017. VHA's EBITDA increased 6.5% to A$971.8 million for the year and its loss attributable to shareholders was reduced from A$241.8 million in 2016 to A$177.8 million in 2017.

Interest Expense, Finance Costs and Tax

The Group's consolidated interest expenses and other finance costs for the year, including its share of associated companies' and joint ventures' interest expenses, amortisation of finance costs and after deducting interest capitalised on assets under development, amounted to HK$18,024 million, an increase of 36% when compared to last year mainly due to higher financing costs from the Group's share of interest expense and one-time major refinancing costs in the Wind Tre joint venture, as well as interest expense associated with the new acquisitions in the Infrastructure division. The Group's weighted average cost of debt for 2017 was 2.3%.

The Group recorded current and deferred tax charges totalling HK$6,055 million for the year, a decrease of 24% mainly due to the share of tax benefits recognised in Husky Energy following the corporate tax rate reduction in the U.S., as well as certain deferred tax benefits upon favourable settlement of prior year tax disputes.

Summary

The Group has continued to deliver good growth in earnings in 2017 through efficient and effective operational activities and well-executed strategic initiatives, while maintaining a healthy level of liquidity and a strong balance sheet.

The Group remains committed to maintain a stable earnings growth through our diversified core businesses and prudent financial strategy. Cautious and selective expansion and stringent capital expenditure and cost controls will continue across all of our businesses. Barring adverse external developments in the sectors and geographies in which we operate, I have full confidence that these objectives will be achieved in 2018.

Fok Kin Ning, Canning
Group Co-Managing Director

Hong Kong, 16 March 2018