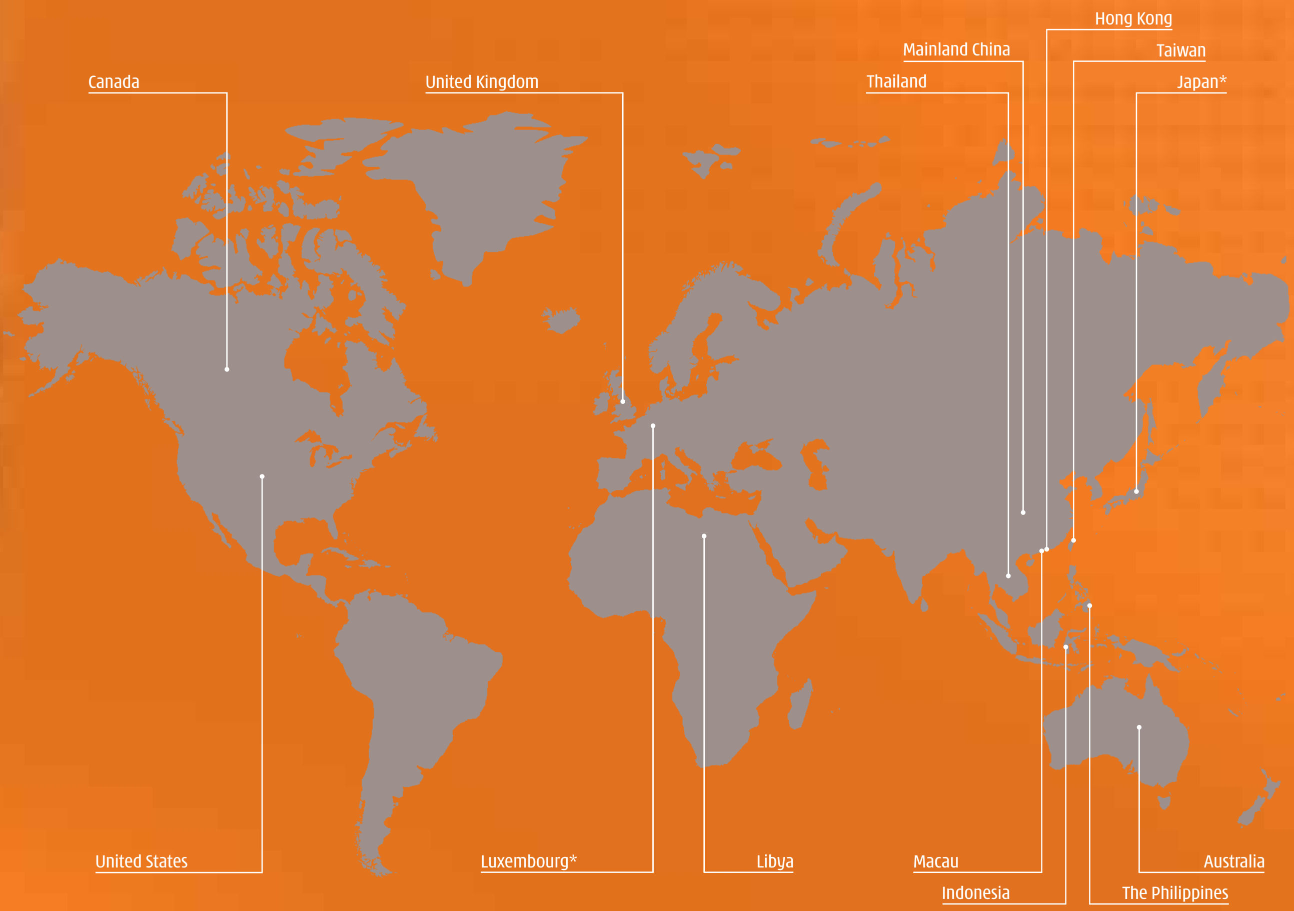
Energy, Infrastructure, Finance & Investments and Others

The energy, infrastructure, finance & investments and others division includes the Group's 84.58% interest in CKI, a leading investor in the infrastructure sectors in Hong Kong, the Mainland, Australia, the UK and Canada, and the Group's 34.59% interest in Husky, one of Canada's largest integrated energy and energy-related companies. Also reported in this division are the results from the finance & investments treasury operations and certain other businesses.

vision + synergy



* Finance & Investments and others

Total combined revenue for the energy, infrastructure, finance & investments and others division for 2007 totalled HK$70,638 million, a 23% increase mainly due to the increase in the Group's share of revenue from Husky and higher revenue from both CKI and the Group's finance & investments operations. EBIT totalled HK$31,727 million, a 49% increase, mainly due to improved results from both Husky and CKI as well as higher profits from the Group's treasury function.

	2007 HK$ millions	2006 HK$ millions	**Change**
Total Revenue	**70,638**	57,417	**+23%**
EBIT	**31,727**	21,361	**+49%**

• The Lamma Power Station extension of Hongkong Electric uses natural gas as the primary fuel, which is more environmentally friendly.

Cheung Kong Infrastructure

CKI is one of the largest publicly listed infrastructure companies in Hong Kong with diversified investments in energy infrastructure, transportation infrastructure, water infrastructure and infrastructure related business. Operating in Hong Kong, the Mainland, Australia, the UK and Canada, it is a leading player in the global infrastructure arena.

CKI announced turnover, including its share of jointly controlled entities' turnover, of HK$5,889 million, 23% above last year and profit attributable to shareholders of HK$4,772 million, an increase of 30% compared to the HK$3,670 million reported last year. Included in CKI's current year's result is a one-time gain of HK$815 million arising from the disposal of its interest in the Guangzhou East-South-West Ring Road, which after considering the Group's asset valuation consolidation adjustments amounted to a loss of HK$890 million in the Group's consolidated results. CKI's results also included a full provision of HK$623 million for the carrying value of the remaining 19% interest in Lane Cove Tunnel in Australia. CKI, after adjusting for the Group's asset valuation consolidation adjustments, contributed 7% and 13% to the Group's total revenue and EBIT from its established businesses respectively.

CKI holds a 38.87% interest in HEH, which is the largest contributor to CKI's results. HEH, which is also listed on the Stock Exchange of Hong Kong, is the sole provider of electricity to Hong Kong Island and Lamma Island through its wholly-owned subsidiary, The Hongkong Electric Co., Ltd. ("HEC"). HEH announced a profit attributable to shareholders for 2007 of HK$7,448 million, an increase of 9% compared to the HK$6,842 million reported for 2006.

HEC's emission reduction programme at its Lamma Power Station progressed well during 2007. Civil construction work commenced for the flue gas desulphurization ("FGD") plant and low nitrogen oxide system retrofit works for the coal fired units 4 and 5. By the end of 2010, it is expected that over 95% of electricity generated at the Lamma Power Station will be generated by gas and by coal fired units fitted with FGD's and low nitrogen oxide burners resulting in lower emission levels. Internationally, HEH will continue to look for investment opportunities.

CKI's other businesses have all performed well in 2007. Zhuhai Power Plant continued to be a strong performer in the Mainland and in October, CKI signed an agreement to invest in two new power plant units. Northern Gas Networks in the UK, which was acquired in June 2005, continued to provide solid results. In addition, CKI's investments in ESTA Utilities and CHEDHA Holdings in Australia continued to deliver good operating results.

CKI acquired and subsequently privatised TransAlta Power, which was previously listed on the Toronto Stock Exchange, for a total cost of C$630 million (HK$4,850 million). TransAlta Power has interests in six Canadian power plants with a total generating capacity of 1,362 megawatts. CKI subsequently divested 50% of its interest to HEH in December. The acquisition represents a springboard for CKI into the Canadian electricity market and provides an immediate cashflow stream and profit contribution to the Group in 2008.

CKI's portfolio of investments in the UK was extended with the acquisition of a stake in Southern Water Group ("Southern Water") in the fourth quarter of 2007. Southern Water is a regulated water and sewage company in the UK, with an enterprise value of approximately £4.2 billion (HK$66 billion). The 4.75% stake in Southern Water provides immediate earnings accretion and good returns. CKI continues to apply financial discipline as it explores investment opportunities around the world to facilitate future earnings growth.

Powercor Australia is Victoria's largest electricity distributor, supplying electricity to regional and rural centres in central and western Victoria, and Melbourne's outer western suburbs.

"CKI announced turnover of HK$5,889 million, 23% above last year."

The SeaRose FPSO (floating production, storage and offloading) vessel produces oil from the White Rose field offshore the Canadian province of Newfoundland and Labrador.

Husky Energy

The Group has a 34.59% interest in Husky, a listed Canadian-based integrated energy and energy-related company. Husky announced total revenue in 2007 of C$15,518 million, 23% above last year and net earnings of C$3,214 million, 18% above last year, mainly reflecting higher crude oil prices and increased production volumes. Cashflow from operations in 2007 was C$5,426 million, a 21% increase from last year. Quarterly dividend payments were increased to C$0.33 per share, commencing in the third quarter of 2007, giving a total dividend of C$1.33 per share in 2007, providing strong cash returns of HK$2,651 million to the Group. Husky contributed 16% and 19% to the Group's total revenue and EBIT from its established businesses respectively.

In 2007, Husky's gross production volume averaged approximately 377,000 BOEs per day compared to 360,000 BOEs per day during 2006, a 5% increase. The performance of the East Coast White Rose oil field continued to exceed expectation. Regulatory and government approval was received in 2007 to increase production at the field to 50 million barrels annually, with a maximum daily rate of 140,000 BOEs per day. In addition, Husky is evaluating the results for the West White Rose area and at North Amethyst is awaiting approvals for its development plan. At the end of 2007, Husky's total proved plus probable oil and gas reserves amounted to 3,218 million barrels of oil equivalent, a 32% increase. The additions to proved plus probable reserves of crude oil were primarily from the Sunrise oil sands project. The natural gas additions to proved plus probable reserves in 2007 were mainly due to natural gas properties in the foothills and deep basin areas of Western Canada as well as the recognition of additional natural gas reserves at the Madura BD field in the Madura Strait of Indonesia.

The acquisition of a refinery in Lima, Ohio, USA was completed and will provide a throughput capacity of 160,000 barrels per day of crude oil feedstock. The debottleneck project of the heavy oil upgrading facility at Lloydminster, Saskatchewan in Canada has also been completed and increased the daily throughput to 82,000 BOEs per day.

Husky continued to develop its oil sands and other projects during the year. The Tucker oil sands project, located 30 kilometres northwest of Cold Lake, Alberta, completed at the end of 2006 has not yet reached optimal production. Optimisation strategies are continuing on the original 32 well pairs, and additional well pairs are planned. In December, an agreement was executed to purchase 110,000 contiguous acres of oil sands leases at McMullen, located in the west central Athabasca oil sands deposit. Husky has a 100% working interest in these oil sands leases which lies adjacent to oil sands leases currently held by Husky.

Husky's joint venture with Esso Exploration Greenland Limited were awarded an exploration licence in West Disko Block 6, covering an area of 13,213 square kilometres and located approximately 30 kilometres offshore of the west coast of Disko Island, Greenland. This exploration licence area borders on Husky's 87.5% interest in Blocks 5 and 7, covering an area of 21,067 square kilometres.

The new ethanol production facility in Minnedosa, Manitoba with annual capacity of 130 million litres of ethanol replaces the existing plant which produced 10 million litres of ethanol per year. In December, Husky announced a 50:50 joint venture agreement with BP to create an integrated oil sands joint venture business. Under the terms of the agreement, Husky will contribute its Sunrise assets located in the Athabasca oil sands in northeast Alberta, Canada and BP will contribute its Toledo refinery located in Ohio, USA. The transaction, which is subject to the execution of final agreement and regulatory approval, is expected to close shortly.

Internationally, Husky continued with its exploration and development programme in the South China Sea with the acquisition of 2,600 square kilometres of 3-D seismic data and plans to evaluate exploration leads for future drilling locations. Husky further expanded its offshore businesses with the completion of the gas sales agreements with three separate Indonesian companies for the sale of future natural gas production from the Madura BD Field, offshore of Indonesia.

"Husky announced total revenue of C$15,518 million, 23% above last year."

Finance & Investments and Others

Finance & investments and others mainly represents returns earned on the Group's substantial holdings of cash and liquid investments, which totalled HK$180,499 million at 31 December 2007. The Group's share of the results of Hutchison Whampoa (China), listed subsidiary Hutchison China MediTech, listed subsidiary Hutchison Harbour Ring and listed associate TOM Group are also reported under this division. These operations reported combined EBIT of HK$13,851 million, an overall 100% increase, primarily due to profits on disposal of certain equity investments of HK$9,754 million in 2007. This division contributed 25% to the Group's EBIT from its established businesses. Further information on the treasury function of this division can be found in the "Group Capital Resources and Liquidity" section of the annual report.

Hutchison Whampoa (China)

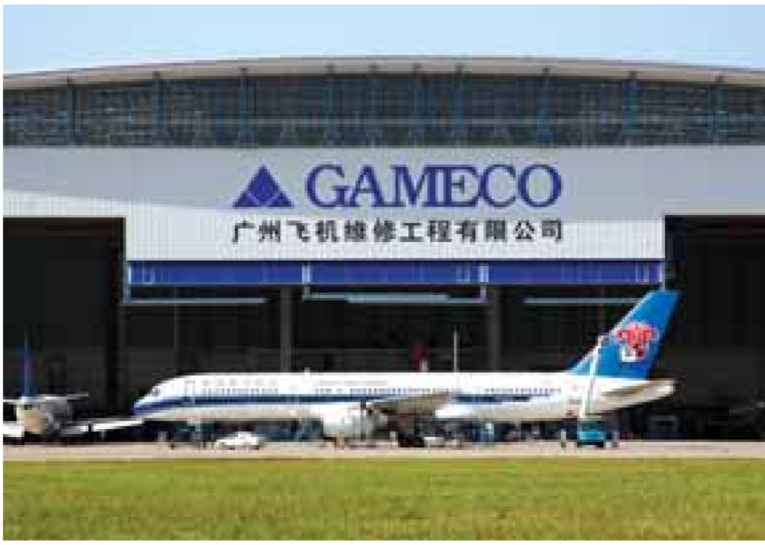
Hutchison Whampoa (China) operates various manufacturing, service and distribution joint ventures in the Mainland, Hong Kong and the UK and also has investments in a number of healthcare projects.

Hutchison Harbour Ring

Hutchison Harbour Ring ("HHR"), a 71.51% owned subsidiary listed on the Stock Exchange of Hong Kong, is a supplier and manufacturer of consumer electronic products, a toy manufacturer, and a licensing and sourcing service provider. The company also holds investment properties in the Mainland. HHR announced revenue of HK$2,710 million, an increase of 5% as compared to last year, and profit attributable to shareholders of HK$312 million, an increase of 522%, mainly due to the improved results from its technology and property divisions and a release of deferred tax liabilities reflecting the announced reduction of the Mainland's corporate income tax rate with effect from 2008.

TOM Group

TOM Group ("TOM"), a 24.5% associate, is listed on the Stock Exchange of Hong Kong and its businesses include internet, publishing, outdoor media, and television and entertainment. TOM announced turnover of HK$2,683 million, compared to HK$2,799 million last year, and a loss attributable to shareholders of HK$297 million, compared to a profit of HK$32 million last year. The privatisation plan of TOM Online Inc, a principal subsidiary of TOM, became effective on 31 August 2007 resulting in the withdrawal of its listing on the Growth Enterprise Market in Hong Kong and the NASDAQ in the USA in September.



• Guangzhou Aircraft Maintenance Engineering Company Limited ("GAMECO") is an aircraft and airborne component maintenance joint venture company formed by China Southern Airlines Company Limited and Hutchison Whampoa (China) Limited.