UNAUDITED INTERIM RESULTS FOR SIX MONTHS ENDED 30 JUNE 2003

- Profit attributable to shareholders, excluding exceptional gains and 3G start-up losses, increased 47%
- Earnings before interest expense and taxation ("EBIT") of HK$11,311 million was in line with last year
- All divisions reported EBIT growth except the telecommunications division
- Successfully started 3G businesses and currently 3G subscribers are approximately 520,000 worldwide
- Cash and liquid investments totalled HK$165,110 million
- Net debt to net capital ratio of 18%

HALF YEAR RESULTS

The Group's unaudited profit attributable to shareholders for the half year amounted to HK$6,067 million, a 2% increase compared to the same period last year. Earnings per share amounted to HK$1.42, an increase of 2%. These results include a net profit on disposal of investments and provisions of HK$1,922 million representing a profit of HK$1,683 million on the disposal of the Group's European water businesses and a profit of HK$1,443 million from the disposal of holdings in Vodafone Group and Deutsche Telekom, a release of provisions made in previous years of HK$1,907 million, and a full write-off of the Group's HK$3,111 million investment in Global Crossing. Excluding exceptional items and the 3G start-up losses in both years, profit attributable to shareholders increased 47%, reflecting healthy continuous growth in the Group's recurring operations.

DIVIDEND

Your Directors have today declared an interim dividend of HK$0.51 per share (2002 - HK$0.51), payable on 10 October 2003 to those persons registered as shareholders on 9 October 2003. The share register of members will be closed from 2 October 2003 to 9 October 2003, both days inclusive.

OPERATIONS

The Group's turnover and EBIT, including the Group's share of associated companies' and jointly controlled entities' turnover and EBIT, are shown by business segment in Note 2 to the consolidated profit and loss account. Turnover for the period totalled HK$65,879 million, an increase of 41% over last year, mainly due to additional turnover contributed by the Kruidvat Group (which was acquired in October 2002), higher production and commodity prices of Husky Energy, increased throughput in the ports and related services division and sales of development properties. Total EBIT for the period was in line with last year and all of the Group's divisions reported EBIT ahead of last year, except the telecommunications division, mainly due to the start-up 3G businesses and no dividends being received from Deutsche Telekom.

The Group's interest expense for the period, including its share of associated companies and jointly controlled entities' interest expense and net of the finance and investment division's contribution, amounted to HK$1,210 million compared to a net interest expense of HK$1,804 million in the same period last year. The Group's net debt to net capital ratio at 30 June was 18%.

The Group adopted retrospectively, the revised Statement of Standard Accounting Practice 12, "Income Taxes" issued by the Hong Kong Society of Accountants, which became effective on 1 January 2003. As a result, the Group's taxation charge decreased by 16% to HK$808 million compared to the restated prior half year's taxation charge, due to the recognition of net deferred taxation assets of HK$428 million mainly relating to the expected future tax benefits of the current period's 3G start-up losses.

PORTS AND RELATED SERVICES

The ports and related services division reported strong growth in turnover to HK$10,933 million, a 17% increase over the first six months of last year. The combined throughput of the division increased 19% to 19.5 million TEUs (twenty foot equivalent units) and EBIT increased a healthy 14% to HK$3,519 million.

The first half results for the division's major operations were as follows:

- In Hong Kong, Hongkong International Terminals reported throughput in line with last year and EBIT declined 5%.
- The Yantian port operations reported throughput growth of 30% and EBIT growth of 38%.
- In Europe, the combined throughput of the UK ports and European Container Terminal in Rotterdam was in line with last year, although EBIT declined 16%, mainly due to upfront costs incurred in the UK, targeting to improve productivity in the near term.
- In Mexico, Internacional de Contenedores Asociados de Veracruz reported a growth of 16% in throughput and 42% in EBIT.
- In the Shanghai catchment area, combined throughput increased 68% and EBIT was ahead of last year by 39% due to throughput growth at Shanghai Container Terminals and the addition of Shanghai Pudong International Container Terminals at Waigaoqiao, which was acquired by the Group in March this year.
- In Indonesia, Jakarta International Container Terminal's and the adjacent Koja Terminal's combined throughput decreased by 5% and EBIT decreased 10% compared to last year, mainly due to the challenging political and economic environment.

The Group's other ports, when taken as a whole, performed satisfactorily. This division continues to expand the capacity of its existing operations to meet the growing demand for container port services and to maintain earnings growth. In July this year, the first berth at Container Terminal 9 in Kwai Chung started operation. The construction of Phase IIIA of

Yantian port in the Mainland is on schedule to add two berths at the end of this year and two more in 2004. The construction of Phase II of Kwangyang port in South Korea is progressing well. Three berths of this seven-berth phase have been completed and the full facility is on schedule for completion in 2004. In addition, in July this year, the Group acquired a 51% interest in a joint venture company which holds a concession to operate an existing one-berth terminal and to develop an 85-hectare deepwater, green field site in the Port of Lazaro Cardenas on the Pacific Coast of Mexico.

TELECOMMUNICATIONS

The Group's 2G and related operations reported turnover of HK$7,055 million and EBIT of HK$182 million. EBIT was lower than the HK$794 million reported in the first half last year. Last year's result included a HK$758 million dividend from Deutsche Telekom, which paid no dividends this year. Excluding this dividend, turnover in the Group's 2G and related operations increased 25% and EBIT increased 406%. The Group currently has over 7.1 million 2G subscribers, an increase of 16% from the beginning of the year.

In Hong Kong, the Group maintained its position as the largest mobile operator with approximately 1.7 million subscribers and an approximate 26% market share. This 2G operation has continued to reduce costs and increase efficiencies, which combined with average revenue per user in line with last year's, resulted in EBIT 154% ahead of last year's comparable results. Although affected by a one-time HK$225 million write-off of international bandwidth capacity as a result of Asia Global Crossing's Chapter 11 bankruptcy process, Hutchison Global Communications, which operates a terrestrial fibre optic network in Hong Kong, reported continued customer growth for its broadband, data and voice services. Excluding this one-time charge, EBIT increased 236%. In India, the Group's 2G operations reported EBIT 7% below last year mainly due to start-up losses in Karnataka, Andhra Pradesh and the city of Chennai, each of which commenced GSM network services in June last year. Excluding these start-up losses, EBIT from India's established operations grew 33%. The Group continues to penetrate this rapidly growing mobile telecommunications market and currently has a combined subscriber base of approximately 2.9 million, a 30% increase from the beginning of the year. In Israel, listed Partner Communications announced a net profit attributable to shareholders of US$44 million which represented a very significant improvement over last year's minimal profit. At 30 June, Partner Communications had over 1.9 million subscribers and an approximate 29% of the market share. In Australia, Orange Mobile subscribers increased 6% from the beginning of the year and at 30 June, subscribers exceeded 278,000. The Orange Mobile operations reported a second consecutive half year positive earnings before interest expense, taxation, depreciation and amortisation ("EBITDA") result of A$12 million, a significant improvement over the comparable loss of A$16 million incurred in the first half last year.

During the period, the 3G operations in the UK, Italy and Australia commenced commercial operations. The combined 3G start-up operations reported total turnover of HK$245 million and a loss before interest expense and taxation ("LBIT") of HK$3,895 million. The current summer promotional offerings in the UK, Italy, and Australia have been very well received, resulting in current subscribers of approximately 155,000 in the UK, 300,000 in Italy and 50,000 in Australia, which combined with subscribers in Sweden and Austria total approximately 520,000 worldwide. The Group is working with its handset suppliers to ensure an adequate supply of handsets to meet expected strong consumer demand in the fall and Christmas period. In the UK, the continuing roll-out of network coverage is progressing very well and the over 4,300 cell sites now in operation cover over 70% of the UK population and all major cities in the country. In Italy, network rollout progress is also satisfactory and the over 3,200 cell sites on air cover over 50% of the population and 70 of the top 100 cities in the country. In Australia, network coverage extends to the five largest cities with over 1,500 cell sites on air. The Group's 3G operations in Sweden and Austria have started business with a soft launch and are continuing to roll out their networks in readiness for a fall and Christmas promotion campaign. Currently, Sweden's network covers most major cities with over 950 cell sites on air. Full coverage is targeted when the joint venture network is completed. In Austria, the network covers approximately 30% of the population including major cities like Vienna, Graz and Linz. In Denmark, network rollout covering major centres is being completed and business is targeted to commence in the fourth quarter. In Hong Kong, the construction of the 3G network has been completed and 3G services are scheduled to be launched after the summer period with a network of over 1,000 cell sites providing full coverage.

PROPERTY AND HOTELS

The property and hotels division turnover totalled HK$3,303 million, a 39% increase over last year, mainly due to the completion and sale of more development projects during this period. EBIT of HK$1,061 million was 8% above last year, mainly due to increased profit from the sale of development projects which offset the adverse effect of the SARS outbreak on the hotel businesses in Hong Kong and the Mainland. The Group's rental properties in Hong Kong continue to provide strong recurrent income to the Group. Gross rental income, including the Group's share of associated companies' income amounted to HK$1,137 million, 5% below last year, mainly due to lower rental rates in office buildings as leases were renewed. The rental properties portfolio is 96% let. Development profit was primarily from the completion and sale of residential units in Phase II and III of Le Parc in Shenzhen, The Summit in Shanghai and the Victoria Towers in Hong Kong. The ongoing development projects in Hong Kong, the Mainland and overseas in London and Singapore are progressing satisfactorily. The hotel operations were significantly adversely affected by reduced travel activity as a result of the SARS outbreak. Recent trends indicate that the hotel business in Hong Kong is starting to recover.

RETAIL AND MANUFACTURING

Turnover for the retail and manufacturing division totalled HK$29,352 million, a 79% increase, mainly due to the turnover contributed from the Kruidvat Group acquired in October last year, and from existing health and beauty operations in Asia and the UK. EBIT of HK$599 million was 94% ahead of last year, mainly due to additional profits contributed by the Kruidvat Group and improved results from the Group's joint venture with Procter & Gamble in the Mainland.

The retail markets in Hong Kong, Taiwan, the Mainland and other Asian countries were adversely affected by the outbreak of SARS. Despite these conditions, PARKnSHOP's combined Hong Kong and China operations reported sales in line with last year and improved EBIT as a result of strict cost management and savings initiatives. The health and beauty businesses of this division, which comprise Watsons Your Personal Store in Hong Kong and other parts of Asia, Savers and Superdrug in the UK and the Kruidvat Group in Continental Europe, reported combined sales 259% and EBIT 210% above last year, mainly due to the accretive earnings from the Kruidvat businesses in the UK and Continental Europe, as well as improved results from Savers in the UK, Watsons China and Watsons Taiwan.

Hutchison Harbour Ring, a listed subsidiary, announced turnover, including its share of associated companies' turnover, of HK$796 million and net profit attributable to shareholders of HK$33 million for the first half of this year, an increase of 21% and 40% respectively.

CHEUNG KONG INFRASTRUCTURE

Cheung Kong Infrastructure, a listed subsidiary, announced turnover of HK$1,639 million and profit attributable to shareholders of HK$1,403 million, 3% below last year's profit.

HUSKY ENERGY

Husky Energy, a listed associated company, announced turnover of C$3,987 million and profit attributable to shareholders of C$833 million, 114% above the comparable period last year. Considering this strong result and the outlook for healthy cash flow, Husky Energy declared a special C$1 per share dividend. Together with the second quarter dividend of C$0.10 per share, the Group will receive cash dividends totalling C$161 million on 1 October.

OUTLOOK

The results of the first half of the year reflect challenging economic conditions with the outbreak of SARS in Hong Kong, the Mainland, and elsewhere in Asia, the Iraq war, poor consumer sentiment and a low interest rate environment. Despite these conditions, all of the Group's businesses performed soundly and benefited strongly from the investments in growth undertaken in prior years. The commencement of 3G services in the UK, Italy and Australia represents a significant milestone for the Group and I am pleased with the progress made to date. For the remainder of the year, the Group will continue to build up their businesses in these markets and will launch 3G services in its other markets. At the same time, the Group will continue to prudently develop and grow its existing core businesses while maintaining its healthy financial position.

The Group's cash and liquid investments amounted to HK$165,110 million at 30 June 2003, of which 7% represented remaining holdings in Vodafone Group and Deutsche Telekom, and cashflow from the existing core businesses remained strong with EBITDA of HK$18,122 million in the first half of this year. The Group's consolidated total debt at 30 June 2003 was HK$226,593 million, and after deducting cash and liquid investments, the Group's net debt position was HK$61,483 million, resulting in a conservative overall net debt to net capital ratio of approximately 18%. The Group will continue to benefit from the steady cashflow and low borrowing levels of its existing core businesses which provide a solid financial base and assure all funding requirements are met as the Group builds its 3G businesses.

Recently there have been preliminary signs of the beginning of an economic recovery and as the Mainland implements new policies that should bring immediate and long term benefits to Hong Kong, the economy should improve in the latter half of the year. However, there remains a risk of slow economic growth for the US and certain European countries and the remainder of the year may still be affected by attendant interest rate, currency and trade volatility. Despite these challenges, I am confident that all of our existing core businesses will continue to perform well and that overall the Group will continue to perform steadily. I am encouraged by the successful launch of our new 3G operations and am confident they will grow rapidly in the fall and Christmas period and create long term value for our shareholders. I would like to thank the Board of Directors and all the Group's employees around the world for their hard work, support and dedication.

Li Ka-shing
Chairman
Hong Kong, 21 August 2003

GROUP CAPITAL RESOURCES AND LIQUIDITY

The Group's total shareholders' funds increased 6% to HK$235,853 million at 30 June 2003 compared to HK$222,145 million at the end of last year (as restated Note 1).

Net debt of the Group at 30 June was HK$61,483 million (31 December - HK$50,229 million) and the net debt to net capital ratio was 18% (31 December - 16%). This ratio is a combination of the net debt to net capital ratio of the existing operations of approximately 14% and of the 3G start-up operations of approximately 24% (31 December - 13% and 21%). The Group will continue to benefit from the steady cashflow and also the low net debt levels of its existing core businesses during the start-up phase of its 3G businesses. EBITDA amounted to HK$18,122 million (2002 - HK$14,786 million) and funds from operations ("FFO"), before capital expenditure and changes in working capital, amounted to HK$9,540 million (2002 - HK$10,421 million). EBITDA and FFO, after adjusting for interest income, covered net interest expense 6.2 and 2.8 times respectively (2002 full year - 13.6 times and 7.8 times).

At 30 June 2003, the Group's cash, portfolio of managed debt security funds and other liquid investments totalled HK$165,110 million (31 December - HK$130,267 million) of which 6% were denominated in HK dollars, 69% in US dollars, 10% in Pounds Sterling, 12% in Euros and 3% in other currencies.

The Group's total borrowings at 30 June 2003 were HK$226,593 million (31 December - HK$180,496 million) of which HK$45,135 million (31 December - HK$26,110 million) relates to the mainly non or limited recourse borrowings of the 3G UK and Italy operations. During the period and in addition to those disclosed in the 2002 Annual Report, the Group completed the following significant financing activities:

- In March and May 2003, issued two ten year fixed interest rate notes of US$1,000 million each, which will be used to repay a portion of the exchangeable notes due in September 2003 and early 2004.

Total borrowings include US$3,000 million principal amount of 2.875% exchangeable notes due in September 2003, which are exchangeable on the basis of US$1,000 principal amount for 196.61 ordinary shares of Vodafone Group at an exchange price of US$5.086 per share and, US$2,657 million principal amount of 2.00% exchangeable notes due in January 2004, which are exchangeable on the basis of US$1,000 principal amount for 214.51 ordinary shares at an exchange price of US$4.6618 per share.

Subsequent to 30 June 2003, significant financing activities were as follows:

- In July, issued ten year fixed interest rate, €1,000 million notes which will be used to repay a portion of the exchangeable notes due in September 2003 and early 2004.

- In July, borrowed a five year floating interest rate, HK$3,800 million bank loan to refinance, a floating interest rate, HK$4,400 million syndicated bank loan.

The Group's borrowings at 30 June, 2003 are denominated and repayable as follows:

	HK$	US$	£	€	Others	Total
Within 1 year	2%	20%	-	-	1%	23%
In year 2	1%	-	9%	-	3%	13%
In year 3	5%	-	-	2%	1%	8%
In year 4	5%	-	1%	-	1%	7%
In year 5	2%	4%	-	3%	2%	11%
In years 6 to 10	3%	18%	1%	9%	-	31%
In years 11 to 20	-	2%	2%	-	-	4%
Beyond 20 years	-	2%	-	-	1%	3%
	18%	46%	13%	14%	9%	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.

At 30 June 2003, approximately 48% of the Group's borrowings bear interest at floating rates and the remaining 52% are at fixed rates. The Group has entered into various interest rate agreements with major financial institutions to swap approximately HK$54,492 million principal amount of fixed interest rate borrowings to effectively become floating interest rate borrowings. In addition, HK$5,499 million principal amount of an infrastructure related, floating interest rate borrowing was swapped to a fixed interest rate borrowing. After taking into consideration these interest rate swaps, as at 30 June 2003, approximately 69% of the Group's borrowings bear interest at floating rates and the remaining 31% are at fixed rates.

At 30 June 2003, shares of Hutchison 3G UK and Hutchison 3G Italy owned by the Group were pledged as security for their respective project financing facilities. The assets of these two companies totalled HK$151,162 million (31 December - HK$119,812 million). In addition, HK$14,570 million (31 December - HK$22,238 million) of the Group's assets were pledged as security for bank and other loans of the Group. Committed borrowing facilities available to Group companies, but not drawn at 30 June 2003, amounted to the equivalent of HK$44,870 million (31 December - HK$58,573 million), of which HK$41,256 million (31 December - HK$55,748 million) related to 3G operations.

As at 30 June, 2003 the Group had outstanding the following forward sales contracts with major credit worthy financial institutions, which mature later this year. The Group entered into forward sales contracts to dispose of an aggregate of approximately 579 million shares of Vodafone Group at an average price of £1.29 per share. In addition, options were granted for an additional approximately 262 million shares of Vodafone Group, which expire later this year. The Group also entered into forward sales contracts for an aggregate of approximately 56 million shares of Deutsche Telekom at an average price of €13.86 per share. In addition, options were granted for an additional approximately 54 million shares of Deutsche Telekom, which expire later this year. The Group has entered into forward currency sales contracts to sell for US dollars, all of the consideration to be received in Pounds Sterling and Euros from the disposals of shares of Vodafone Group and Deutsche Telekom respectively. The profit from these forward sales contracts, together with spot shares sales, total HK$1,443 million and have been recorded as profits on disposal of investments in the six month period ended 30 June, 2003.

The Group's capital expenditures, excluding expenditures for properties under development and for sale, totalled HK$18,741 million (31 December - HK$39,198 million), of which HK$13,768 million (31 December - HK$28,282 million) related to 3G operations. The majority of capital expenditures for the 3G operations were funded by mainly non or limited recourse project financing facilities. The Group's remaining capital expenditures were funded primarily from cash generated from operations, cash on hand and to the extent required, by borrowings.

TREASURY POLICIES

The Group's overall treasury and funding policies have remained the same as those described in the Annual Report for the year ended 31 December 2002. Except as disclosed in the Group Capital Resources and Liquidity section, in the six month period ended 30 June 2003 the Group has not entered into any material foreign exchange contracts, interest or currency swap or other financial derivatives.

CONTINGENT LIABILITIES

At 30 June 2003, the Group had provided guarantees for banking and other borrowing facilities granted to associated companies and jointly controlled entities of HK$12,033 million (31 December - HK$11,696 million). At 30 June 2003, the Group had contingent liabilities in respect of guarantees related to the procurement of 3G handsets of HK$13,842 million (31 December - HK$14,116 million), procurement of 3G infrastructure of HK$2,242 million (31 December - HK$2,036 million), and other guarantees totalling HK$4,177 million (31 December - HK$2,103 million).

LEGAL PROCEEDINGS

Hutchison 3G Italia SpA ("H3G Italia") and Hutchison International Limited ("HIL") are currently involved in arbitration proceedings pending before the International Chamber of Commerce for the resolution of a dispute with its joint venture partner CIRtel as to whether CIRtel is in breach of its funding obligations under the H3G Italia shareholders' agreement in demanding the repayment of a €373.2 million shareholder loan from CIRtel to H3G Italia, being CIRtel's pro rata contribution to finance the acquisition of a 3G national network licence in Italy and H3G Italia's initial working capital. HIL and H3G Italia initiated the arbitration proceedings, pursuant to the terms of the shareholders' agreement to seek a ruling that CIRtel is required to irrevocably commit to provide the disputed amount of funding to the joint venture. The hearing of the dispute was held in the week of 9 June 2003. Final submission by the parties are due in September 2003 and a ruling is expected thereafter.

On 2 June 2003, the Company instituted court proceedings in the UK against KPN Mobile N.V. ("KPNM") over a dispute regarding KPNM's breach of contract in its failure to advance the sum of £150 million to Hutchison 3G UK Holdings, being KPNM's pro rata contribution to a funding call for an aggregate amount of £1 billion made by Hutchison 3G UK Holdings on its shareholders dated 11 March 2003. The Company seeks declaratory orders from the court that Hutchison 3G UK Holding's funding call was valid and that KPNM is in breach of its obligations under the shareholders' agreement between the Company and KPNM dated 12 July 2000 in failing to comply with the call on it. The Company also claims damages against KPNM. KPNM disputes the validity of the funding call. KPNM further asserts that the Company has breached the shareholders' agreement by approving, and providing funding in response to, the funding call of 11 March 2003, and seeks to require the Company to purchase all of KPNM's shares in Hutchison 3G UK Holdings for 140% of the fair price of the shares (as determined by an independent investment bank) or, alternatively, the price of the shares as determined by the court. The hearing of the dispute is scheduled to start in November 2003.

EMPLOYEE RELATIONS

At 30 June 2003, the Company and its subsidiaries employed 120,643 people (30 June 2002 - 92,306 people) and the related employee costs for the six month period, excluding Director's emoluments, totalled HK$9,505 million (30 June 2002 - HK$6,962 million). Including the Group's associated companies, at 30 June 2003 the Group employed 159,422 people of whom 28,791 are employed in Hong Kong. The Group's employment and remuneration policies remained the same as those described in the Annual Report for the year ended 31 December 2002.

The Company has a long standing policy not to extend personal loans to directors and as at 30 June 2003, there were no personal loans advanced to the Company's directors. The Company does not have a share option scheme for the purchase of ordinary shares in the Company. Certain listed associated companies have established such plans for their employees. None of the Company's directors are beneficiaries of such plans.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2003, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the chief executive of the Company were deemed or taken to have under such provisions of the SFO) or which were required to be and were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

(I) Interests and short positions in the shares, underlying shares and debentures of the Company

Long positions in the shares of the Company

Name of Director	Capacity	Nature of Interests	Number of Shares Held	Approximate % of Shareholding
Li Ka-shing	(i) Beneficiary of trusts (ii) Interest of a controlled corporation	(i) Other interest (ii) Corporate interest	2,141,698,773 [(1)] 6,193,000 [(2)]	50.3801%
Li Tzar Kuoi, Victor	(i) Beneficiary of trusts (ii) Interest of controlled corporations	(i) Other interest (ii) Corporate interest	2,141,698,773 [(1)] 1,086,770 [(3)]	50.2604%
Fok Kin-ning, Canning	Interest of a controlled corporation	Corporate interest	2,010,875 [(4)]	0.0472%
Chow Woo Mo Fong, Susan	Beneficial owner	Personal interest	150,000	0.0035%
Frank John Sixt	Beneficial owner	Personal interest	50,000	0.0012%
Lai Kai Ming, Dominic	Beneficial owner	Personal interest	50,000	0.0012%
George Colin Magnus	(i) Beneficial owner (ii) Interest of spouse	(i) Personal interest (ii) Family interest	990,100 9,900	0.0235%
Kam Hing Lam	Beneficial owner	Personal interest	60,000	0.0014%
Michael David Kadoorie	Beneficiary of trust(s)	Other interest	15,984,095 [(5)]	0.3749%
Simon Murray	(i) Beneficial owner (ii) Beneficiary of trust	(i) Personal interest (ii) Other interest	25,000 17,000 [(6)]	0.0010%
William Shurniak	Beneficial owner	Personal interest	165,000	0.0039%
Peter Alan Lee Vine	Beneficial owner	Personal interest	33,000	0.0008%

Notes:

(1) The two references to 2,141,698,773 shares relate to the same block of shares in the Company comprising:

(a) 2,130,202,773 shares held by certain subsidiaries of Cheung Kong (Holdings) Limited ("Cheung Kong"). Mr Li Ka-shing is the settlor of each of The Li Ka-Shing Unity Discretionary Trust ("DT1") and another discretionary trust ("DT2"). Each of Li Ka-Shing Unity Trustee Corporation Limited ("TDT1", which is the trustee of DT1) and Li Ka-Shing Unity Trustcorp Limited ("TDT2", which is the trustee of DT2) holds units in The Li Ka-Shing Unity Trust ("UT1") but is not entitled to any interest or share in any particular property comprising the trust assets of the said unit trust. The discretionary beneficiaries of each of DT1 and DT2 are, inter alia, Mr Li Tzar Kuoi, Victor, his wife and children, and Mr Li Tzar Kai, Richard. Li Ka-Shing Unity Trustee Company Limited ("TUT1") as trustee of UT1 and its related companies in which TUT1 as trustee of UT1 is entitled to exercise or control the exercise of one-third or more of the voting power at their general meetings ("TUT1 related companies") hold more than one-third of the issued share capital of Cheung Kong.

The entire issued share capital of TUT1 and of the trustees of DT1 and DT2 are owned by Li Ka-Shing Unity Holdings Limited ("Unity Holdco"). Each of Mr Li Ka-shing, Mr Li Tzar Kuoi, Victor and Mr Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Unity Holdco. TUT1 is only interested in the shares of Cheung Kong by reason only of its obligation and power to hold interests in those shares in its ordinary course of business as trustee and, when performing its functions as trustee, exercises its power to hold interests in the shares of Cheung Kong independently without any reference to Unity Holdco or any of Mr Li Ka-shing, Mr Li Tzar Kuoi, Victor and Mr Li Tzar Kai, Richard as a holder of the shares of Unity Holdco as aforesaid.

As Mr Li Ka-shing may be regarded as a founder of each of DT1 and DT2 for the purpose of the SFO and Mr Li Tzar Kuoi, Victor is a discretionary beneficiary of each of DT1 and DT2, and by virtue of the above, both Mr Li Ka-shing and Mr Li Tzar Kuoi, Victor are taken to have a duty of disclosure in relation to the shares of Cheung Kong held by TUT1 as trustee of UT1 and TUT1 related companies and the said shares of the Company held by the subsidiaries of Cheung Kong under the SFO as directors of Cheung Kong. Although Mr Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Unity Holdco and is a discretionary beneficiary of each of DT1 and DT2, he is not a director of Cheung Kong and has no duty of disclosure in relation to the shares of Cheung Kong held by TUT1 as trustee of UT1 and TUT1 related companies under the SFO.

(b) 11,496,000 shares of the Company held by Li Ka-Shing Castle Trustee Company Limited ("TUT3") as trustee of The Li Ka-Shing Castle Trust ("UT3") and its related company in which TUT3 as trustee of UT3 is entitled to exercise or control the exercise of one-third or more of the voting power at its general meetings ("TUT3 related company").

Mr Li Ka-shing is the settlor of each of the two discretionary trusts ("DT3" and "DT4"). Each of Li Ka-Shing Castle Trustee Corporation Limited ("TDT3", which is the trustee of DT3) and Li Ka-Shing Castle Trustcorp Limited ("TDT4", which is the trustee of DT4) holds units in UT3 but is not entitled to any interest or share in any particular property comprising the trust assets of the said unit trust. The discretionary beneficiaries of each of DT3 and DT4 are, inter alia, Mr Li Tzar Kuoi, Victor, his wife and children, and Mr Li Tzar Kai, Richard.

The entire issued share capital of TUT3 and the trustees of DT3 and DT4 are owned by Li Ka-Shing Castle Holdings Limited ("Castle Holdco"). Each of Mr Li Ka-shing, Mr Li Tzar Kuoi, Victor and Mr Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Castle Holdco. TUT3 is only interested in the shares of the Company by reason only of its obligation and power to hold interests in those shares in its ordinary course of business as trustee and, when performing its functions as trustee, exercises its power to hold interests in the shares of the Company independently without any reference to Castle Holdco or any of Mr Li Ka-shing, Mr Li Tzar Kuoi, Victor and Mr Li Tzar Kai, Richard as a holder of the shares of Castle Holdco as aforesaid.

As Mr Li Ka-shing may be regarded as a founder of each of DT3 and DT4 for the purpose of the SFO and Mr Li Tzar Kuoi, Victor is a discretionary beneficiary of each of DT3 and DT4, and by virtue of the above, both Mr Li Ka-shing and Mr Li Tzar Kuoi, Victor are taken to have a duty of disclosure in relation to the said shares of the Company held by TUT3 as trustee of UT3 and TUT3 related company under the SFO as Directors of the Company. Although Mr Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Castle Holdco and is a discretionary beneficiary of each of DT3 and DT4, he is not a Director of the Company and has no duty of disclosure in relation to the shares of the Company held by TUT3 as trustee of UT3 and TUT3 related company under the SFO.

(2) Such shares are held by a company of which Mr Li Ka-shing is interested in the entire issued share capital.

(3) Such shares are held by certain companies of which Mr Li Tzar Kuoi, Victor is interested in the entire issued share capital.

(4) Such shares are held by a company which is equally owned by Mr Fok Kin-ning, Canning and his spouse.

(5) The Hon Michael David Kadoorie is deemed to be interested by virtue of the SFO in 15,984,095 shares in the Company.

(6) Such shares are held by an offshore family trust fund under which Mr Simon Murray is a discretionary beneficiary.

(II) Interests and short positions in the shares, underlying shares and debentures of the associated corporations

Long positions in the shares, underlying shares and debentures of the associated corporations

As at 30 June 2003, Mr Li Ka-shing and Mr Li Tzar Kuoi, Victor, as directors of the Company, were deemed to be interested in the following by virtue of, inter alia, their interests in the shares of the Company as described in Note (1) above:

(i) 1,912,109,945 shares, representing approximately 84.82% of the then issued share capital, in Cheung Kong Infrastructure Holdings Limited ("Cheung Kong Infrastructure") of which 1,906,681,945 shares were held by a wholly owned subsidiary of the Company and 5,428,000 shares were held by TUT1 as trustee of UT1;

(ii) 829,599,612 shares, representing approximately 38.87% of the then issued share capital, in Hongkong Electric Holdings Limited ("Hongkong Electric") which shares were held by certain wholly owned subsidiaries of Cheung Kong Infrastructure;

(iii) 1,429,024,545 shares, representing approximately 42.71% of the then issued share capital, in TOM.COM LIMITED of which 476,341,182 shares and 952,683,363 shares were held by a wholly owned subsidiary of each of Cheung Kong and the Company respectively;

(iv) 146,548,737 common shares, representing approximately 34.99% of the then issued share capital, in Husky Energy Inc. ("Husky Energy") and 290,619 underlying common shares derived from 156,499 unlisted and physically settled transferable warrants in Husky Energy which were held by a wholly owned subsidiary of the Company; and 137,576,366 common shares, representing approximately 32.85% of the then issued share capital, in Husky Energy and 272,825 underlying common shares derived from 146,917 unlisted and physically settled transferable warrants in Husky Energy which were held by a company in respect of which TDT3 as trustee of DT3 is indirectly entitled to substantially all the net assets thereof;

(v) a nominal amount of US$33,700,000 in the 13% unsecured senior subordinated notes due 2010 (the "Partner Communications Notes") issued by Partner Communications Company Ltd. ("Partner Communications") which notes were held by a wholly owned subsidiary of Cheung Kong; and

(vi) all the shares, underlying shares and debentures of the subsidiary and associated companies of the Company held by the Company and its subsidiary companies.

In addition, Mr Li Ka-shing had, as at 30 June 2003, the following corporate interests:

(i) 14,953,953 common shares, representing approximately 3.57% of the then issued share capital, in Husky Energy and 29,654 underlying common shares derived from 15,969 unlisted and physically settled transferable warrants in Husky Energy held by a company of which Mr Li Ka-shing is interested in the entire issued share capital; and

(ii) 4,600 class C common shares, representing approximately 53.31% of the then issued share capital, in Husky Oil Holdings Limited and a nominal amount of US$1,500,000 in the Partner Communications Notes, which were held by a company of which Mr Li Ka-shing is interested in the entire issued share capital.

Mr Li Tzar Kuoi, Victor had, as at 30 June 2003, the following interests:

(i) family interests in 151,000 shares, representing approximately 0.007% of the then issued share capital, in Hongkong Electric held by his spouse; and

(ii) corporate interests in a nominal amount of US$7,500,000 in the 6.5% Notes due 2013 issued by Hutchison Whampoa International (03/13) Limited (the "HWI(03/13) Notes") and a nominal amount of US$10,989,000 in the Partner Communications Notes, which were held by a company of which Mr Li Tzar Kuoi, Victor is interested in the entire issued share capital.

Mr Fok Kin-ning, Canning had, as at 30 June 2003, the following interests:

(i) interests in an aggregate of 2,574,001 ordinary shares and underlying shares in Hutchison Telecommunications (Australia) Limited ("HTAL") comprising:

    (a) personal and corporate interests in 100,000 and 1,000,000 ordinary shares respectively which in aggregate represented approximately 0.16% of the then issued share capital of HTAL; and

    (b) personal and corporate interests in 134,000 and 1,340,001 underlying shares respectively on conversion of the listed and physically settled 5.5% Unsecured Convertible Notes due 2007 issued by HTAL;

(ii) corporate interests in 5,000,000 ordinary shares, representing approximately 0.07% of the then issued share capital, in Hutchison Harbour Ring Limited;

(iii) corporate interests in 300,000 common shares, representing approximately 0.07% of the then issued share capital, in Husky Energy;

(iv) corporate interests in 225,000 American Depositary Shares (each representing one ordinary share), representing approximately 0.12% of the then issued share capital, in Partner Communications; and

(v) corporate interests in a nominal amount of US$32,050,000 in the HWI (03/13) Notes and a nominal amount of US$4,000,000 in the Partner Communications Notes.

Mr Fok Kin-ning, Canning held the above personal interests in his capacity as a beneficial owner and held the above corporate interests through a company which is equally owned by Mr Fok and his spouse.

Mr George Colin Magnus in his capacity as a beneficial owner had, as at 30 June 2003, personal interests in 25,000 American Depositary Shares (each representing one ordinary share), representing approximately 0.014% of the then issued share capital, in Partner Communications.

Mr Kam Hing Lam in his capacity as a beneficial owner had, as at 30 June 2003, personal interests in 100,000 shares, representing approximately 0.004% of the then issued share capital, in Cheung Kong Infrastructure.

Mr Peter Alan Lee Vine in his capacity as a beneficial owner had, as at 30 June 2003, personal interests in 80,000 shares, representing approximately 0.004% of the then issued share capital, in Hongkong Electric.

Save as disclosed above, as at 30 June 2003, none of the Directors and chief executive of the Company and their respective associates had any interest or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which had to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

Certain directors held qualifying shares in certain subsidiaries of the Company on trust for other subsidiaries.

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSABLE UNDER THE SFO

So far as is known to any Directors or chief executive of the Company, as at 30 June 2003, other than the interests and short positions of the Directors or chief executive of the Company as disclosed above, the following persons had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

(I) Interests and short positions of substantial shareholders in the shares and underlying shares of the Company

Long positions in the shares of the Company

Name	Capacity	Number of Shares Held	Approximate % of Shareholding
Li Ka-Shing Unity Trustee Corporation Limited ("TDT1")	Trustee and beneficiary of a trust	2,130,202,773 (1)	49.97%
Li Ka-Shing Unity Trustcorp Limited ("TDT2")	Trustee and beneficiary of a trust	2,130,202,773 (1)	49.97%
Li Ka-Shing Unity Trustee Company Limited ("TUT1")	Trustee	2,130,202,773 (1)	49.97%
Cheung Kong (Holdings) Limited ("Cheung Kong")	Interest of controlled corporations	2,130,202,773 (1)	49.97%
Continental Realty Limited	Interest of a controlled corporation	465,265,969 (2)	10.91%

(II) Interests and short positions of other persons in the shares and underlying shares of the Company

Long positions in the shares of the Company

Name	Capacity	Number of Shares Held	Approximate % of Shareholding
Honourable Holdings Limited	Interest of controlled corporations	322,942,375 (2)	7.57%
Winbo Power Limited	Beneficial owner	236,260,200 (2)	5.54%
Polycourt Limited	Beneficial owner	233,065,641 (2)	5.47%
Well Karin Limited	Beneficial owner	226,969,600 (2)	5.32%

Notes:

(1) *The four references to 2,130,202,773 shares of the Company relate to the same block of shares in the Company which represent the total number of shares of the Company held by certain wholly owned subsidiaries of Cheung Kong where Cheung Kong is taken to be interested in such shares under the SFO. In addition, by virtue of the SFO, each of TDT1, TDT2 and TUT1 is deemed to be interested in the same 2,130,202,773 shares of the Company held by Cheung Kong as described in Note (1)(a) above.*

(2) *These are wholly owned subsidiaries of Cheung Kong and their interests in the shares of the Company are duplicated in the interests of Cheung Kong.*

Saved as disclosed above, as at 30 June 2003, there was no other person (other than the Directors or chief executive of the Company) who was recorded in the register of the Company as having interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the six months ended 30 June 2003, 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 this period.

CODE OF BEST PRACTICE

With the exception that non executive directors have no set term of office but retire from office on a rotational basis, none of the directors is aware of any information that would reasonably indicate that the Company is not, or was not during the six months ended 30 June 2003, in compliance with Appendix 14 to the Listing Rules.

AUDIT COMMITTEE

The Audit Committee of the Company currently has a membership comprising three independent non executive directors of the Company. It meets regularly with management and the external auditors of the Company and reviews matters relating to audit, accounting and financial statements as well as internal control, risk evaluation and general compliance of the Group and reports directly to the board of directors of the Company.

INDEPENDENT REVIEW REPORT

To the board of directors of

Hutchison Whampoa Limited (Incorporated in Hong Kong with limited liability)

Introduction

We have been instructed by the Company to review the interim financial report set out on pages 16 to 28.

Directors' responsibilities

The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with SSAP 25 "Interim financial reporting" issued by the Hong Kong Society of Accountants and the relevant provisions thereof. The interim financial report is the responsibility of, and has been approved by, the directors.

Review work performed

We conducted our review in accordance with SAS 700 "Engagements to review interim financial reports" issued by the Hong Kong Society of Accountants. A review consists principally of making enquiries of Group management and applying analytical procedures to the interim financial report and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the interim financial report.

Review conclusion

On the basis of our review which does not constitute an audit, we are not aware of any material modifications that should be made to the interim financial report for the six months ended 30 June 2003.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 21 August 2003

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the six months ended 30 June

Unaudited 2003 US$ millions		Note	Unaudited 2003 HK$ millions	Unaudited As restated 2002 HK$ millions
	Turnover			
6,077	Company and subsidiary companies		**47,404**	33,319
2,369	Share of associated companies and jointly controlled entities		**18,475**	13,274
8,446		2	**65,879**	46,593
	Company and subsidiary companies			
6,077	Turnover		**47,404**	33,319
2,616	Cost of inventories sold		**20,410**	11,845
969	Staff costs		**7,565**	5,668
465	Depreciation and amortisation		**3,627**	2,510
1,489	Other operating expenses		**11,611**	7,316
246	Profit on disposal of investments and provisions	2	**1,922**	2,139
784			**6,113**	8,119
543	Share of profits less losses of associated companies		**4,238**	2,556
123	Share of profits less losses of jointly controlled entities		**960**	601
1,450	**Earnings before interest and taxation**	2	**11,311**	11,276
585	Interest and other finance costs, including share of associated companies and jointly controlled entities	3	**4,562**	3,398
865	**Profit before taxation**		**6,749**	7,878
158	Current taxation charge	4	**1,236**	871
(55)	Deferred taxation charge (credit)	4	**(428)**	94
762	**Profit after taxation**		**5,941**	6,913
(16)	Minority interests		**(126)**	967
778	**Profit attributable to shareholders**	5	**6,067**	5,946
279	**Interim dividend**		**2,174**	2,174
US 18.2 cents	**Earnings per share**	6	**HK$ 1.42**	HK$ 1.39
US 6.54 cents	**Interim dividend per share**		**HK$ 0.51**	HK$ 0.51

CONSOLIDATED BALANCE SHEET

Unaudited 30 June 2003 US$ millions		Note	Unaudited 30 June 2003 HK$ millions	As restated Audited 31 December 2002 HK$ millions
	ASSETS			
	Non-current assets			
21,506	Fixed assets		**167,747**	148,713
12,548	Other non-current assets	7	**97,873**	95,069
1,001	Goodwill		**7,809**	7,838
448	Deferred tax assets		**3,496**	2,032
6,164	Associated companies		**48,082**	45,277
4,512	Interests in joint ventures		**35,193**	35,016
8,246	Liquid funds and other listed investments	8	**64,317**	75,597
54,425	**Total non-current assets**		**424,517**	409,542
10,817	Cash and cash equivalents	9	**84,374**	42,852
7,186	Other current assets	9	**56,048**	45,755
13,201	Current liabilities	10	**102,970**	83,429
4,802	**Net current assets**		**37,452**	5,178
59,227	**Total assets less current liabilities**		**461,969**	414,720
	Non-current liabilities			
21,682	Long term liabilities	11	**169,122**	141,569
1,146	Deferred tax liabilities		**8,942**	8,680
99	Pension obligations		**769**	730
22,927	**Total non-current liabilities**		**178,833**	150,979
6,062	**Minority interests**		**47,283**	41,596
30,238	**Net assets**		**235,853**	222,145
	CAPITAL AND RESERVES			
137	Share capital	12	**1,066**	1,066
30,101	Reserves		**234,787**	221,079
30,238	**Shareholders' funds**		**235,853**	222,145

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June

Unaudited 2003 US$ millions		Unaudited 2003 HK$ millions	2002 HK$ millions
	Operating activities		
2,323	Earnings before interest, taxation, depreciation and amortisation ("EBITDA")	**18,122**	14,786
(970)	Share of EBITDA of associated companies and jointly controlled entities	**(7,567)**	(5,167)
452	Dividends received from associated companies and jointly controlled entities	**3,527**	1,761
159	Distribution from property jointly controlled entities	**1,243**	1,759
(469)	Interest and other finance costs	**(3,662)**	(2,550)
(219)	Loss (profit) on disposal of subsidiary and associated companies, jointly controlled entities, unlisted investments and fixed assets	**(1,708)**	246
(53)	Taxation paid	**(415)**	(414)
1,223	Funds from operations	**9,540**	10,421
(108)	Changes in working capital	**(845)**	(3,845)
1,115	Cash flows from operating activities	**8,695**	6,576
	Investing activities		
(1,765)	Purchase of 3G related fixed assets	**(13,768)**	(9,321)
(666)	Purchase of other fixed assets	**(5,193)**	(4,572)
604	Proceeds on disposal of subsidiary companies	**4,710**	274
(224)	Other investing activities	**(1,749)**	(2,275)
(2,051)	Subtotal	**(16,000)**	(15,894)
1,603	Net transfer from liquid funds and other listed investments	**12,502**	9,450
(448)	Cash flows from investing activities	**(3,498)**	(6,444)
	Financing activities		
5,426	Net cash flows from financing activities	**42,323**	5,009
(102)	Dividends paid to minority shareholders	**(797)**	(989)
(667)	Dividends paid to shareholders	**(5,201)**	(5,201)
4,657	Cash flows from financing activities	**36,325**	(1,181)
5,324	Increase (decrease) in cash and cash equivalents	**41,522**	(1,049)
5,494	Cash and cash equivalents at 1 January	**42,852**	47,374
10,818	Cash and cash equivalents at 30 June	**84,374**	46,325
	Analysis of cash, liquid funds and other listed investments		
10,818	Cash and cash equivalents, as above	**84,374**	46,325
4,809	Managed funds, overseas	**37,510**	32,377
3,392	Held-to-maturity listed debt securities and long term deposits	**26,460**	15,291
354	Listed equity securities, Hong Kong	**2,764**	3,051
1,795	Listed equity securities, overseas	**14,002**	24,438
10,350	Liquid funds and other listed investments	**80,736**	75,157
21,168	Total cash, liquid funds and other listed investments	**165,110**	121,482
29,050	Bank and other interest bearing borrowings	**226,593**	155,982
7,882	Net debts	**61,483**	34,500

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June

	Share capital HK$ millions	Share premium HK$ millions	Revaluation reserve HK$ millions	Exchange reserve HK$ millions	Retained profit HK$ millions	Total HK$ millions
At 1 January 2003, as previously reported	**1,066**	**28,359**	**5,074**	**982**	**190,695**	**226,176**
Prior year adjustment (note 1)	**-**	**-**	**(484)**	**15**	**(3,562)**	**(4,031)**
At 1 January 2003, as restated	**1,066**	**28,359**	**4,590**	**997**	**187,133**	**222,145**
Company and subsidiary companies' profit for the period	**-**	**-**	**-**	**-**	**3,015**	**3,015**
Share of reserves of associated companies	**-**	**-**	**104**	**1,226**	**2,525**	**3,855**
Share of reserves of jointly controlled entities	**-**	**-**	**-**	**(74)**	**527**	**453**
Net goodwill released upon disposal of subsidiary and associated companies and jointly controlled entities	**-**	**-**	**-**	**-**	**1,170**	**1,170**
Revaluation surplus on Vodafone and Deutsche Telekom shares	**-**	**-**	**1,485**	**-**	**-**	**1,485**
Revaluation surplus on other investments	**-**	**-**	**1,212**	**-**	**-**	**1,212**
Deferred tax effect on revaluation	**-**	**-**	**(24)**	**-**	**-**	**(24)**
Valuation released upon disposal of Vodafone and Deutsche Telekom shares	**-**	**-**	**1,569**	**-**	**-**	**1,569**
Exchange translation differences	**-**	**-**	**-**	**6,174**	**-**	**6,174**
2002 final dividend paid	**-**	**-**	**-**	**-**	**(5,201)**	**(5,201)**
At 30 June 2003	**1,066**	**28,359**	**8,936**	**8,323**	**189,169**	**235,853**
At 1 January 2002, as previously reported	1,066	28,359	11,847	(6,889)	183,694	218,077
Prior year adjustment (note 1)	-	-	(311)	24	(3,636)	(3,923)
At 1 January 2002, as restated	1,066	28,359	11,536	(6,865)	180,058	214,154
Company and subsidiary companies' profit for the period	-	-	-	-	5,573	5,573
Share of reserves of associated companies	-	-	10	399	442	851
Share of reserves of jointly controlled entities	-	-	-	22	(69)	(47)
Net goodwill released upon disposal of subsidiary and associated companies and jointly controlled entities	-	-	-	-	33	33
Revaluation deficit on Vodafone and Deutsche Telekom shares	-	-	(11,126)	-	-	(11,126)
Revaluation deficit on other investments	-	-	(2,289)	-	-	(2,289)
Deferred tax effect on revaluation	-	-	11	-	-	11
Valuation released upon disposal of other investments	-	-	77	-	-	77
Exchange translation differences	-	-	-	4,525	-	4,525
2001 final dividend paid	-	-	-	-	(5,201)	(5,201)
At 30 June 2002	1,066	28,359	(1,781)	(1,919)	180,836	206,561

As at 30 June 2003, included in revaluation reserves are investment properties revaluation surplus of HK$11,788 million (1 January 2003, 1 January 2002 and 30 June 2002 - HK$11,788 million, HK$13,846 million and HK$13,846 million respectively, as restated) and investment revaluation deficit of HK$2,852 million (1 January 2003, 1 January 2002 and 30 June 2002 - deficit of HK$7,198 million, HK$2,310 million and HK$15,627 million respectively, as restated). Included in share premium is a capital redemption reserve of HK$404 million in all reporting periods.

NOTES TO THE CONDENSED INTERIM ACCOUNTS

1 Accounting policies

These unaudited condensed consolidated interim accounts ("interim accounts") are prepared in accordance with Hong Kong Statement of Standard Accounting Practice ("SSAP") 25 "Interim financial reporting", as applicable to condensed interim accounts, issued by the Hong Kong Society of Accountants, and Appendix 16 of the Listing Rules of The Stock Exchange of Hong Kong Limited. These interim accounts should be read in conjunction with the 2002 annual accounts.

The accounting policies and methods of computation used in the preparation of these interim accounts are consistent with those used in the annual accounts for the year ended 31 December 2002, except the Group has adopted the revised SSAP 12 "Income taxes" to account for deferred taxation which became effective on 1 January 2003.

In previous years, deferred taxation was accounted for in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset was expected to be payable or recoverable in the foreseeable future. Pursuant to the revised SSAP 12, deferred taxation is provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the accounts. Deferred tax liabilities are provided in full on all taxable temporary differences while deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

The adoption of the revised SSAP 12 represents a change in accounting policy, which has been applied retrospectively and the comparative figures have been restated accordingly. This change in accounting policy has resulted in an increase of HK$350 million and a decrease of HK$5 million in the profit attributable to shareholders for the six months ended 30 June 2003 and 2002 respectively. The opening reserves at 1 January 2003 and 2002 have been reduced by HK$4,031 million and HK$3,923 million respectively. The effect of this change in accounting policy on the various other balance sheet items as at 31 December 2002 is set out in note 4.

Certain comparative figures have been reclassified to conform with the current period's presentation.

2 Segment information

Segment information is presented in respect of the Group's primary business segment and secondary geographical segment.

Turnover from external customers is after elimination of inter-segment turnover. The amount eliminated attributable to Telecommunications is HK$22 million (30 June 2002 - HK$43 million), Property and hotels is HK$205 million (30 June 2002 - HK$234 million) and Retail and manufacturing is HK$39 million (30 June 2002 - HK$43 million).

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

2 Segment information (continued)

BUSINESS SEGMENT

Turnover from external customers

	Six months ended 30 June 2003			Six months ended 30 June 2002		
	Company and Subsidiaries HK$ millions	**Associates and JCE HK$ millions**	**Total HK$ millions**	Company and Subsidiaries HK$ millions	Associates and JCE HK$ millions	Total HK$ millions
Ports and related services	**9,629**	**1,304**	**10,933**	8,256	1,119	9,375
Telecommunications - 2G and others (note a)	**5,350**	**1,705**	**7,055**	4,938	1,460	6,398
Telecommunications - 3G (note c)	**245**	**-**	**245**	-	-	-
Property and hotels	**1,574**	**1,729**	**3,303**	1,988	389	2,377
Retail and manufacturing	**27,520**	**1,832**	**29,352**	15,015	1,349	16,364
Cheung Kong Infrastructure	**1,265**	**4,157**	**5,422**	1,405	3,530	4,935
Husky Energy	**-**	**7,610**	**7,610**	-	5,304	5,304
Finance and investments	**1,821**	**138**	**1,959**	1,717	123	1,840
	47,404	**18,475**	**65,879**	33,319	13,274	46,593

Earnings before interest and taxation

	Six months ended 30 June 2003			Six months ended 30 June 2002		
	Company and Subsidiaries HK$ millions	**Associates and JCE HK$ millions**	**Total HK$ millions**	Company and Subsidiaries HK$ millions	Associates and JCE HK$ millions	Total HK$ millions
Ports and related services	**3,067**	**452**	**3,519**	2,747	333	3,080
Telecommunications - 2G and others (notes a & b)	**(17)**	**199**	**182**	746	48	794
Telecommunications - 3G (note c)	**(3,895)**	**-**	**(3,895)**	(729)	-	(729)
Property and hotels	**777**	**284**	**1,061**	918	63	981
Retail and manufacturing	**390**	**209**	**599**	252	56	308
Cheung Kong Infrastructure	**559**	**1,961**	**2,520**	497	1,674	2,171
Husky Energy	**-**	**2,051**	**2,051**	-	938	938
Finance and investments	**3,310**	**42**	**3,352**	1,549	45	1,594
	4,191	**5,198**	**9,389**	5,980	3,157	9,137
Profit on disposal of investments and provisions (note d)	**1,922**	**-**	**1,922**	2,139	-	2,139
	6,113	**5,198**	**11,311**	8,119	3,157	11,276

Notes:

(a) Telecommunications - 2G and others includes the fixed line business of Hutchison Global Communications in Hong Kong and the 2G operations in Hong Kong, India, Israel and other countries.

(b) Earnings before interest and taxation ("EBIT") for Telecommunications - 2G and others includes a full write-off of the investment in Asia Global Crossing, a company being restructured under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for Southern District of New York, of HK$390 million offset by release of a provision made in previous years of the same amount.

(c) Telecommunications - 3G includes 3G operations in the UK, Italy, Australia, Hong Kong, Sweden, Austria, Denmark and Ireland.

(d) Profit on disposal of investments and provisions for the six months ended 30 June 2003 represents a profit of HK$1,683 million on the disposal of the European water businesses and a profit of HK$1,443 million from the disposal of equity investments in Vodafone and Deutsche Telekom, a release of provisions amounting to HK$1,907 million and a full write-off of the HK$3,111 million investment in Global Crossing. The comparative amounts for the six months ended 30 June 2002 represents profit on sale of equity interests ranging from 1% to 3% in certain ports of HK$1,129 million, write-back of a provision previously made for Hutchison Harbour Ring Limited of HK$395 million and release of provisions amounting to HK$615 million.

2 Segment information (continued)

GEOGRAPHICAL SEGMENT

	Turnover from external customers					
	Six months ended 30 June 2003			Six months ended 30 June 2002		
	Company and Subsidiaries HK$ millions	**Associates and JCE HK$ millions**	**Total HK$ millions**	Company and Subsidiaries HK$ millions	Associates and JCE HK$ millions	Total HK$ millions
Hong Kong	**16,228**	**4,459**	**20,687**	16,408	3,518	19,926
Mainland China	**3,777**	**3,202**	**6,979**	3,409	2,305	5,714
Asia and Australia	**7,135**	**2,619**	**9,754**	5,695	1,906	7,601
Europe	**17,080**	**524**	**17,604**	4,855	184	5,039
Americas and others	**3,184**	**7,671**	**10,855**	2,952	5,361	8,313
	47,404	**18,475**	**65,879**	33,319	13,274	46,593

	Earnings before interest and taxation					
	Six months ended 30 June 2003			Six months ended 30 June 2002		
	Company and Subsidiaries HK$ millions	**Associates and JCE HK$ millions**	**Total HK$ millions**	Company and Subsidiaries HK$ millions	Associates and JCE HK$ millions	Total HK$ millions
Hong Kong	**2,046**	**1,517**	**3,563**	2,592	1,304	3,896
Mainland China	**1,080**	**940**	**2,020**	408	537	945
Asia and Australia	**476**	**656**	**1,132**	671	398	1,069
Europe	**(2,042)**	**15**	**(2,027)**	731	(7)	724
Americas and others	**2,631**	**2,070**	**4,701**	1,578	925	2,503
	4,191	**5,198**	**9,389**	5,980	3,157	9,137
Profit on disposal of investments and provisions (note d above)	**1,922**	**-**	**1,922**	2,139	-	2,139
	6,113	**5,198**	**11,311**	8,119	3,157	11,276

3 Interest and other finance costs

	Six months ended 30 June	
	2003 HK$ millions	2002 HK$ millions
Company and subsidiary companies	**4,778**	3,085
Less: interest capitalised	**(1,116)**	(535)
	3,662	2,550
Share of associated companies	**682**	576
Share of jointly controlled entities	**218**	272
	4,562	3,398

4 Taxation

	Six months ended 30 June 2003			Six months ended 30 June 2002		
	Current taxation HK$ millions	Deferred taxation HK$ millions	Total HK$ millions	Current taxation HK$ millions	Deferred taxation HK$ millions	Total HK$ millions
Hong Kong						
Subsidiary companies	**246**	**110**	**356**	260	(11)	249
Associated companies	**177**	**201**	**378**	175	37	212
Jointly controlled entities	**27**	**8**	**35**	29	(2)	27
Overseas						
Subsidiary companies	**530**	**(1,073)**	**(543)**	281	(141)	140
Associated companies	**197**	**310**	**507**	88	206	294
Jointly controlled entities	**59**	**16**	**75**	38	5	43
	1,236	**(428)**	**808**	871	94	965

Hong Kong profits tax has been provided for at the rate of 17.5% (30 June 2002 - 16%) on the estimated assessable profits less available tax losses. In 2003, the Government of the Hong Kong Special Administrative Region enacted a change in the profits tax rate from 16% to 17.5% for the fiscal year 2003/2004. Overseas taxation has been provided for at the applicable rate on the estimated assessable profits less available tax losses.

The change in accounting policy in accordance with the revised SSAP 12 "Income taxes" to account for deferred taxation has been applied retrospectively and the comparative amounts previously reported have been restated accordingly. The adjustments to the balance sheet at 31 December 2002 are as follows:

	HK$ millions
Fixed assets	4,483
Deferred tax assets	1,717
Goodwill	(69)
Associated companies	(1,454)
Interests in joint ventures	(199)
Deferred tax liabilities	(8,449)
Minority interests	(60)
Decrease in reserves	(4,031)

5 Profit attributable to shareholders

Included in profit attributable to shareholders is a deficit of HK$1,569 million (30 June 2002 - HK$77 million) transferred from investment revaluation reserves upon disposal of the relevant investments.

6 Earnings per share

The calculation of earnings per share is based on profit attributable to shareholders of HK$6,067 million (30 June 2002 - HK$5,946 million, as restated) and on 4,263,370,780 shares in issue during 2003 (30 June 2002 - 4,263,370,780 shares).

7 Other non-current assets

	30 June 2003 HK$ millions	31 December 2002 HK$ millions
Cost of licences for 3G telecommunications spectrum	**94,055**	88,519
Subscribers acquisition costs related to 3G businesses	**542**	-
Pension assets	**-**	35
Other unlisted investments		
Held-to-maturity debt securities	**1,850**	3,842
Equity securities and advances	**1,426**	2,673
	3,276	6,515
	97,873	95,069

8 Liquid funds and other listed investments

	30 June 2003 HK$ millions	31 December 2002 HK$ millions
Managed funds, overseas		
Listed held-to-maturity debt securities	**32,328**	33,471
Cash and cash equivalents	**5,182**	657
	37,510	34,128
Listed held-to-maturity debt securities	**26,170**	17,232
Listed equity securities, Hong Kong	**2,764**	3,427
Listed equity securities, overseas	**14,002**	32,307
Long term deposits	**290**	321
	80,736	87,415
Less: current portion	**(16,419)**	(11,818)
	64,317	75,597

Included in the listed held-to-maturity debt securities is investment in notes totalling HK$788 million (31 December 2002 - HK$5,218 million) which are subject to certain callable asset swap arrangements with financial institutions. Pursuant to these arrangements, fixed rate notes were purchased and simultaneously interest rate swap agreements were entered into whereby the notes became floating interest rate bearing notes. The financial institutions have a call option to purchase the notes any time before maturity in 2004.

The Group has issued options and the option purchasers have the right to acquire approximately 262 million shares of Vodafone and approximately 54 million shares of Deutsche Telekom. The options expire later this year.

9 Current assets

	30 June 2003 HK$ millions	31 December 2002 HK$ millions
Stocks	**10,266**	8,742
Trade receivables	**5,774**	4,726
Other receivables and prepayments	**23,589**	20,469
Current portion of liquid funds and other listed investments	**16,419**	11,818
Other current assets	**56,048**	45,755
Cash and cash equivalents	**84,374**	42,852
	140,422	88,607

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.

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

Current	**3,751**	3,277
31-60 days	**998**	844
61-90 days	**482**	253
Over 90 days	**543**	352
	5,774	4,726

10 Current liabilities

	30 June 2003 HK$ millions	31 December 2002 HK$ millions
Bank loans	**7,526**	13,334
Other loans	**113**	94
Exchangeable notes		
US$3,000 million exchangeable notes, 2.875% due 2003	**23,400**	23,400
US$2,657 million exchangeable notes, 2% due 2004	**20,723**	-
Other notes and bonds		
HK$ notes, 7% due 2003	**1,000**	1,000
Trade payables	**7,829**	8,610
Other payables and accruals	**41,393**	36,400
Taxation	**986**	591
	102,970	83,429

The exchangeable notes of US$3,000 million and US$2,657 million are notes exchangeable into ordinary shares of Vodafone anytime before maturity at the option of the holders on the basis of US$1,000 principal amount for 196.61 shares at US$5.086 per share and for 214.51 shares at US$4.6618 per share respectively.

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

Current	**5,018**	5,354
31-60 days	**1,233**	1,280
61-90 days	**534**	516
Over 90 days	**1,044**	1,460
	7,829	8,610

11 Long term liabilities

	30 June 2003 HK$ millions	31 December 2002 HK$ millions
The loans are repayable as follows:		
Bank loans		
After 1 year, but within 2 years	**21,366**	7,511
After 2 years, but within 5 years	**39,460**	54,210
After 5 years	**24,437**	12,152
Other loans		
After 1 year, but within 2 years	**5,510**	89
After 2 years, but within 5 years	**1,017**	5,348
After 5 years	**2,253**	846
Exchangeable notes		
After 1 year, but within 2 years	**-**	20,723
Other notes and bonds		
After 1 year, but within 2 years	**2,273**	1,500
After 2 years, but within 5 years	**17,921**	11,770
After 5 years	**54,885**	27,420
	169,122	141,569

12 Share capital

	30 June 2003 Number of shares	31 December 2002 Number of shares	30 June 2003 HK$ millions	31 December 2002 HK$ millions
Authorised:				
Ordinary shares of HK$0.25 each	**5,500,000,000**	5,500,000,000	**1,375**	1,375
7-1/2% cumulative redeemable participating preference shares of HK$1 each	**402,717,856**	402,717,856	**403**	403
			1,778	1,778
Issued and fully paid:				
Ordinary shares	**4,263,370,780**	4,263,370,780	**1,066**	1,066

13 Contingent liabilities

The holding company, Hutchison Whampoa Limited, and its subsidiaries provide guarantees in respect of bank and other borrowing facilities utilised by its associated companies and jointly controlled entities as follows:

	Company HK$ millions	**Subsidiaries HK$ millions**	**30 June 2003 Total HK$ millions**	Company HK$ millions	Subsidiaries HK$ millions	31 December 2002 Total HK$ millions
To associated companies						
Other businesses	**-**	**900**	**900**	-	335	335
	-	**900**	**900**	-	335	335
To jointly controlled entities						
Property businesses	**1,669**	**3,274**	**4,943**	1,671	3,311	4,982
Telecommunication businesses	**4,243**	**647**	**4,890**	4,133	946	5,079
Other businesses	**500**	**800**	**1,300**	500	800	1,300
	6,412	**4,721**	**11,133**	6,304	5,057	11,361

At 30 June 2003, the Group had contingent liabilities in respect of guarantees related to contracts for the procurement of 3G handsets of HK$13,842 million (31 December 2002 - HK$14,116 million), procurement of 3G infrastructure of HK$2,242 million (31 December 2002 - HK$2,036 million), and other guarantees of HK$4,177 million (31 December 2002 - HK$2,103 million) mainly for property businesses and performance guarantees.

Pursuant to the disclosure requirements of the Companies Ordinance of Hong Kong, the Company is required to disclose that it has guaranteed the borrowings of its financing and other subsidiary companies which have already been consolidated and included in the consolidated balance sheet of the Group. Of the consolidated debt included in Notes 10 and 11 totalling HK$221,884 million (31 December 2002 - HK$179,397 million), the Company has guaranteed a total of HK$169,136 million (31 December 2002 - HK$131,843 million) which has been borrowed in the name of subsidiary companies.

14 Commitments

There have been no material changes in the total amount of capital commitments since 31 December 2002 except for the amounts taken up during the period in the normal course of business.

15 Related parties transactions

The Group has entered into joint ventures with Cheung Kong (Holdings) Limited, a substantial shareholder of the Company, to undertake various, mainly property, projects. At 30 June 2003, included in associated companies and interests in joint ventures on the balance sheet is a total amount of HK$20,827 million (31 December 2002 - HK$21,094 million) representing equity contributions to and the net amount due from these related entities. The Group had guaranteed bank and other borrowing facilities of HK$4,943 million (31 December 2002 - HK$3,298 million) for the benefit of these same entities.

16 Legal Proceedings

Other than the disputes with CIRtel and KPN Mobile N.V. described below, the Group is not engaged in any material litigation or arbitration proceeding, and no material litigation or claim is known by the Group to be pending or threatened against it.

CIRtel Arbitration

Hutchison 3G Italia SpA ("H3G Italia") and Hutchison International Limited ("HIL") are currently involved in arbitration proceedings pending before the International Chamber of Commerce for the resolution of a dispute with its joint venture partner CIRtel as to whether CIRtel is in breach of its funding obligations under the H3G Italia shareholders' agreement in demanding the repayment of a €373.2 million shareholder loan from CIRtel to H3G Italia, being CIRtel's pro rata contribution to finance the acquisition of a 3G national network license in Italy and H3G Italia's initial working capital. HIL and H3G Italia initiated the arbitration proceedings, pursuant to the terms of the shareholders' agreement to seek a ruling that CIRtel is required to irrevocably commit to provide the disputed amount of funding to the joint venture. The hearing of the dispute was held in the week of 9 June 2003. Final submission by the parties are due in September 2003 and a ruling is expected thereafter.

KPN Mobile N.V. Litigation

On 2 June 2003, the Company instituted court proceedings in the UK against KPN Mobile N.V. ("KPNM") over a dispute regarding KPNM's breach of contract in its failure to advance the sum of £150 million to Hutchison 3G UK Holdings, being KPNM's pro rata contribution to a funding call for an aggregate amount of £1 billion made by Hutchison 3G UK Holdings on its shareholders dated 11 March 2003. The Company seeks declaratory orders from the court that Hutchison 3G UK Holding's funding call was valid and that KPNM is in breach of its obligations under the shareholders' agreement between the Company and KPNM dated 12 July 2000 in failing to comply with the call on it. The Company also claims damages against KPNM. KPNM disputes the validity of the funding call. KPNM further asserts that the Company has breached the shareholders' agreement by approving, and providing funding in response to, the funding call of 11 March 2003, and seeks to require the Company to purchase all of KPNM's shares in Hutchison 3G UK Holdings for 140% of the fair price of the shares (as determined by an independent investment bank) or, alternatively, the price of the shares as determined by the court. The hearing of the dispute is scheduled to start in November 2003.

17 US dollar equivalents

The US dollar equivalents of the figures shown in the accounts have been translated at the rate of HK$7.80 to US$1.

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