

Positioned For Strong Growth



CHEUNG KONG (HOLDINGS) LIMITED
長江實業(集團)有限公司

STOCK CODE: 0001

Interim Report 2010

This interim report 2010 (both English and Chinese versions) ("Interim Report") has been posted on the Company's website at <http://www.ckh.com.hk>. Shareholders who have chosen to read the Company's corporate communications (including but not limited to the Interim Report) published on the Company's website in place of receiving printed copies thereof may request the printed copy of the Interim Report in writing to the Company c/o the Company's Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong or by email to ckh.ecom@computershare.com.hk.

Shareholders who have chosen to receive the corporate communications using electronic means through the Company's website and who for any reason have difficulty in receiving or gaining access to the Interim Report posted on the Company's website will upon request in writing to the Company c/o the Company's Registrar or by email to ckh.ecom@computershare.com.hk promptly be sent the Interim Report in printed form free of charge.

Shareholders may at any time choose to change your choice as to the means of receipt (i.e. in printed form or by electronic means through the Company's website) and/or the language of the Company's corporate communications by reasonable prior notice in writing to the Company c/o the Company's Registrar or sending a notice to ckh.ecom@computershare.com.hk.

Shareholders who have chosen to receive printed copy of the corporate communications in either English or Chinese version will receive both English and Chinese versions of the Interim Report since both language versions are bound together into one booklet.

CONTENTS

- 2 Chairman's Statement
- 6 Management Discussion and Analysis
- 14 Directors' Biographical Information
- 20 Disclosure of Interests
- 30 Corporate Governance
- 33 Other Information
- 34 Interim Financial Statements
- 44 Corporate Information and Key Dates

Chairman's Statement

Positioned For Strong Growth

PROFIT FOR THE FIRST HALF YEAR

The Group's unaudited profit attributable to shareholders for the six months ended 30th June, 2010 amounted to HK\$11,923 million. Earnings per share were HK\$5.15.

INTERIM DIVIDEND

The Directors have declared an interim dividend for 2010 of HK\$0.50 per share (HK\$0.50 per share in 2009) to shareholders whose names appear on the Register of Members of the Company on Tuesday, 21st September, 2010. The dividend will be paid on Wednesday, 22nd September, 2010.

PROSPECTS

All of the Group's businesses reported solid performances in the first half of 2010 despite continuing challenges in the global market. For the six months ended 30th June, 2010, the Group's profit before share of results of the Hutchison Whampoa Group was HK\$8,701 million.

The Group recorded an increase in contributions from property sales and property rental in the first half of 2010. Contribution from hotels and serviced suites increased significantly as compared to the same period in 2009. A decrease in returns from investment and finance was reported due to the impact of fluctuating financial market conditions. The increase in fair value of investment properties has moderated, as compared to the substantial increase in the same period last year due to the completion of a major project.

Business Review

Hong Kong's economy improved solidly in the first half of 2010 due to strong rebounds in exports and consumption. The recovery momentum is expected to continue for the remainder of the year.

The local property market delivered an overall satisfactory performance in the first six months. The Government's measures to fine-tune the land supply arrangements and to stabilise property prices are expected to facilitate the healthy development of the market in the long run. The Group will take appropriate steps to ensure its property sales procedures remain in line with the Government's guidelines to enhance transparency in the property market. We have confidence in the sound fundamentals of the market. Underlying demand from end-users will continue to lend solid support to both property transactions and prices.

The good property sales results recorded in the first half year continue to provide substantial cash flows and increased liquidity. Leveraging our strong financial capability and with a low gearing ratio of below 7%, we are well positioned to capture attractive growth opportunities. An ample land bank is a significant pillar for growth. Currently we have sufficient land resources for development over the next five to six years, and will continue to expand the land reserve by cost-efficient means when suitable opportunities arise.

Development progress in the Mainland has been satisfactory. Various projects are progressing well in line with our disciplined approach, and the proportion of contribution from the Mainland will continue to increase. The tightening measures initiated by the Central Government to regulate property prices will enable the market to grow steadily on a healthier track. Long-term prospects remain positive as the purchasing power of homebuyers remains firm, and underlying housing demand continues to be strong.

Driven by our long-term vision in overseas property markets, we will continue to strengthen our market position by adding to our overseas property portfolio with timely quality investments.

Chairman's Statement (*continued*)

Listed Affiliated Companies

We are well positioned to capture opportunities globally through the strategic investments in our listed affiliated companies, particularly through the Hutchison Whampoa Group's diversified businesses across 54 countries.

The Hutchison Whampoa Group The Hutchison Whampoa Group's global operations performed satisfactorily in the first half of 2010, including the improved 3 Group's performance and a significant improvement in cash flows. The Hutchison Whampoa Group will continue to focus on operational and financial disciplines, while seizing attractive investment opportunities to expand its core businesses when they arise. Barring major unforeseen circumstances, the Hutchison Whampoa Group is poised for more promising developments in the years to come. The Hutchison Whampoa Group has full confidence in its short, medium, and longer-term growth prospects.

CKI The performance of the businesses of Cheung Kong Infrastructure Holdings Limited ("CKI") was steady and in line with expectations. The three new investments made during the period, each one in a different industry, have added to the diversity of CKI's businesses and strengthened its revenue base. With a strong cash position, CKI will continue to pursue new investments around the globe to further enhance and strengthen its portfolio. CKI looks forward to encouraging prospects for the rest of 2010.

HK Electric Profits from Hong Kong operations of Hongkong Electric Holdings Limited ("HK Electric") were in line with budget, while international investments, which accounted for over one-third of HK Electric's total profit, recorded a solid increase as compared to last year. It is expected that the proportion of profit generated from international investments will increase over time as existing businesses grow and as more overseas acquisitions materialise.

CK Life Sciences CK Life Sciences Int'l., (Holdings) Inc. ("CK Life Sciences") achieved a satisfactory operational performance during the first half of 2010. The outlook for its key markets in Hong Kong, Australia and North America are positive. CK Life Sciences will strive to deliver strong organic growth in its existing operations, carefully consider opportunities to expand its businesses, and continue research initiatives in targeted therapies for cancer and cancer pain management.

Outlook

The global economy remains vulnerable to a number of uncertainties and destabilising forces. In particular, the various economic uncertainties facing the United States and certain European nations will cast a shadow over the pace of global economic recovery. Nevertheless, the overall outlook for the global economy is likely to remain generally stable.

The strength of the Mainland's economy is evident. GDP growth continued to be robust in the first half of 2010. The slowing growth in new lending suggests that pressure on tightening liquidity may ease in the second half year. These favourable conditions support optimism towards a continuing stable macroeconomic environment in the Mainland.

Hong Kong's economy is expected to remain stable in the second half year, and will continue to benefit from the Mainland's vibrant, sustainable growth in the long run. We are very confident in the economic prospects of the Mainland and Hong Kong.

The Group strives to achieve sustainable growth within the framework of financial discipline. By maintaining steady cash flows and ample liquidity, we are well placed to respond quickly to the various challenges and opportunities that arise in economic cycles. As an actively managed conglomerate with solid strengths and strong potential, the Cheung Kong Group is uniquely positioned for future growth and expansion. Barring major unforeseen circumstances, we are very optimistic and confident of the Group's promising prospects given its strong dynamics for robust development.

Intelligent, creative, dedicated and loyal employees are the Group's most valuable asset in this extremely competitive and challenging global environment. I take this opportunity to thank our colleagues on the Board, the staff members of the Group and our diligent employees worldwide for their hard work, loyal service and contributions during the period.

Li Ka-shing
Chairman

Hong Kong, 5th August, 2010

Management Discussion and Analysis

BUSINESS REVIEW

Major Business Activities

1. Developments Completed and Scheduled for Completion in 2010:

| Name | Location | Total Gross Floor Area (sq.m.) | Group's Interest |
|--|---|--------------------------------|------------------|
| LOHAS Park Le Prestige and Le Prime | Site AB of The Remaining Portion of Tseung Kwan O Town Lot No. 70 | 226,430 | Joint Venture |
| Conduit 18 | Section A of Inland Lot No. 711 | 2,961 | 100% |
| Festival City Phases 1 and 2 | Sha Tin Town Lot No. 529 | 200,744 | Joint Venture |
| Central Park Towers II | Tin Shui Wai Town Lot No. 24 | 69,457 | 98.47% |
| Marina Bay Residences and Marina Bay Financial Centre Phase 1 | Marina Bay, Singapore | 243,797 | 16.7% |
| La Grande Ville Phase 1 | Shun Yi District, Beijing | 95,477 | 100% |
| Regency Park Phase 2 | Jingyuetan, Changchun | 111,713 | 50% |
| Regency Residence Phases 1 and 2A | Nanguan, Changchun | 45,383 | 50% |
| Noble Hills Phases 1B2, 1B3 and 2 | Wangcheng Jinxing Dadao, Changsha | 147,204 | 50% |
| Tianning Project Phase 1 | Tianning District, Changzhou | 2,919 | 50% |

| Name | Location | Total Gross Floor Area (sq.m.) | Group's Interest |
|---|---|---------------------------------------|-------------------------|
| Le Parc Phase 2 | High-Tech Zone, Chengdu | 319,554 | 50% |
| Regency Oasis Phase 1A | Wenjiang, Chengdu | 27,118 | 50% |
| Noble Hills Phases 1B1, 1B2 and 1C | Douxu, Chongqing | 132,831 | 50% |
| The Riverside and Metropolitan Plaza Phases 1 and 3 | Huangsha MTR Station Podium, Guangzhou | 241,809 | 50% |
| Regency Cove Phases 1A and 1B | Maqiao Town, Ming Hang Area, Shanghai | 19,944 | 42.5% |
| Regency Park Phase IIB | Huamu Road, Pudong, Shanghai | 9,954 | 50% |
| Century Place Phases 1 and 2 | Shennan Road, Huaqiangbei Futian District, Shenzhen | 163,941 | 40% |
| Regency Park Phase 3 | Guanlan, Shenzhen | 60,336 | 50% |
| Le Sommet Phases 1A and 3 | Ping Hu, Longgang, Shenzhen | 53,910 | 50% |
| Tianjin Metropolitan Phase 1 | Yingkoudao, Tianjin | 57,064 | 40% |
| The Greenwich Phases 1B and 2A | Hi-Tech Industrial Development Zone, Xian | 268,475 | 50% |

Management Discussion and Analysis (*continued*)

2. New Acquisitions and Joint Developments and Other Major Events:

Hong Kong

- (1) January 2010: A wholly owned subsidiary of the Group successfully bid for the contract for the joint development of two sites located at Lai Chi Kok Road/Kweilin Street and Yee Kuk Street in Sham Shui Po in a public tender exercise. In February 2010, the Group entered into a development agreement with the Urban Renewal Authority for the joint development of the sites. With an aggregate area of approximately 3,339 sq.m., the sites are planned for a commercial and residential development estimated to have a total developable gross floor area of approximately 29,649 sq.m.
- (2) May 2010: A wholly owned subsidiary of the Group completed the lease modification with the Government in respect of the site at Nos. 106-114 Kwok Shui Road and Nos. 61-69 Yau Ma Hom Road, Kwai Chung Town Lot No. 157. With an area of approximately 4,645 sq.m., the lease allowed a residential development with a developable gross floor area of up to approximately 24,189 sq.m.
- (3) June 2010: A wholly owned subsidiary of the Group completed the lease modification with the Government in respect of the site at No. 41 Heung Yip Road, Wong Chuk Hang, Aberdeen Inland Lot No. 354. With an area of approximately 2,007 sq.m., the site is earmarked for a commercial development estimated to have a developable gross floor area of approximately 30,099 sq.m.
- (4) During the period under review, the Group continued to acquire properties and agricultural land with potential for development. Some of the properties and agricultural land are under varying stages of design and planning applications.

The Mainland and Overseas

- (5) During the period under review, the Group's property projects in the Mainland and overseas were on schedule, both in terms of sales and leasing.

Property Sales

Turnover of property sales for the first half year, including share of property sales of jointly controlled entities, was HK\$18,644 million (2009 – HK\$14,328 million), an increase of HK\$4,316 million when compared with the same period last year, and comprised mainly the sale of residential units of two property projects completed in previous years – La Mer and Celestial Heights Phases 1 and 2 in Hong Kong, and the sale of residential units of property projects completed during the period, including Le Prestige, Conduit 18 and Festival City Phase 1 in Hong Kong, Marina Bay Residences in Singapore, La Grande Ville Phase 1 (Zones A, B and D) in Beijing, The Greenwich Phase 1B in Xian and Noble Hills Phase 1B in Changsha.

Contribution from property sales, including share of results of jointly controlled entities, was HK\$5,809 million (2009 – HK\$5,661 million), an increase of HK\$148 million when compared with the same period last year. During the period, property sales were active and measures were introduced by the government authorities both in Hong Kong and the Mainland to regulate the red-hot property markets and to facilitate its stability and long term development.

Contribution from property sales for the second half year will mainly be derived from the sale of residential units of Central Park Towers II, Le Prime and Festival City Phase 2 in Hong Kong, La Grande Ville Phase 1 (Zones E, F and G) in Beijing, The Riverside Phase 3 in Guangzhou, Regency Park Phase 3 in Shenzhen, Regency Cove Phase 1 in Shanghai, and several other property projects scheduled for completion.

All units of Central Park Towers II and Le Prime had been presold shortly after presales were launched in last year. Presale of units of various property projects in the Mainland are in progress whereas presale of units of Festival City Phase 2 will be launched in the second half year upon receiving consent from the government.

Management Discussion and Analysis (*continued*)

Property Rental

Turnover of the Group's property rental for the first half year was HK\$614 million (2009 – HK\$525 million), an increase of HK\$89 million when compared with the same period last year, mainly attributable to a full six-month rental contribution in the current period from 1881 Heritage which was completed in Hong Kong in the first half year of 2009. The Group's existing investment properties comprise mainly retail shopping malls and commercial office properties in Hong Kong which accounted for approximately 40% and 48% respectively of the turnover of the Group's property rental for the period.

Contribution from the Group's property rental was HK\$563 million (2009 – HK\$493 million), and contribution including share of results of jointly controlled entities was HK\$912 million (2009 – HK\$830 million), an increase of HK\$82 million when compared with the same period last year. During the period, business sentiment and consumer confidence continued to improve and the local commercial leasing market regained its strength with growing demand for quality commercial and retail spaces.

In March 2010, Marina Bay Financial Centre Tower I and portion of Marina Bay Link Mall (the "Marina Bay Properties"), being part of Phase One of a composite property development project in Singapore comprising Grade A office towers, retail shopping mall and luxury apartments of which the Group has a 16.7% interest, were completed and commenced to generate rental income during the period.

At the interim period end date, the Group accounted for an increase in the fair value of investment properties of HK\$1,508 million (2009 – HK\$3,228 million) based on a professional valuation and shared an increase in the fair value of investment properties, including the Marina Bay Properties completed during the period, of HK\$1,779 million (2009 – HK\$670 million) of jointly controlled entities.

Hotels and Serviced Suites

Turnover of the Group's hotels and serviced suites for the first half year was HK\$928 million (2009 – HK\$598 million), an increase of HK\$330 million when compared with the same period last year. The increase in turnover was mainly a result of the full operation of Harbour Grand Hong Kong and Harbour Plaza 8 Degrees in the current period, both of which commenced to operate in Hong Kong during 2009.

Contribution from the Group's hotels and serviced suites was HK\$249 million (2009 – HK\$171 million) and contribution including share of results of jointly controlled entities was HK\$351 million (2009 – HK\$241 million), an increase of HK\$110 million when compared with the same period last year. Besides the increase in contribution from the Group's two new hotels in full operation, the operating results of other hotels and serviced suites owned by the Group and jointly controlled entities also improved as Hong Kong's economy returned to growth and the Mainland's economy continued to grow strongly during the period.

The Group's portfolio of hotels and serviced suites in Hong Kong and the Mainland is well positioned to achieve better results when the world economies continue to recover from the global financial crisis.

Property and Project Management

Turnover of property and project management for the first half year was HK\$132 million (2009 – HK\$86 million), of which income from property management was HK\$75 million (2009 – HK\$75 million), and income from project related services was HK\$57 million (2009 – HK\$11 million), an increase of HK\$46 million when compared with the same period last year.

Contribution from property management was HK\$49 million (2009 – HK\$49 million), while project related services made a small contribution to group profit.

The Group is committed to providing high quality services to properties under our management. At the interim period end date, the total floor area under the Group's property management was approximately 84 million square feet and this is expected to grow steadily following the gradual completion of the Group's property projects in the years ahead.

Major Associates

The Hutchison Whampoa Group, a listed associate, reported unaudited profit attributable to shareholders for the six months ended 30th June, 2010 of HK\$6,450 million (2009 – HK\$5,760 million).

The CK Life Sciences Group, another listed associate, reported unaudited profit attributable to shareholders for the six months ended 30th June, 2010 of HK\$48,635,000 (2009 – HK\$256,454,000).

Management Discussion and Analysis (*continued*)

FINANCIAL REVIEW

Liquidity and Financing

The Group monitors its liquidity requirements on a short to medium term basis and arranges refinancing of the Group's borrowings when appropriate. During the period, the Group issued notes in the total amount of HK\$1.3 billion with ten-year term in Hong Kong under the Euro Medium Term Note Programme and redeemed notes in the amount of HK\$300 million upon maturity.

At the interim period end date, the Group's bonds and notes, bank loans and other loans (including a loan from a joint development partner) amounted to HK\$7.9 billion, HK\$23.1 billion and HK\$4.4 billion respectively, and the Group's total borrowings were HK\$35.4 billion, an increase of HK\$0.9 billion from the end of last year. The maturity profile is spread over a period of ten years, with HK\$13.9 billion repayable within one year, HK\$19.5 billion within two to five years and HK\$2 billion beyond five years.

The Group's gearing ratio at the interim period end date was approximately 6.8%, determined as the proportion of the Group's net borrowings (after deducting bank balances and deposits of HK\$18.4 billion) to shareholders' funds.

With cash and marketable securities in hand as well as available banking facilities, the Group's liquidity position remains strong and the Group has sufficient financial resources to satisfy its commitments and working capital requirements.

Treasury Policies

The Group maintains a conservative approach on foreign exchange exposure management. At the interim period end date, approximately 82.1% of the Group's borrowings were in HK\$ with the balance in US\$ (or swapped into US\$) and S\$, mainly for the purpose of financing projects outside Hong Kong. The Group derives its revenue mainly in HK\$, cash balances and marketable securities are maintained mainly in HK\$ or US\$, and the Group ensures that its exposure to fluctuations in foreign exchange rates is minimised.

The Group's borrowings are principally on a floating rate basis. The fixed rate bonds and notes issued by the Group have associated swaps arrangements in place to convert the rates and related terms to a floating rate basis.

When appropriate and at times of interest rate or exchange rate uncertainty or volatility, hedging instruments including swaps and forwards are used by the Group in the management of exposure to interest rate and foreign exchange rate fluctuations.

Charges on Assets

At the interim period end date, certain subsidiaries of the Group pledged assets with aggregate carrying value of HK\$970 million (31st December, 2009 – HK\$1,014 million) to secure bank loan facilities utilised.

Contingent Liabilities

At the interim period end date, the Group's contingent liabilities were as follows:

- (1) guarantees provided for minimum share of revenue/profit receivable by other partners of joint development projects amounted to HK\$1,148 million (31st December, 2009 – HK\$1,398 million); and
- (2) guarantees provided for bank loans utilised by jointly controlled entities and investee company amounted to HK\$1,553 million (31st December, 2009 – HK\$1,605 million) and HK\$283 million (31st December, 2009 – HK\$283 million) respectively.

Employees

At the interim period end date, the Group employed approximately 8,900 employees for its principal businesses. The related employees' costs for the period (excluding directors' emoluments) amounted to approximately HK\$860 million. The Group ensures that the pay levels of its employees are competitive and employees are rewarded on a performance related basis, together with reference to the profitability of the Group, remuneration benchmarks in the industry, and prevailing market conditions within the general framework of the Group's salary and bonus system. The Group does not have any share option scheme for employees.

Directors' Biographical Information

Li Ka-shing, KBE, GBM, Grand Officer of the Order Vasco Nunez de Balboa, Commandeur de l'Ordre de Léopold, Commandeur de la Légion d'Honneur, JP, aged 82, is the founder of the Group. He has been the Chairman since 1971 and acted as the Managing Director from 1971 to 1998. He is the Chairman of the Remuneration Committee of the Company. Mr. Li has also been the Chairman of Hutchison Whampoa Limited, a listed company, since 1981. He has been engaged in many major commercial developments in Hong Kong for 60 years. Mr. Li served as a member of the Hong Kong Special Administrative Region's Basic Law Drafting Committee, Hong Kong Affairs Adviser and the Preparatory Committee for the Hong Kong Special Administrative Region. He is also an Honorary Citizen of a number of cities in the Mainland and overseas. Mr. Li is a keen supporter of community service organisations, and has served as honorary chairman of many such groups over the years. Mr. Li has received Honorary Doctorates from Peking University, The University of Hong Kong, The Hong Kong University of Science and Technology, The Chinese University of Hong Kong, City University of Hong Kong, The Open University of Hong Kong, University of Calgary in Canada and Cambridge University in the United Kingdom. Mr. Li Ka-shing is the father of Mr. Li Tzar Kuoi, Victor, the Managing Director and Deputy Chairman of the Company, and the brother-in-law of Mr. Kam Hing Lam, Deputy Managing Director of the Company. Mr. Li Ka-shing also holds directorships in certain companies controlled by certain substantial shareholders of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Li Tzar Kuoi, Victor, aged 46, joined the Group in 1985 and acted as Deputy Managing Director from 1993 to 1998. He has been Deputy Chairman since 1994 and Managing Director since 1999. He is also the Deputy Chairman of Hutchison Whampoa Limited, the Chairman of Cheung Kong Infrastructure Holdings Limited and CK Life Sciences Int'l., (Holdings) Inc., an Executive Director of Hongkong Electric Holdings Limited, Co-Chairman of Husky Energy Inc., all being listed companies, and a Director of The Hongkong and Shanghai Banking Corporation Limited. Mr. Victor Li serves as a member of the Standing Committee of the 11th National Committee of the Chinese People's Political Consultative Conference of the People's Republic of China. He is also a member of the Commission on Strategic Development and the Council for Sustainable Development of the Hong Kong Special Administrative Region, and Vice Chairman of the Hong Kong General Chamber of Commerce, and was a member of the Greater Pearl River Delta Business Council of the Hong Kong Special Administrative Region. Mr. Victor Li is the Honorary Consul of Barbados in Hong Kong. He holds a Bachelor of Science degree in Civil Engineering, a Master of Science degree in Structural Engineering and an honorary degree, Doctor of Laws, honoris causa (LL.D.). Mr. Victor Li is a son of Mr. Li Ka-shing, the Chairman of the Company and a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance, and a nephew of Mr. Kam Hing Lam, Deputy Managing Director of the Company. Mr. Victor Li also holds directorships in certain companies controlled by certain substantial shareholders of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

KAM Hing Lam, aged 63, has been Deputy Managing Director since 1993. He is also the Group Managing Director of Cheung Kong Infrastructure Holdings Limited, the President and Chief Executive Officer of CK Life Sciences Int'l., (Holdings) Inc., and an Executive Director of Hutchison Whampoa Limited and Hongkong Electric Holdings Limited, all being listed companies. Mr. Kam had been a Non-executive Director of Spark Infrastructure Group, a listed company, until 28th May, 2010. Mr. Kam is a member of the 11th Beijing Committee of the Chinese People's Political Consultative Conference of the People's Republic of China. He holds a Bachelor of Science degree in Engineering and a Master's degree in Business Administration. Mr. Kam is the brother-in-law of Mr. Li Ka-shing, Chairman of the Company and a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance, and an uncle of Mr. Li Tzar Kuoi, Victor, Managing Director and Deputy Chairman of the Company.

IP Tak Chuen, Edmond, aged 58, has been an Executive Director since 1993 and Deputy Managing Director since 2005. He is also an Executive Director and Deputy Chairman of Cheung Kong Infrastructure Holdings Limited, the Senior Vice President and Chief Investment Officer of CK Life Sciences Int'l., (Holdings) Inc., a Non-executive Director of ARA Asset Management Limited (an Asian real estate fund management company listed in Singapore), TOM Group Limited, AVIC International Holding (HK) Limited, Excel Technology International Holdings Limited, Ruinian International Limited, Shougang Concord International Enterprises Company Limited (all being listed companies) and ARA Asset Management (Fortune) Limited as the manager of Fortune REIT, and a Director of ARA Trust Management (Suntec) Limited as the manager of Suntec REIT. Fortune REIT is listed in Hong Kong and Singapore whereas Suntec REIT is listed in Singapore. He holds a Bachelor of Arts degree in Economics and a Master of Science degree in Business Administration. Mr. Ip is a Director of certain companies controlled by certain substantial shareholders of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

CHUNG Sun Keung, Davy, aged 59, has been an Executive Director since 1993. Mr. Chung is a Registered Architect. He is a member of the 11th Guangzhou Committee of the Chinese People's Political Consultative Conference of the People's Republic of China.

PAU Yee Wan, Ezra, aged 54, joined the Group in 1982 and has been an Executive Director since 1993. Ms. Pau is a Director of Li Ka-Shing Unity Trustee Company Limited as trustee of The Li Ka-Shing Unity Trust, Li Ka-Shing Unity Trustee Corporation Limited as trustee of The Li Ka-Shing Unity Discretionary Trust and Li Ka-Shing Unity Trustcorp Limited as trustee of another discretionary trust, all being substantial shareholders of the Company within the meaning of Part XV of the Securities and Futures Ordinance, and a Director of certain companies controlled by certain substantial shareholders of the Company.

Directors' Biographical Information (*continued*)

WOO Chia Ching, Grace, aged 53, joined the Group in 1987 and has been an Executive Director since 1996. She holds a Bachelor of Arts degree from the University of Pennsylvania, U.S.A. and a Master's degree in City and Regional Planning from Harvard University, U.S.A. Ms. Woo is a Director of certain companies controlled by a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

CHIU Kwok Hung, Justin, aged 60, joined the Group in 1997 and has been an Executive Director since 2000. He is the Chairman of ARA Asset Management Limited (an Asian real estate fund management company listed in Singapore), ARA Asset Management (Fortune) Limited as the manager of Fortune REIT (listed in Hong Kong and Singapore), ARA Trust Management (Suntec) Limited as the manager of Suntec REIT (listed in Singapore), and ARA Asset Management (Prosperity) Limited as the manager of Prosperity REIT (listed in Hong Kong). Mr. Chiu is also a Director of ARA Fund Management (Asia Dragon) Limited as the manager of the ARA Asia Dragon Fund. Mr. Chiu has more than 30 years of international experience in real estate in Hong Kong and various countries. He is a member of the 11th Shanghai Committee of the Chinese People's Political Consultative Conference of the People's Republic of China, a Fellow of Hong Kong Institute of Real Estate Administrators and a member of the Board of Governors of Hong Kong Baptist University Foundation, and he holds Bachelor degrees in Sociology and Economics. Mr. Chiu is a Director of a company controlled by a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

LEUNG Siu Hon, aged 78, is a Non-executive Director of the Company and has been a Director since 1984. He was an Independent Non-executive Director of the Company prior to his re-designation as a Non-executive Director of the Company in September 2004. Mr. Leung holds a B.A. Law (Honors) (Southampton) degree and has been awarded the Honorary degree of Doctor of Laws by the University of Southampton in July 2001. Mr. Leung is a solicitor of the High Court of the Hong Kong Special Administrative Region and an attesting officer appointed by the PRC. He is presently a consultant of Messrs. S.H. Leung and Co., Solicitors. Mr. Leung is a cousin of Mr. Chow Kun Chee, Roland, a Non-executive Director of the Company.

FOK Kin-ning, Canning, aged 58, is a Non-executive Director of the Company and has been a Director since 1985. Mr. Fok is currently the Chairman of Hongkong Electric Holdings Limited, the Group Managing Director of Hutchison Whampoa Limited and Deputy Chairman of Cheung Kong Infrastructure Holdings Limited. He is also the Chairman of Hutchison Harbour Ring Limited, Hutchison Telecommunications Hong Kong Holdings Limited and Hutchison Telecommunications (Australia) Limited, Co-Chairman of Husky Energy Inc., and Alternate Director to Mrs. Chow Woo Mo Fong, Susan, a Non-executive Director of Hutchison Telecommunications Hong Kong Holdings Limited, all being listed companies. He was previously the Chairman of Hutchison Telecommunications International Limited (whose shares were withdrawn from listing on 25th May, 2010). He holds a Bachelor of Arts degree and a Diploma in Financial Management, and is a member of the Australian Institute of Chartered Accountants. Mr. Fok is a Director of certain companies controlled by a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Frank John SIXT, aged 58, is a Non-executive Director of the Company and has been a Director since 1991. He is the Non-executive Chairman of TOM Group Limited, the Group Finance Director of Hutchison Whampoa Limited, and an Executive Director of Cheung Kong Infrastructure Holdings Limited and Hongkong Electric Holdings Limited. He is also a Non-executive Director of Hutchison Telecommunications Hong Kong Holdings Limited, and a Director of Hutchison Telecommunications (Australia) Limited and Husky Energy Inc., all being listed companies. He was previously a Non-executive Director of Hutchison Telecommunications International Limited (whose shares were withdrawn from listing on 25th May, 2010). In addition, Mr. Sixt is a Director of Li Ka-Shing Unity Trustee Company Limited as trustee of The Li Ka-Shing Unity Trust, Li Ka-Shing Unity Trustee Corporation Limited as trustee of The Li Ka-Shing Unity Discretionary Trust and Li Ka-Shing Unity Trustcorp Limited as trustee of another discretionary trust, all being substantial shareholders of the Company within the meaning of Part XV of the Securities and Futures Ordinance, and a Director of certain companies controlled by certain substantial shareholders of the Company. He holds a Master's degree in Arts and a Bachelor's degree in Civil Law, and is a member of the Bar and of the Law Society of the Provinces of Québec and Ontario, Canada.

CHOW Kun Chee, Roland, aged 72, is a Non-executive Director of the Company and has been a Director since 1993. He was an Independent Non-executive Director of the Company prior to his re-designation as a Non-executive Director of the Company in September 2004. Mr. Chow is a solicitor of the High Court of the Hong Kong Special Administrative Region and is a consultant of Messrs. Herbert Tsoi and Partners, Solicitors. Mr. Chow is a cousin of Mr. Leung Siu Hon, a Non-executive Director of the Company. Mr. Chow is a Director of Li Ka-Shing Unity Trustee Company Limited as trustee of The Li Ka-Shing Unity Trust, Li Ka-Shing Unity Trustee Corporation Limited as trustee of The Li Ka-Shing Unity Discretionary Trust and Li Ka-Shing Unity Trustcorp Limited as trustee of another discretionary trust, all being substantial shareholders of the Company within the meaning of Part XV of the Securities and Futures Ordinance, and a Director of certain companies controlled by certain substantial shareholders of the Company. He holds a Master of Laws degree from the University of London.

Directors' Biographical Information (*continued*)

George Colin MAGNUS, OBE, aged 74, acted as an Executive Director from 1980 and Deputy Chairman from 1985 until he retired from these offices in October 2005. He has been a Non-executive Director of the Company since November 2005. He is also a Non-executive Director of Hutchison Whampoa Limited, Cheung Kong Infrastructure Holdings Limited and Hongkong Electric Holdings Limited, and a Director of Husky Energy Inc., all being listed companies. He holds a Master's degree in Economics.

KWOK Tun-li, Stanley, aged 83, is an Independent Non-executive Director, and a member of the Audit Committee and the Remuneration Committee of the Company. He has been a Director since 1989. Mr. Kwok holds a Bachelor's degree in Science (Architecture) from St. John's University, Shanghai, China, and an A.A. Diploma from the Architectural Association School of Architecture, London, England. He is also presently a Director of Amara International Investment Corporation, CTC Bank of Canada, Husky Energy Inc., a listed company, and Stanley Kwok Consultants Inc.

YEH Yuan Chang, Anthony, aged 87, is an Independent Non-executive Director of the Company. He has been a Director since 1993. Mr. Yeh holds a Master's degree in Science (Mechanical Engineering). He is the Honorary Life President of Tai Ping Carpets International Limited, a listed company.

Simon MURRAY, CBE, aged 70, is an Independent Non-executive Director of the Company. He has been a Director since 1993. Mr. Murray is currently the Chairman of General Enterprise Management Services (International) Limited (GEMS Ltd.), a private equity fund management company. He is also an Independent Non-executive Director of a number of listed companies in Hong Kong including Arnhold Holdings Limited, Orient Overseas (International) Limited and Wing Tai Properties Limited (formerly known as USI Holdings Limited). He is also a Director of Compagnie Financière Richemont SA and Sino-Forest Corporation, and a Non-Executive Director of Essar Energy plc, all being listed companies. He was previously a Director of Vodafone Group Plc, a listed company.

CHOW Nin Mow, Albert, aged 61, has been a Director of the Company since 1983. Mr. Chow acted as a Non-executive Director from April 1997 to October 2004 and has been an Independent Non-executive Director of the Company since October 2004. He is the Chairman and Managing Director of Wah Yip (Holdings) Limited.

HUNG Siu-lin, Katherine, aged 62, joined the Group in March 1972, and acted as an Executive Director from 1985 to August 2000. She was a Non-executive Director from September 2000 to October 2004, and has been an Independent Non-executive Director of the Company since October 2004. She has been appointed as a member of the Audit Committee of the Company on 1st January, 2007. Ms. Hung is a member of the Tianjin Committee of the 12th Chinese People's Political Consultative Conference of the People's Republic of China; also Director of Li Ka Shing Foundation Limited, Member of HKSAR Estate Agents Authority, Executive Committee Member of Hong Kong Housing Society, Court Member of The Hong Kong University of Science and Technology, Court Member of The Hong Kong Polytechnic University, Steering Committee Member of the Institute for Enterprise of The Hong Kong Polytechnic University and Secretary of the Scout Association of Hong Kong. She was Council Member of Lingnan University from 1999 to 2004.

WONG Yick-ming, Rosanna, DBE, JP, aged 57, has been an Independent Non-executive Director since 2001 and is a member of the Remuneration Committee of the Company. She holds a Doctor of Philosophy degree in Sociology from the University of California (Davis), U.S.A. and has been awarded Honorary Doctorates from The Chinese University of Hong Kong, The Hong Kong Polytechnic University, The University of Hong Kong, The Hong Kong Institute of Education and University of Toronto in Canada. She is currently a member of the 11th National Committee of the Chinese People's Political Consultative Conference of the People's Republic of China, the Judicial Officers Recommendation Commission and the Commission on Strategic Development. She is a Court member of The Hong Kong University of Science and Technology, and an elected member of the Council and an *ex-officio* member of the Court of The University of Hong Kong. She also serves as a Global Advisor to Mars, Incorporated. She acted as the Chairman of the Education Commission of the Hong Kong Special Administrative Region until she retired from this office in April 2007. She is the Executive Director of The Hong Kong Federation of Youth Groups, a Non-executive Director of The Hongkong and Shanghai Banking Corporation Limited and an Independent Non-executive Director of Hutchison Telecommunications Hong Kong Holdings Limited, a listed company.

CHEONG Ying Chew, Henry, aged 62, has been an Independent Non-executive Director and a member of the Audit Committee of the Company since September 2004. He has been appointed as the Chairman of the Audit Committee of the Company on 1st January, 2007. He is also an Independent Non-executive Director of Cheung Kong Infrastructure Holdings Limited, CNNC International Limited, Creative Energy Solutions Holdings Limited, Excel Technology International Holdings Limited, Hutchison Telecommunications Hong Kong Holdings Limited, New World Department Store China Limited, SPG Land (Holdings) Limited and TOM Group Limited, and an Independent Director of BTS Group Holdings Public Company Limited, all being listed companies. Mr. Cheong is an Executive Director and Deputy Chairman of Worldsec Limited, a listed company. Mr. Cheong is a member of the Securities and Futures Appeals Tribunal, a member of the Advisory Committee of the Securities and Futures Commission and a member of the Disciplinary Panel (Panel A) of the Hong Kong Institute of Certified Public Accountants. Mr. Cheong holds a Bachelor of Science degree in Mathematics and a Master of Science degree in Operational Research and Management.

Disclosure of Interests

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

As at 30th June, 2010, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code for Securities Transactions by Directors adopted by the Company (the "Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

1. Long Positions in Shares

(a) The Company

| Name of Director | Capacity | Number of Ordinary Shares | | | | Total | Approximate % of Shareholding |
|-------------------------|--|---------------------------|-----------------|------------------------|-------------------------|-------------|-------------------------------|
| | | Personal Interest | Family Interest | Corporate Interest | Other Interest | | |
| Li Ka-shing | Interest of controlled corporations & founder of discretionary trusts | - | - | 39,147,000 (Note 1) | 936,462,744 (Note 2) | 975,609,744 | 42.12% |
| Li Tzar Kuoi, Victor | Beneficial owner, interest of child or spouse, interest of controlled corporations & beneficiary of trusts | 220,000 | 100,000 | 1,529,000 (Note 4) | 936,462,744 (Note 2) | 938,311,744 | 40.51% |
| Kam Hing Lam | Beneficial owner | 10,000 | - | - | - | 10,000 | 0.0004% |
| Leung Siu Hon | Beneficial owner & interest of child or spouse | 645,500 | 64,500 | - | - | 710,000 | 0.03% |
| Chow Kun Chee, Roland | Beneficial owner | 65,600 | - | - | - | 65,600 | 0.003% |
| George Colin Magnus | Beneficial owner, interest of child or spouse & beneficiary of trust | 56,000 | 10,000 | - | 184,000 (Note 5) | 250,000 | 0.01% |
| Yeh Yuan Chang, Anthony | Interest of child or spouse | - | 384,000 | - | - | 384,000 | 0.02% |
| Simon Murray | Beneficial owner | 74,000 | - | - | - | 74,000 | 0.003% |
| Hung Siu-lin, Katherine | Beneficial owner | 20,000 | - | - | - | 20,000 | 0.0009% |

1. Long Positions in Shares *(continued)*

(b) Associated Corporations

Hutchison Whampoa Limited

| Name of Director | Capacity | Number of Ordinary Shares | | | | Total | Approximate % of Shareholding |
|-------------------------|--|---------------------------|-----------------|------------------------|---------------------------|---------------|-------------------------------|
| | | Personal Interest | Family Interest | Corporate Interest | Other Interest | | |
| Li Ka-shing | Interest of controlled corporations & founder of discretionary trusts | - | - | 72,094,000 (Note 1) | 2,141,698,773 (Note 3) | 2,213,792,773 | 51.92% |
| Li Tzar Kuoi, Victor | Interest of controlled corporations & beneficiary of trusts | - | - | 1,086,770 (Note 4) | 2,141,698,773 (Note 3) | 2,142,785,543 | 50.26% |
| Kam Hing Lam | Beneficial owner & interest of child or spouse | 60,000 | 40,000 | - | - | 100,000 | 0.002% |
| Leung Siu Hon | Beneficial owner & interest of child or spouse | 11,000 | 28,600 | - | - | 39,600 | 0.0009% |
| Fok Kin-ning, Canning | Interest of controlled corporation | - | - | 4,810,875 (Note 7) | - | 4,810,875 | 0.11% |
| Frank John Sixt | Beneficial owner | 50,000 | - | - | - | 50,000 | 0.001% |
| Chow Kun Chee, Roland | Beneficial owner | 49,931 | - | - | - | 49,931 | 0.001% |
| George Colin Magnus | Beneficial owner, interest of child or spouse & founder & beneficiary of a discretionary trust | 40,000 | 9,900 | - | 950,100 (Note 6) | 1,000,000 | 0.02% |
| Yeh Yuan Chang, Anthony | Interest of child or spouse | - | 124,000 | - | - | 124,000 | 0.003% |
| Chow Nin Mow, Albert | Beneficial owner | 97 | - | - | - | 97 | ≈ 0% |
| Hung Siu-lin, Katherine | Beneficial owner | 34,000 | - | - | - | 34,000 | 0.0008% |

Disclosure of Interests (continued)

1. Long Positions in Shares (continued)

(b) Associated Corporations (continued)

Cheung Kong Infrastructure Holdings Limited

| Name of Director | Capacity | Number of Ordinary Shares | | | | Total | Approximate % of Shareholding |
|----------------------|---------------------------------|---------------------------|-----------------|--------------------|---------------------------|---------------|-------------------------------|
| | | Personal Interest | Family Interest | Corporate Interest | Other Interest | | |
| Li Ka-shing | Founder of discretionary trusts | - | - | - | 1,912,109,945 (Note 9) | 1,912,109,945 | 84.82% |
| Li Tzar Kuoi, Victor | Beneficiary of trusts | - | - | - | 1,912,109,945 (Note 9) | 1,912,109,945 | 84.82% |
| Kam Hing Lam | Beneficial owner | 100,000 | - | - | - | 100,000 | 0.004% |

CK Life Sciences Int'l., (Holdings) Inc.

| Name of Director | Capacity | Number of Ordinary Shares | | | | Total | Approximate % of Shareholding |
|-----------------------|--|---------------------------|-----------------|--------------------|----------------------------|---------------|-------------------------------|
| | | Personal Interest | Family Interest | Corporate Interest | Other Interest | | |
| Li Ka-shing | Founder of discretionary trusts | - | - | - | 4,355,634,570 (Note 10) | 4,355,634,570 | 45.31% |
| Li Tzar Kuoi, Victor | Beneficial owner & beneficiary of trusts | 2,250,000 | - | - | 4,355,634,570 (Note 10) | 4,357,884,570 | 45.34% |
| Kam Hing Lam | Interest of child or spouse | - | 6,225,000 | - | - | 6,225,000 | 0.06% |
| Ip Tak Chuen, Edmond | Beneficial owner | 2,250,000 | - | - | - | 2,250,000 | 0.02% |
| Chung Sun Keung, Davy | Beneficial owner | 375,000 | - | - | - | 375,000 | 0.004% |
| Pau Yee Wan, Ezra | Beneficial owner | 900,000 | - | - | - | 900,000 | 0.009% |
| Woo Chia Ching, Grace | Beneficial owner | 1,125,000 | - | - | - | 1,125,000 | 0.01% |
| Leung Siu Hon | Beneficial owner, interest of child or spouse & interest of controlled corporation | 1,688,130 | 2,000 | 2,970 (Note 8) | - | 1,693,100 | 0.017% |

1. Long Positions in Shares *(continued)*

(b) Associated Corporations *(continued)*

CK Life Sciences Int'l., (Holdings) Inc. *(continued)*

| Name of Director | Capacity | Number of Ordinary Shares | | | | Total | Approximate % of Shareholding |
|-------------------------|--|---------------------------|-----------------|-----------------------|--------------------|-----------|-------------------------------|
| | | Personal Interest | Family Interest | Corporate Interest | Other Interest | | |
| Fok Kin-ning, Canning | Interest of controlled corporation | - | - | 1,500,000 (Note 7) | - | 1,500,000 | 0.015% |
| Frank John Sixt | Beneficial owner | 900,000 | - | - | - | 900,000 | 0.009% |
| Chow Kun Chee, Roland | Beneficial owner | 903,936 | - | - | - | 903,936 | 0.009% |
| George Colin Magnus | Beneficial owner, interest of child or spouse & beneficiary of trust | 753,360 | 600 | - | 11,040 (Note 5) | 765,000 | 0.008% |
| Kwok Tun-ii, Stanley | Interest of child or spouse | - | 200,000 | - | - | 200,000 | 0.002% |
| Hung Siu-lin, Katherine | Beneficial owner | 9,000 | - | - | - | 9,000 | ≈ 0% |

Other Associated Corporations

| Name of Company | Name of Director | Capacity | Number of Ordinary Shares | | | | Total | Approximate % of Shareholding |
|----------------------------|----------------------|---------------------------------|---------------------------|-----------------|--------------------|--------------------------|-------------|-------------------------------|
| | | | Personal Interest | Family Interest | Corporate Interest | Other Interest | | |
| Beautiland Company Limited | Li Ka-shing | Founder of discretionary trusts | - | - | - | 100,000,000 (Note 11) | 100,000,000 | 100% |
| | Li Tzar Kuoi, Victor | Beneficiary of trusts | - | - | - | 100,000,000 (Note 11) | 100,000,000 | 100% |
| Jabrin Limited | Li Ka-shing | Founder of discretionary trusts | - | - | - | 10,000 (Note 11) | 10,000 | 100% |
| | Li Tzar Kuoi, Victor | Beneficiary of trusts | - | - | - | 10,000 (Note 11) | 10,000 | 100% |
| Kobert Limited | Li Ka-shing | Founder of discretionary trusts | - | - | - | 4,900 (Note 11) | 4,900 | 100% |
| | Li Tzar Kuoi, Victor | Beneficiary of trusts | - | - | - | 4,900 (Note 11) | 4,900 | 100% |

Disclosure of Interests (*continued*)1. Long Positions in Shares (*continued*)(b) Associated Corporations (*continued*)Other Associated Corporations (*continued*)

| Name of Company | Name of Director | Capacity | Number of Ordinary Shares | | | | Total | Approximate % of Shareholding |
|---|-----------------------|---|---------------------------|-----------------|-------------------------|----------------------------|---------------|-------------------------------|
| | | | Personal Interest | Family Interest | Corporate Interest | Other Interest | | |
| Tsing-Yi Realty, Limited | Li Ka-shing | Founder of discretionary trusts | - | - | - | 3,150,000 (Note 11) | 3,150,000 | 100% |
| | Li Tzar Kuoi, Victor | Beneficiary of trusts | - | - | - | 3,150,000 (Note 11) | 3,150,000 | 100% |
| Tosbo Limited | Li Ka-shing | Interest of controlled corporations & founder of discretionary trusts | - | - | 4 (Note 1) | 6 (Note 12) | 10 | 100% |
| Hutchison Harbour Ring Limited | Fok Kin-ning, Canning | Interest of controlled corporation | - | - | 5,000,000 (Note 7) | - | 5,000,000 | 0.05% |
| Hutchison Telecommunications (Australia) Limited | Fok Kin-ning, Canning | Beneficial owner & interest of controlled corporation | 4,100,000 | - | 1,000,000 (Note 7) | - | 5,100,000 | 0.037% |
| | Frank John Sixt | Beneficial owner | 1,000,000 | - | - | - | 1,000,000 | 0.007% |
| Hutchison Telecommunications Hong Kong Holdings Limited | Li Ka-shing | Interest of controlled corporations & founder of discretionary trusts | - | - | 362,839,499 (Note 1) | 3,165,620,120 (Note 13) | 3,528,459,619 | 73.28% |
| | Li Tzar Kuoi, Victor | Interest of controlled corporations & beneficiary of trusts | - | - | 2,519,250 (Note 4) | 3,165,620,120 (Note 13) | 3,168,139,370 | 65.80% |
| | Fok Kin-ning, Canning | Interest of controlled corporation | - | - | 1,202,380 (Note 7) | - | 1,202,380 | 0.025% |
| | George Colin Magnus | Beneficial owner & interest of child or spouse | 13,201 | 132 | - | - | 13,333 | 0.0003% |

2. Long Positions in Underlying Shares

| Name of Company | Name of Director | Capacity | Number of Underlying Shares | | | | Total |
|---|------------------|------------------|-----------------------------|-----------------|--------------------|----------------|---------|
| | | | Personal Interest | Family Interest | Corporate Interest | Other Interest | |
| Hutchison Telecommunications Hong Kong Holdings Limited | Frank John Sixt | Beneficial owner | 255,000 (Note 14) | - | - | - | 255,000 |

3. Long Positions in Debentures

| Name of Company | Name of Director | Capacity | Amount of Debentures | | | | Total |
|---|-----------------------|------------------------------------|----------------------|-----------------|--|----------------|--|
| | | | Personal Interest | Family Interest | Corporate Interest | Other Interest | |
| Hutchison Whampoa International (03/13) Limited | Li Tzar Kuoi, Victor | Interest of controlled corporation | - | - | US\$10,208,000 6.5% Notes due 2013 (Note 4) | - | US\$10,208,000 6.5% Notes due 2013 |
| | Fok Kin-ning, Canning | Interest of controlled corporation | - | - | US\$1,216,000 6.5% Notes due 2013 (Note 7) | - | US\$1,216,000 6.5% Notes due 2013 |
| Hutchison Whampoa International (09) Limited | Li Tzar Kuoi, Victor | Interest of controlled corporation | - | - | US\$45,792,000 7.625% Notes due 2019 (Note 4) | - | US\$45,792,000 7.625% Notes due 2019 |
| | Fok Kin-ning, Canning | Interest of controlled corporation | - | - | US\$4,000,000 7.625% Notes due 2019 (Note 7) | - | US\$4,000,000 7.625% Notes due 2019 |
| Hutchison Whampoa International (09/19) Limited | Fok Kin-ning, Canning | Interest of controlled corporation | - | - | US\$4,000,000 5.75% Notes due 2019 (Note 7) | - | US\$4,000,000 5.75% Notes due 2019 |

Disclosure of Interests (*continued*)

Notes:

- (1) Such interests are held by certain companies of which Mr. Li Ka-shing is interested in the entire issued share capital.
- (2) The two references to 936,462,744 shares relate to the same block of shares in the Company. 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 companies controlled by TUT1 as trustee of UT1 (“TUT1 related companies”) hold a total of such 936,462,744 shares.

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 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 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 the Company held by TUT1 as trustee of UT1 and TUT1 related companies 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 Unity Holdco and is a discretionary beneficiary of each of DT1 and DT2, he is not a Director of the Company and has no duty of disclosure in relation to the shares of the Company held by TUT1 as trustee of UT1 and TUT1 related companies under the SFO.

- (3) The two references to 2,141,698,773 shares in Hutchison Whampoa Limited (“HWL”) relate to the same block of shares comprising:
 - (a) 2,130,202,773 shares held by certain subsidiaries of the Company. By virtue of the interests in shares of the Company in relation to which each of Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor has a duty of disclosure under the SFO in the issued share capital of the Company as described in Note (2) above and as a Director of the Company, they are taken to have a duty of disclosure in relation to the said shares of HWL under the SFO; and
 - (b) 11,496,000 shares held by Li Ka-Shing Castle Trustee Company Limited (“TUT3”) as trustee of The Li Ka-Shing Castle Trust (“UT3”). 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 HWL 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 HWL 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 HWL held by TUT3 as trustee of UT3 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 HWL held by TUT3 as trustee of UT3 under the SFO.

- (4) Such interests are held by certain companies of which Mr. Li Tzar Kuoi, Victor is interested in the entire issued share capital.
- (5) Such interests in the shares are held by a company controlled by a trust under which Mr. George Colin Magnus is a discretionary beneficiary.
- (6) Such interests are indirectly held by a trust of which Mr. George Colin Magnus is the settlor and a discretionary beneficiary.
- (7) Such interests are held by a company which is equally owned by Mr. Fok Kin-ning, Canning and his wife.
- (8) Such interests are held by a company which is wholly-owned by Mr. Leung Siu Hon and his wife.
- (9) The two references to 1,912,109,945 shares in Cheung Kong Infrastructure Holdings Limited ("CKI") relate to the same block of shares comprising:
 - (a) 1,906,681,945 shares held by a subsidiary of HWL. Certain subsidiaries of the Company hold more than one-third of the issued share capital of HWL. Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor, as Directors of the Company, by virtue of their deemed interests in the shares of the Company as described in Note (2) above, are taken to have a duty of disclosure in relation to such shares of CKI held by the subsidiary of HWL under the SFO; and
 - (b) 5,428,000 shares held by TUT1 as trustee of UT1. By virtue of the deemed interests in TUT1 as trustee of UT1 as described in Note (2) above, each of Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to such shares of CKI under the SFO.
- (10) The two references to 4,355,634,570 shares in CK Life Sciences Int'l., (Holdings) Inc. ("CKLS") relate to the same block of shares which are held by a subsidiary of the Company. Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor, as Directors of the Company, are taken to have a duty of disclosure in relation to such shares of CKLS held by the subsidiary of the Company by virtue of their deemed interests in the shares of the Company as described in Note (2) above under the SFO.

Disclosure of Interests (*continued*)

- (11) These are subsidiaries of the Company and such shares are held through the Company and TUT1 as trustee of UT1. Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor, as Directors of the Company, by virtue of their deemed interests in the shares of the Company and TUT1 as trustee of UT1 as described in Note (2) above, are taken to have a duty of disclosure in relation to such shares under the SFO.
- (12) These shares are held by a subsidiary of the Company. By virtue of the deemed interests in the shares of the Company as described in Note (2) above and as a Director of the Company, Mr. Li Ka-shing is taken to have a duty of disclosure in relation to such shares under the SFO.
- (13) Such shares of Hutchison Telecommunications Hong Kong Holdings Limited ("HTHKH") comprise:
 - (a) 3,165,466,840 ordinary shares of which 52,092,587 ordinary shares and 3,113,374,253 ordinary shares are held by certain wholly-owned subsidiaries of the Company and HWL respectively. By virtue of the interests in the shares of the Company and HWL in relation to which Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor have a duty of disclosure under the SFO in the issued share capital of each of the Company and HWL as described in Notes (2) and (3) above and as Directors of the Company, 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 HTHKH under the SFO; and
 - (b) 153,280 ordinary shares held by TUT3 as trustee of UT3. Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor, as Directors of the Company, by virtue of Mr. Li Ka-shing may being regarded as a founder and Mr. Li Tzar Kuoi, Victor as a discretionary beneficiary of each of DT3 and DT4 and their deemed interests in TUT3 as trustee of UT3 as described in Note (3b) above, are taken to have a duty of disclosure in relation to the said shares of HTHKH under the SFO.
- (14) Such underlying shares are derived from the 17,000 American Depositary Shares (each representing 15 ordinary shares) in HTHKH beneficially owned by Mr. Frank John Sixt.

As at 30th June, 2010, by virtue of their deemed interests in the shares of the Company as described in Note (2) above and as Directors of the Company, Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor, are deemed to be interested in the securities of the subsidiaries and associated companies of the Company held through the Company under the provisions of the SFO.

Certain Directors held qualifying shares in certain subsidiaries in trust for the Company and other subsidiaries.

Save as disclosed above, none of the Directors or chief executives of the Company had, as at 30th June, 2010, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS

So far as is known to any Director or chief executive of the Company, as at 30th June, 2010, shareholders (other than Directors or chief executives of the Company) who 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 were as follows:

Long Positions of Substantial Shareholders in the Shares of the Company

| Name of Shareholder | Capacity | Number of Ordinary Shares | Approximate % of Shareholding |
|---|-------------------------------------|---------------------------|-------------------------------|
| Li Ka-Shing Unity Trustee Company Limited as trustee of The Li Ka-Shing Unity Trust | Trustee | 936,462,744 (Note) | 40.43% |
| Li Ka-Shing Unity Trustee Corporation Limited as trustee of The Li Ka-Shing Unity Discretionary Trust | Trustee & beneficiary of a trust | 936,462,744 (Note) | 40.43% |
| Li Ka-Shing Unity Trustcorp Limited as trustee of another discretionary trust | Trustee & beneficiary of a trust | 936,462,744 (Note) | 40.43% |

Note: The three references to 936,462,744 shares relate to the same block of shares in the Company. Each of TUT1 as trustee of UT1, TDT1 as trustee of DT1 and TDT2 as trustee of another discretionary trust is taken to have a duty of disclosure in relation to the said shares of the Company as described in Note (2) under the section headed "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures" under the SFO.

Save as disclosed above, as at 30th June, 2010, the Company has not been notified by any persons (other than Directors or chief executives of the Company) who 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.

Corporate Governance

The Board of Directors (“Board”) and the management of the Company are committed to the maintenance of good corporate governance practices and procedures. The corporate governance principles of the Company emphasise a quality Board, sound internal controls, and transparency and accountability to all shareholders. The Company has applied the principles and complied with all code provisions and, where applicable, the recommended best practices of the Code on Corporate Governance Practices (“Code on CG Practices”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) throughout the six months ended 30th June, 2010.

BOARD COMPOSITION AND BOARD PRACTICES

The Board is collectively responsible for the oversight of the management of the business and affairs of the Group with the objective of enhancing shareholders value. The Board consists of a total of twenty Directors, comprising eight Executive Directors, five Non-executive Directors and seven Independent Non-executive Directors. More than one-third of the Board are Independent Non-executive Directors and more than one of them have appropriate professional qualifications, or accounting or related financial management expertise as required by the Listing Rules. All Directors (including Non-executive Directors) are subject to retirement by rotation once every three years and are subject to re-election in accordance with the Company’s Articles of Association and the Code on CG Practices.

The positions of the Chairman of the Board (“Chairman”) and the Managing Director are currently held by separate individuals with a view to maintaining an effective segregation of duties respecting management of the Board and the day-to-day management of the Group’s business.

All Directors have made active contribution to the affairs of the Board and the Board has always acted in the best interests of the Group. In addition to regular Board meetings, the Chairman has meetings with the Non-executive Directors (including the Independent Non-executive Directors) without the presence of Executive Directors at least once every year.

The Company Secretary is responsible to the Board for ensuring that Board procedures are followed and for ensuring that the Board is briefed on all legislative, regulatory and corporate governance developments and that the Board has regard to them when making decisions. The Company Secretary is also directly responsible for the Group’s compliance with the continuing obligations of the Listing Rules, Codes on Takeovers and Mergers and Share Repurchases, Companies Ordinance, SFO and other applicable laws, rules and regulations.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the model code for securities transactions by directors of listed issuers set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions, effective from 31st March, 2004, which will be amended from time to time. Confirmation has been received from all Directors that they have complied with the required standards set out in the Model Code during the six months ended 30th June, 2010.

Written guidelines on no less exacting terms than the Model Code relating to securities transactions for employees are set out in the Employee Handbook of the Company.

INTERNAL CONTROLS

The Company has an internal audit function in place to provide an independent assessment of the Group's internal control system and review of its effectiveness in accordance with the Code on CG Practices. The Internal Audit Department prepares its audit plan using a risk based methodology in consultation with, but independent of, the management for review by the audit committee of the Company ("Audit Committee"). The audit work focuses on financial, operational and compliance controls review and those areas of the Group's activities with significant perceived risks. An integral part of the internal audit function is to monitor and ensure effective implementation of these internal control systems.

The Board, through the Audit Committee, has conducted a review of the effectiveness of internal control system of the Group for the six months ended 30th June, 2010.

AUDIT COMMITTEE

The Company established the Audit Committee in December 1998 and has formulated its written terms of reference (the "Terms of Reference") in accordance with the provisions set out in the Code on CG Practices. The Terms of Reference have been modified in accordance with the amended Code on CG Practices and adopted by the Board effective from 1st January, 2009. The Audit Committee comprises three Independent Non-executive Directors, namely, Mr. Cheong Ying Chew, Henry (Chairman of the Audit Committee), Mr. Kwok Tun-li, Stanley and Ms. Hung Siu-lin, Katherine. The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting system and internal control procedures, review of the Group's financial information and review of the relationship with the external auditor of the Company.

The Group's interim report for the six months ended 30th June, 2010 has been reviewed by the Audit Committee.

Corporate Governance (*continued*)

REMUNERATION COMMITTEE

According to the Code on CG Practices, the Company established its remuneration committee (“Remuneration Committee”) on 1st January, 2005 with a majority of the members thereof being Independent Non-executive Directors. The Remuneration Committee comprises the Chairman, Mr. Li Ka-shing (Chairman of the Remuneration Committee) and two Independent Non-executive Directors, namely, Mr. Kwok Tun-li, Stanley and Dr. Wong Yick-ming, Rosanna.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company’s policy and structure for the remuneration of Directors and senior management, and reviewing the specific remuneration packages of all Executive Directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Company establishes different communication channels with shareholders and investors, including (i) printed copies of corporate communications (including but not limited to annual reports, interim reports, notices of meetings, circulars and proxy forms) required under the Listing Rules, and shareholders can choose to receive such documents using electronic means through the Company’s website; (ii) the annual general meeting provides a forum for shareholders to raise comments and exchange views with the Board; (iii) updated and key information on the Group is available on the website of the Company; (iv) the Company’s website offers a communication channel between the Company and its shareholders and stakeholders; (v) regular press conferences and briefing meetings with analysts are arranged from time to time to update interested parties on the performance of the Group; (vi) the Company’s Registrar deals with shareholders for share registration and related matters; and (vii) the Corporate Affairs Department of the Company handles enquiries from shareholders, and investors generally.

Other Information

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30th June, 2010, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

RISK FACTORS

The Group's businesses, financial conditions, results of operations or growth prospects may be affected by risks and uncertainties pertaining to the Group's businesses. The risk factors set out in the Company's Annual Report 2009 are those that the Group believes could result in the Group's businesses, financial conditions, results of operations or growth prospects differing materially from expected or historical results. Such factors are by no means exhaustive or comprehensive, and there may be other risks in addition to those shown in the Company's Annual Report 2009 which are not known to the Group or which may not be material now but could turn out to be material in the future. In addition, this Interim Report does not constitute a recommendation or advice for you to invest in the shares of the Company and investors are advised to make their own judgment or consult their own investment advisors before making any investment in the shares of the Company.

Interim Financial Statements

Consolidated Income Statement

For the six months ended 30th June, 2010

| | Note | (Unaudited) | |
|---|------|----------------------|----------------------|
| | | 2010 HK\$ Million | 2009 HK\$ Million |
| Group turnover | | 17,244 | 12,140 |
| Share of property sales of jointly controlled entities | | 3,074 | 3,397 |
| Turnover | (2) | 20,318 | 15,537 |
| Group turnover | | 17,244 | 12,140 |
| Investment and other income | | 394 | 817 |
| Operating costs | | | |
| Property and related costs | | (11,553) | (6,718) |
| Salaries and related expenses | | (581) | (481) |
| Interest and other finance costs | | (101) | (165) |
| Depreciation | | (200) | (154) |
| Other expenses | | (154) | (149) |
| | | (12,589) | (7,667) |
| Share of net profit of jointly controlled entities | | 3,148 | 1,546 |
| Increase in fair value of investment properties | | 1,508 | 3,228 |
| Operating profit | | 9,705 | 10,064 |
| Share of net profit of associates | | 3,299 | 3,047 |
| Profit before taxation | (3) | 13,004 | 13,111 |
| Taxation | (4) | (852) | (1,303) |
| Profit for the period | | 12,152 | 11,808 |
| Profit attributable to | | | |
| Shareholders of the Company | | 11,923 | 11,517 |
| Non-controlling interests | | 229 | 291 |
| | | 12,152 | 11,808 |
| Earnings per share | (6) | HK\$5.15 | HK\$4.97 |

Consolidated Statement of Comprehensive Income

For the six months ended 30th June, 2010

| | (Unaudited) | |
|--|----------------------|----------------------|
| | 2010 HK\$ Million | 2009 HK\$ Million |
| Profit for the period | 12,152 | 11,808 |
| Other comprehensive income | | |
| Exchange gain on translation of financial statements of foreign operations | 43 | 3 |
| Investments available for sale | | |
| Gain/(loss) in fair value | (49) | 1,812 |
| Gain in fair value transferred to income statement upon disposal | (65) | (16) |
| Share of other comprehensive income/(loss) of jointly controlled entities and unlisted associates | (58) | 74 |
| Total comprehensive income for the period | 12,023 | 13,681 |
| Total comprehensive income attributable to | | |
| Shareholders of the Company | 11,793 | 13,389 |
| Non-controlling interests | 230 | 292 |
| | 12,023 | 13,681 |

Interim Financial Statements (continued)

Consolidated Statement of Financial Position

As at 30th June, 2010

| | (Unaudited) 30/6/2010 HK\$ Million | (Audited) 31/12/2009 HK\$ Million |
|---------------------------------------|--|---|
| Non-current assets | | |
| Fixed assets | 10,532 | 10,696 |
| Investment properties | 20,941 | 19,433 |
| Associates | 148,731 | 148,049 |
| Jointly controlled entities | 35,558 | 32,591 |
| Investments available for sale | 6,887 | 7,026 |
| Long term loan receivables | 431 | 444 |
| | 223,080 | 218,239 |
| Current assets | | |
| Stock of properties | 56,462 | 62,999 |
| Debtors, deposits and prepayments | 6,648 | 2,799 |
| Investments held for trading | 1,800 | 1,927 |
| Derivative financial instruments | 155 | 83 |
| Bank balances and deposits | 18,413 | 11,423 |
| | 83,478 | 79,231 |
| Current liabilities | | |
| Bank and other loans | 11,894 | 7,210 |
| Creditors and accruals | 13,004 | 12,078 |
| Loan from joint development partner | 2,000 | 2,000 |
| Derivative financial instruments | 574 | 460 |
| Provision for taxation | 1,574 | 1,028 |
| Net current assets | 54,432 | 56,455 |
| Total assets less current liabilities | 277,512 | 274,694 |
| Non-current liabilities | | |
| Bank and other loans | 21,492 | 25,279 |
| Deferred tax liabilities | 2,311 | 2,011 |
| | 23,803 | 27,290 |
| Net assets | 253,709 | 247,404 |
| Representing: | | |
| Share capital | 1,158 | 1,158 |
| Share premium | 9,331 | 9,331 |
| Reserves | 239,807 | 233,110 |
| Shareholders' funds | 250,296 | 243,599 |
| Non-controlling interests | 3,413 | 3,805 |
| Total equity | 253,709 | 247,404 |

Consolidated Statement of Changes in Equity

For the six months ended 30th June, 2010

| | Shareholders' Funds | | | | | | Non-controlling interests HK\$ Million | (Unaudited) Total Equity HK\$ Million |
|--|---|--------------------------------|------------------|------------------|--------------|--------------|---|---|
| | Share capital, premium and reserve ⁽¹⁾ | Investment revaluation reserve | Exchange reserve | Retained profits | Total | | | |
| | HK\$ Million | HK\$ Million | HK\$ Million | HK\$ Million | HK\$ Million | HK\$ Million | | |
| Balance at 1st January, 2009 | 10,834 | (2,228) | 3,024 | 213,503 | 225,133 | 4,342 | 229,475 | |
| Profit for the period | - | - | - | 11,517 | 11,517 | 291 | 11,808 | |
| Other comprehensive income | | | | | | | | |
| Exchange gain on translation of financial statements of foreign operations | - | - | 3 | - | 3 | - | 3 | |
| Gain in fair value of investments available for sale | - | 1,811 | - | - | 1,811 | 1 | 1,812 | |
| Gain in fair value of investments available for sale transferred to income statement upon disposal | - | (16) | - | - | (16) | - | (16) | |
| Share of other comprehensive income of jointly controlled entities and unlisted associates | - | 27 | 47 | - | 74 | - | 74 | |
| Total comprehensive income for the period | - | 1,822 | 50 | 11,517 | 13,389 | 292 | 13,681 | |
| Change in non-controlling interests | - | - | - | - | - | (168) | (168) | |
| Dividend paid to shareholders of the Company 2008 final dividend HK\$1.95 per share | - | - | - | (4,517) | (4,517) | - | (4,517) | |
| Balance at 30th June, 2009 | 10,834 | (406) | 3,074 | 220,503 | 234,005 | 4,466 | 238,471 | |
| Balance at 1st January, 2010 | 10,834 | 1,681 | 3,370 | 227,714 | 243,599 | 3,805 | 247,404 | |
| Profit for the period | - | - | - | 11,923 | 11,923 | 229 | 12,152 | |
| Other comprehensive income | | | | | | | | |
| Exchange gain on translation of financial statements of foreign operations | - | - | 42 | - | 42 | 1 | 43 | |
| Loss in fair value of investments available for sale | - | (49) | - | - | (49) | - | (49) | |
| Gain in fair value of investments available for sale transferred to income statement upon disposal | - | (65) | - | - | (65) | - | (65) | |
| Share of other comprehensive income/(loss) of jointly controlled entities and unlisted associates | - | 20 | (78) | - | (58) | - | (58) | |
| Total comprehensive income for the period | - | (94) | (36) | 11,923 | 11,793 | 230 | 12,023 | |
| Change in non-controlling interests | - | - | - | - | - | (507) | (507) | |
| Dividend paid to non-controlling interests | - | - | - | - | - | (115) | (115) | |
| Dividend paid to shareholders of the Company 2009 final dividend HK\$2.20 per share | - | - | - | (5,096) | (5,096) | - | (5,096) | |
| Balance at 30th June, 2010 | 10,834 | 1,587 | 3,334 | 234,541 | 250,296 | 3,413 | 253,709 | |

(1) Share capital, premium and reserve comprise share capital of HK\$1,158 million, share premium of HK\$9,331 million and capital reserve of HK\$345 million.

Interim Financial Statements (continued)

Condensed Consolidated Statement of Cash Flows

For the six months ended 30th June, 2010

| | (Unaudited) | |
|--|----------------------|----------------------|
| | 2010 HK\$ Million | 2009 HK\$ Million |
| Net cash from operating activities | 7,054 | 3,188 |
| Net cash used in investing activities | (268) | (760) |
| Net cash from/(used in) financing activities | 204 | (1,982) |
| Net increase in cash and cash equivalents | 6,990 | 446 |
| Cash and cash equivalents at 1st January | 11,423 | 7,173 |
| Cash and cash equivalents at 30th June | 18,413 | 7,619 |

Notes to Interim Financial Statements

1. Basis of preparation

The interim financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting". The principal accounting policies used in the preparation of the interim financial statements are consistent with those used in the financial statements for the year ended 31st December, 2009.

The Hong Kong Institute of Certified Public Accountants has issued a number of new and revised Hong Kong Financial Reporting Standards. For those which are effective for accounting periods beginning on 1st January, 2010, the adoption has no significant impact on the Group's results and financial position; and for those which are not yet effective, the Group is in the process of assessing their impact on the Group's results and financial position.

2. Turnover and contribution

Turnover of the Group by operating activities for the period is as follows:

| | Six months ended 30th June | |
|--|----------------------------|----------------------|
| | 2010 HK\$ Million | 2009 HK\$ Million |
| Property sales | 15,570 | 10,931 |
| Property rental | 614 | 525 |
| Hotels and serviced suites | 928 | 598 |
| Property and project management | 132 | 86 |
| Group turnover | 17,244 | 12,140 |
| Share of property sales of jointly controlled entities | 3,074 | 3,397 |
| Turnover | 20,318 | 15,537 |

Turnover of jointly controlled entities (save for proceeds from property sales shared by the Group) and turnover of listed and unlisted associates are not included.

Interim Financial Statements (continued)

2. Turnover and contribution (continued)

During the period, turnover of the Group's operating activities outside Hong Kong (including property sales of jointly controlled entities) accounted for approximately 18% (2009 - 23%) of the turnover and was derived from the following locations:

| | Six months ended 30th June | |
|--------------|----------------------------|----------------------|
| | 2010 HK\$ Million | 2009 HK\$ Million |
| The Mainland | 2,617 | 3,515 |
| Singapore | 1,052 | – |
| | 3,669 | 3,515 |

Profit contribution by operating activities for the period is as follows:

| | Six months ended 30th June | | | | | |
|--|----------------------------|----------------------|-----------------------------|----------------------|----------------------|----------------------|
| | Company and subsidiaries | | Jointly controlled entities | | Total | |
| | 2010 HK\$ Million | 2009 HK\$ Million | 2010 HK\$ Million | 2009 HK\$ Million | 2010 HK\$ Million | 2009 HK\$ Million |
| Property sales | 4,145 | 4,193 | 1,664 | 1,468 | 5,809 | 5,661 |
| Property rental | 563 | 493 | 349 | 337 | 912 | 830 |
| Hotels and serviced suites | 249 | 171 | 102 | 70 | 351 | 241 |
| Property and project management | 55 | 50 | – | – | 55 | 50 |
| | 5,012 | 4,907 | 2,115 | 1,875 | 7,127 | 6,782 |
| Investment and finance | | | | | 350 | 668 |
| Interest and other finance costs | | | | | (101) | (165) |
| Increase in fair value of investment properties | | | | | | |
| Subsidiaries | | | | | 1,508 | 3,228 |
| Jointly controlled entities | | | | | 1,779 | 670 |
| Others | | | | | 67 | 28 |
| Taxation | | | | | | |
| Company and subsidiaries | | | | | (852) | (1,303) |
| Jointly controlled entities | | | | | (970) | (1,094) |
| Profit attributable to non-controlling interests | | | | | (229) | (291) |
| | | | | | 8,679 | 8,523 |
| Share of net profit of listed associates | | | | | | |
| Hutchison Whampoa Limited | | | | | 3,222 | 2,878 |
| CK Life Sciences Int'l., (Holdings) Inc. | | | | | 22 | 116 |
| Profit attributable to shareholders of the Company | | | | | 11,923 | 11,517 |

3. Profit before taxation

| | Six months ended 30th June | |
|--|----------------------------|----------------------|
| | 2010 HK\$ Million | 2009 HK\$ Million |
| Profit before taxation is arrived at after charging/(crediting): | | |
| Interest and other finance costs | 153 | 335 |
| Less: Amount capitalised | (52) | (170) |
| | 101 | 165 |
| Costs of properties sold | 10,660 | 6,090 |
| Gain on disposal of investments available for sale | (65) | (16) |
| Loss/(gain) on investments held for trading | 102 | (228) |
| Gain on disposal of investment properties | – | (21) |

4. Taxation

| | Six months ended 30th June | |
|-----------------------|----------------------------|----------------------|
| | 2010 HK\$ Million | 2009 HK\$ Million |
| Current tax | | |
| Hong Kong profits tax | 533 | 723 |
| Tax outside Hong Kong | 19 | 10 |
| Deferred tax | 300 | 570 |
| | 852 | 1,303 |

Hong Kong profits tax has been provided for at the rate of 16.5% (2009 - 16.5%) on the estimated assessable profits for the period. Tax outside Hong Kong has been provided for at the local enacted rates on the estimated assessable profits of the individual company concerned. Deferred tax has been provided on temporary differences based on the applicable enacted rates.

Interim Financial Statements (*continued*)**5. Interim dividend**

The interim dividend declared by the Directors is as follows:

| | Six months ended 30th June | |
|--------------------------------------|----------------------------|----------------------|
| | 2010 HK\$ Million | 2009 HK\$ Million |
| HK\$0.50 (2009 – HK\$0.50) per share | 1,158 | 1,158 |

6. Earnings per share

The calculation of earnings per share is based on profit attributable to shareholders of the Company and on 2,316,164,338 shares (2009 – 2,316,164,338 shares) in issue during the period.

7. Ageing analyses of trade debtors and trade creditors

The Group's trade debtors mainly comprise receivables for sale of properties and rental. Sales terms vary for each property project and are determined with reference to the prevailing market conditions. Sale of properties are normally completed when the sale prices are fully paid and deferred payment terms are sometimes offered to purchasers at a premium. Rentals are payable in advance by tenants.

Ageing analysis of the Group's trade debtors at the period/year end date is as follows:

| | 30/6/2010 HK\$ Million | 31/12/2009 HK\$ Million |
|----------------------|---------------------------|----------------------------|
| Current to one month | 4,999 | 491 |
| Two to three months | 43 | 27 |
| Over three months | 10 | 8 |
| | 5,052 | 526 |

7. Ageing analyses of trade debtors and trade creditors *(continued)*

Ageing analysis of the Group's trade creditors at the period/year end date is as follows:

| | 30/6/2010 HK\$ Million | 31/12/2009 HK\$ Million |
|----------------------|---------------------------|----------------------------|
| Current to one month | 707 | 365 |
| Two to three months | 26 | 40 |
| Over three months | 20 | 39 |
| | 753 | 444 |

8. Related party transactions

During the period and in the ordinary course of business, the Group undertook various joint venture projects with related parties, including the Chairman, Mr. Li Ka-shing, and Hutchison Whampoa Limited, on normal commercial terms. Advances were made to/received from and guarantees were provided for these joint venture projects on a pro rata basis.

At the interim period end date, advances made to associates and jointly controlled entities amounted to HK\$200 million and HK\$12,507 million respectively and guarantees provided by the Group for bank loans utilised by jointly controlled entities amounted to HK\$1,553 million.

Other than the aforementioned, there were no other significant related party transactions requiring disclosure in the interim financial statements.

9. Review of interim financial statements

The interim financial statements are unaudited, but have been reviewed by the Audit Committee.

Corporate Information and Key Dates

Board of Directors

LI Ka-shing *Chairman*
 LI Tzar Kuoi, Victor *Managing Director and Deputy Chairman*
 KAM Hing Lam *Deputy Managing Director*
 IP Tak Chuen, Edmond *Deputy Managing Director*
 CHUNG Sun Keung, Davy *Executive Director*
 PAU Yee Wan, Ezra *Executive Director*
 WOO Chia Ching, Grace *Executive Director*
 CHIU Kwok Hung, Justin *Executive Director*

LEUNG Siu Hon *Non-executive Director*
 FOK Kin-ning, Canning *Non-executive Director*
 Frank John SIXT *Non-executive Director*
 CHOW Kun Chee, Roland *Non-executive Director*
 George Colin MAGNUS *Non-executive Director*

KWOK Tun-li, Stanley *Independent Non-executive Director*
 YEH Yuan Chang, Anthony *Independent Non-executive Director*
 Simon MURRAY *Independent Non-executive Director*
 CHOW Nin Mow, Albert *Independent Non-executive Director*
 HUNG Siu-lin, Katherine *Independent Non-executive Director*
 WONG Yick-ming, Rosanna* *Independent Non-executive Director*
 CHEONG Ying Chew, Henry *Independent Non-executive Director*

* Also alternate director to Simon MURRAY

Audit Committee

CHEONG Ying Chew, Henry *(Chairman)*
 KWOK Tun-li, Stanley
 HUNG Siu-lin, Katherine

Remuneration Committee

LI Ka-shing *(Chairman)*
 KWOK Tun-li, Stanley
 WONG Yick-ming, Rosanna

Company Secretary

Eirene YEUNG

Authorised Representatives

IP Tak Chuen, Edmond
 Eirene YEUNG

Chief Manager, Accounts Department

MAN Ka Keung, Simon

Chief Financial Officer

Andrew John HUNTER

Principal Bankers

Bank of China (Hong Kong) Limited
 The Bank of Tokyo-Mitsubishi UFJ, Ltd.
 Hang Seng Bank Limited
 Industrial and Commercial Bank of China (Asia) Limited
 Mizuho Corporate Bank, Ltd.
 The Hongkong and Shanghai Banking Corporation Limited
 Canadian Imperial Bank of Commerce
 China Merchants Bank
 BNP Paribas
 Bank of Communications Co., Ltd.

Auditor

Deloitte Touche Tohmatsu

Legal Advisers

Woo, Kwan, Lee & Lo

Registered Office

7th Floor, Cheung Kong Center,
 2 Queen's Road Central, Hong Kong

Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
 Rooms 1712-1716, 17th Floor, Hopewell Centre,
 183 Queen's Road East, Hong Kong

Stock Codes

The Stock Exchange of Hong Kong Limited: 0001
 Bloomberg: 1 HK
 Reuters: 1.HK

Website

<http://www.ckh.com.hk>

Key Dates

| | |
|----------------------------------|---|
| Interim Results Announcement | 5th August, 2010 |
| Closure of Register of Members | 14th to 21st September, 2010 (both days inclusive) |
| Record Date for Interim Dividend | 21st September, 2010 |
| Payment of Interim Dividend | 22nd September, 2010 |