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SWIRE PACIFIC LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Codes: 00019 and 00087)

2010 Final Results

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2010 Final Results

	Note	2010 HK\$M	2009 HK\$M (Restated)	Change %
Turnover		29,201	24,909	+17.2
Operating profit		33,971	21,733	+56.3
Profit attributable to the Company's shareholders	(a)	38,252	21,893	+74.7
Cash generated from operations		7,627	8,740	-12.7
Net cash (outflow)/inflow before financing		(3,001)	2,053	-246.2
Total equity (including non-controlling interests)	(a)	209,051	169,725	+23.2
Net debt		41,181	31,681	+30.0
		HK\$	HK\$	
Earnings per share	(b)			
'A' shares		25.42	14.55	+74.7
'B' shares		5.08	2.91	
Dividends per share				
'A' shares		3.500	2.800	+25.0
'B' shares		0.700	0.560	
Equity attributable to the Company's shareholders per share				
'A' shares		135.88	112.24	+21.1
'B' shares		27.18	22.45	
<u>Underlying Profit and Equity</u>				
		HK\$M	HK\$M	%
Underlying profit attributable to the Company's shareholders	(c)	16,143	8,475	+90.5
		HK\$	HK\$	
Underlying earnings per share	(b)			
'A' shares		10.73	5.63	+90.6
'B' shares		2.15	1.13	
Underlying equity attributable to the Company's shareholders per share	(c)			
'A' shares		138.67	114.86	+20.7
'B' shares		27.73	22.97	

Notes:

- (a) The prior years' income statements and statements of financial position have been restated as a result of early adoption of amended HKAS 12 Income taxes. Refer to note 12 for further details.
- (b) Refer to note 7 for the weighted average number of shares.
- (c) Underlying profit and equity attributable to the Company's shareholders have been adjusted for net property revaluation gains and the associated deferred taxation in Mainland China.

Chairman's Statement

The profit attributable to shareholders for 2010 was HK\$38,252 million, compared to HK\$21,893 million in 2009. Underlying profit attributable to shareholders, which principally adjusts for changes in the valuation of investment properties, increased by HK\$7,668 million to HK\$16,143 million. Excluding the effect of non-recurring items, underlying profit attributable to shareholders increased by HK\$2,743 million to HK\$11,099 million.

The 2010 results benefited from a very strong performance from the Cathay Pacific group and continued growth in profits from the Property Division. Profits also increased in the Trading & Industrial Division. Profits fell in the Beverages and Marine Services Divisions and were little changed at Hong Kong Aircraft Engineering Company Limited ("HAECO").

Key Developments

In May, Swire Aviation Limited, a 66.7%-owned subsidiary of Swire Pacific, sold its 30% interest in Hong Kong Air Cargo Terminals Limited ("Hactl") for a consideration of HK\$1,341 million. The sale generated a profit of HK\$1,238 million, of which HK\$825 million is attributable to the Group. At the same time, Cathay Pacific disposed of its 10% interest in Hactl. The sale of these interests followed an undertaking given by Cathay Pacific to the Airport Authority of Hong Kong in 2008 that it would dispose of its entire interest in Hactl following the award to it of a franchise to operate a new air cargo terminal at Hong Kong International Airport.

In June, the Group acquired Cathay Pacific's 15% interest in HAECO for a consideration of HK\$2,620 million. The Group subsequently increased its interest in HAECO to 74.99% at a net cost of HK\$2,452 million. The Group recognised a gain of HK\$2,547 million on remeasurement of its previously held interest in HAECO to fair value.

In August, Cathay Pacific announced orders of 30 Airbus A350-900 aircraft and six Boeing 777-300ER aircraft. Together, these represent Cathay Pacific's largest single acquisition of aircraft. In December, a further two Airbus A350-900s were ordered. In March 2011, Cathay Pacific announced the acquisition of 15 new Airbus A330-300 aircraft and ten new Boeing 777-300ER aircraft. With these additional aircraft, Cathay Pacific has 91 aircraft on order. Cathay Pacific is also in discussions which, if successfully concluded, will result in the acquisition of 14 further aircraft.

In September, the Group sold its interest in CROWN Beverage Cans to CROWN Holdings Inc. for a consideration of HK\$1,165 million. The sale resulted in a net gain of HK\$771 million.

In September, Swire Properties acquired the 80% interest it did not already own in the PCCW Tower office development in TaiKoo Place. In November, a 50% interest in PCCW Tower was sold to Grosvenor Asia Pacific Limited, resulting in a net gain of HK\$342 million, including a gain of HK\$17 million on remeasurement of the previously held interest in PCCW Tower.

In November, the Group acquired an additional 1% interest in Cathay Pacific for a total cost of HK\$826 million, increasing its stake to 42.97%.

In December, Swire Properties acquired an effective 50% interest in a 762,251 square foot site at Daci Temple in Chengdu, Mainland China. The acquisition was made in joint venture with Sino-Ocean Land Holdings Limited.

Since the year end Swire Pacific Offshore ("SPO") has agreed to acquire four anchor handling tug vessels for delivery in 2011 and 2012. SPO has also exercised an option to acquire a second wind farm turbine installation vessel for delivery in 2012. These vessels represent commitments aggregating approximately US\$500 million to tonnage designed to operate in deeper water, where future growth in demand for offshore services is expected to be strongest, and to the development of alternative energy sources.

Chairman's Statement (continued)**Operating Performance**

Underlying profit from the Property Division was HK\$4,862 million, a 23% increase from HK\$3,966 million in 2009. Underlying profit included profits of HK\$918 million arising primarily in connection with the disposal of two investment properties in Hong Kong. Excluding the effect of non-recurring items, underlying profit was HK\$3,944 million, an increase of 1% over 2009. Gross rental income rose by 6%, reflecting strong demand in Hong Kong as the office and retail markets continued to recover. The hotel business benefited from the improvement in economic conditions and the first full year of operations at two Hong Kong hotels, EAST and The Upper House. There was also an improved performance from the trading portfolio, resulting in an increased profit on trading of HK\$131 million from 2009. The positive effect of these favourable factors was offset in part by higher operating expenses and higher net finance charges on increased borrowings.

On an attributable basis, the Property Division's net investment property valuation gain, before deferred tax in Mainland China, in 2010 was HK\$22,274 million, compared to a net gain in 2009 of HK\$14,483 million.

The Group's share of the profit of the Cathay Pacific group was HK\$5,079 million in 2010, compared to HK\$1,349 million in 2009. The Cathay Pacific group's business began to recover from the global economic downturn in the latter part of 2009. Momentum was sustained throughout 2010. The passenger and cargo businesses both performed very well, with consistently strong loads and significant increases in revenues, particularly from traffic originating in Hong Kong. Cathay Pacific also benefited significantly from the very strong profits earned by its associated company, Air China. However, the 2010 results were adversely affected by exceptional charges relating to anti-trust investigations and proceedings and by increased fuel costs.

2010 was a mixed and challenging year for the HAECO group. The results of Taikoo (Xiamen) Engineering Limited ("TAECO") were adversely affected by reductions in demand for airframe heavy maintenance and for Boeing 747 passenger to freighter conversions. The new joint ventures in Mainland China suffered from start-up losses as expected. On the other hand, demand for line and heavy maintenance services in Hong Kong was strong, reflecting the general recovery in the aviation business. The results of the engine overhaul associates benefited from a stronger than expected recovery in demand, especially in the second half of the year.

The Beverages Division recorded a 7% decrease in attributable profit (to HK\$699 million) from 2009. The decrease principally reflected a weaker performance in Mainland China. Overall sales volume grew by 2% to 923 million unit cases, compared with 13% growth in 2009. A significant increase in sugar prices, especially in Mainland China, adversely affected raw material costs. Competitive pressures resulted in more promotional activity and made it difficult to recover higher costs by raising prices.

The Marine Services Division recorded an attributable profit of HK\$791 million, a 52% decrease from 2009. The offshore market in all regions where SPO operates was very challenging in 2010. Despite recovery in demand as oil prices and offshore activity increased, charter hire rates and vessel utilisation remained under pressure. This primarily reflected the large number of new vessels, ordered when demand was at its previous peak, which entered the market.

Disregarding non-recurring items, the attributable profit from the Trading & Industrial Division increased by 22% in 2010 to HK\$427 million. Swire Resources and Taikoo Motors recorded significant increases in profits. The contribution from jointly controlled interests was lower. The principal non-recurring item in 2010 was a profit of HK\$771 million on disposal of the interest in CROWN Beverage Cans.

Chairman's Statement (continued)**Finance**

Net debt at 31st December 2010 was HK\$41,181 million, compared with HK\$31,681 million at 31st December 2009. The increase principally reflects the acquisition of additional interests in HAECO and Cathay Pacific, and investments in property projects and new vessels. Gearing increased by one percentage point from 18.7% to 19.7%. Cash and undrawn committed facilities totalled HK\$16,323 million at 31st December 2010, compared with HK\$14,916 million at 31st December 2009.

Sustainable Development

Swire Pacific recognises the importance of acting responsibly towards its stakeholders, including employees and the communities in which it is involved and towards the natural environment in which it operates. In 2010, Swire Pacific and Cathay Pacific joined almost 400 global companies in signing the Cancun Communiqué on Climate Change, supporting an ambitious, robust and equitable global deal on climate change.

Prospects

Against a background of continuing economic growth in Mainland China and Hong Kong, the trading environment for the Group's principal retail and office developments remains strong.

Two new mixed use developments will open in 2011, the TaiKoo Hui development in Guangzhou and the INDIGO development in Beijing. Pre-letting of space at both developments is encouraging.

The expected opening of the Dazhongli development in Shanghai has been deferred to 2015 due primarily to the construction of a metro station adjacent to the site. Further delays may occur if approval to start construction is not obtained before the start of the excavation works for the metro station.

Completion of the redevelopment of the recently acquired site at Daci Temple in Chengdu is expected from 2014.

On completion of current developments, Swire Properties will have a portfolio of 15.3 million square feet in Hong Kong and 8.6 million square feet in Mainland China, as well as property interests in the USA and the UK.

In the Cathay Pacific group, the rapid turnaround in the airlines' business from the lows of 2008 and much of 2009 to the record highs of 2010 is very welcome. It is also indicative of the volatile nature of the aviation business. The results of the airlines would be adversely affected, and very quickly so, by a return to recessionary economic conditions. Demand is at present expected to remain strong in 2011, but this expectation could be undermined if the current (or any higher) level of oil prices were to reduce global economic activity. Capacity will increase with the introduction of new destinations and increased frequencies. If Cathay Pacific's expectation as to demand is met, revenues will increase in line with capacity. Fuel costs are higher than was expected at the beginning of 2011. Other operating costs are expected to increase, some at a faster rate than revenue. With regard specifically to fuel, increased oil prices can be expected to have a significant adverse effect on profitability if they are not recovered through higher tariffs or fuel surcharges or if the effect of their being so recovered is to reduce demand significantly.

Assuming continued strength in the aviation industry generally, demand for HAECO's heavy and line maintenance services in Hong Kong is expected to remain strong in 2011. The engine overhaul business is also expected to perform well. TAECO's base maintenance operations should recover modestly.

Chairman's Statement (continued)

Swire Beverages' prospects in Mainland China may be affected by pressure on discretionary consumer spending caused by food price inflation. The US operations are likely to be little changed. The Hong Kong and Taiwan markets have potential for growth. Raw material costs are expected to be higher. It is intended to take pricing and other measures designed to enhance revenues.

2011 will be another challenging year for SPO, with the offshore supply vessel industry continuing to suffer from an over-supply of tonnage. Vessel utilisation is likely to improve but charter hire rates are expected to remain depressed. Conditions should improve in the medium-term due to an increase in exploration and production activity.

The Trading & Industrial Division expects continued growth in sales for Swire Resources and Taikoo Motors, with the effect of this at Swire Resources likely to be offset by the costs of expanding its distribution network and the portfolio of brands which it distributes. Taikoo Sugar and the paints business expect strong growth in sales in Mainland China, but the effect of this is likely to be offset by the costs of network expansion.

Dividends

The Directors recommend the payment of final dividends for 2010 of HK ¢250.0 per 'A' share and HK ¢50.0 per 'B' share which, together with the interim dividends paid on 4th October 2010 of HK ¢100.0 per 'A' share and HK ¢20.0 per 'B' share, make total dividends for the year of HK ¢350.0 per 'A' share and HK ¢70.0 per 'B' share: an increase of 25% from those for 2009. This represents a total distribution for the year of HK\$5,266 million. Subject to the approval of the 2010 final dividends by the shareholders at the Annual General Meeting on 19th May 2011, it is expected that those dividends will be paid on 2nd June 2011 to shareholders registered on the record date, being 19th May 2011. The share registers will be closed from 16th May 2011 to 19th May 2011, both dates inclusive, during which period no transfer of shares will be effected. In order to qualify for entitlement to the final dividends, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrars, Computershare Hong Kong Investor Services Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Friday, 13th May 2011.

The commitment and hard work of employees across the Group and its jointly controlled and associated companies are central to our continuing success. I take this opportunity to thank them.

By Order of the Board
SWIRE PACIFIC LIMITED
Christopher Pratt
Chairman
Hong Kong, 10th March 2011

Consolidated Income Statement
For the year ended 31st December 2010

	Note	2010 HK\$M	2009 HK\$M (Restated)
Turnover	2	29,201	24,909
Cost of sales		(15,958)	(12,437)
Gross profit		13,243	12,472
Distribution costs		(3,245)	(2,969)
Administrative expenses		(2,697)	(1,850)
Other operating expenses		(312)	(320)
Profit on sale of interests in associated and jointly controlled companies		2,008	-
Gain on remeasurement of previously held interest in HAECO on acquiring control		2,547	-
Other net gains		1,083	261
Change in fair value of investment properties		21,344	14,406
Impairment losses on hotel properties		-	(267)
Operating profit	3	33,971	21,733
Finance charges		(1,317)	(1,136)
Finance income		58	196
Net finance charges	4	(1,259)	(940)
Share of profits less losses of jointly controlled companies		2,263	637
Share of profits less losses of associated companies		5,552	2,164
Profit before taxation		40,527	23,594
Taxation	5	(1,638)	(1,453)
Profit for the year		38,889	22,141
Profit for the year attributable to:			
The Company's shareholders		38,252	21,893
Non-controlling interests		637	248
		38,889	22,141
Dividends			
Interim - paid		1,505	903
Final - proposed/paid		3,761	3,310
	6	5,266	4,213
		HK\$	HK\$
Earnings per share for profit attributable to the Company's shareholders (basic and diluted)	7		
'A' shares		25.42	14.55
'B' shares		5.08	2.91

**Consolidated Statement of Comprehensive Income
For the year ended 31st December 2010**

	2010	2009
	HK\$M	HK\$M
		(Restated)
Profit for the year	38,889	22,141
Other comprehensive income		
Cash flow hedges		
- recognised during the year	110	365
- transferred to net finance charges	12	20
- transferred to operating profit - exchange differences	(34)	(8)
- transferred to initial cost of non-financial assets	26	75
- deferred tax	(15)	(68)
Net fair value changes on available-for-sale assets		
- net (losses)/gains recognised during the year	(30)	144
- net gains transferred to operating profit	(44)	(39)
Revaluation of property previously occupied by the Group		
- gain recognised during the year	1,462	-
Share of other comprehensive income of jointly controlled and associated companies	93	424
Net translation differences on foreign operations	615	78
Other comprehensive income for the year, net of tax	2,195	991
Total comprehensive income for the year	41,084	23,132
Total comprehensive income attributable to:		
The Company's shareholders	40,431	22,868
Non-controlling interests	653	264
	41,084	23,132

Note: Other than cash flow hedges as highlighted above, items shown within other comprehensive income have no tax effect.

**Consolidated Statement of Financial Position
at 31st December 2010**

	Note	2010 HK\$M	2009 HK\$M (Restated)	2008 HK\$M (Restated)
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment		24,125	16,731	19,541
Investment properties		180,418	154,493	134,625
Leasehold land and land use rights		928	52	55
Intangible assets		4,435	376	372
Properties held for development		443	441	471
Jointly controlled companies		16,567	9,125	8,569
Associated companies		25,486	23,545	18,523
Available-for-sale assets		302	392	300
Long-term receivables		7	9	8
Long-term security deposits		42	211	380
Derivative financial instruments		611	450	103
Deferred tax assets		327	270	295
Retirement benefit assets		548	210	197
		254,239	206,305	183,439
Current assets				
Properties for sale		5,517	3,272	1,842
Stocks and work in progress		2,104	1,428	1,733
Trade and other receivables	8	4,499	3,820	3,767
Available-for-sale assets		-	-	1,888
Derivative financial instruments		36	14	3
Cash and cash equivalents		3,809	2,322	4,146
Short-term deposits		371	242	262
		16,336	11,098	13,641
Current liabilities				
Trade and other payables	9	10,156	8,837	7,704
Provisions		-	7	8
Taxation payable		595	292	345
Derivative financial instruments		11	20	36
Bank overdrafts and short-term loans		5,283	1,083	2,083
Long-term loans and bonds due within one year		9,101	1,469	1,668
		25,146	11,708	11,844
Net current (liabilities)/assets		(8,810)	(610)	1,797
Total assets less current liabilities		245,429	205,695	185,236
Non-current liabilities				
Perpetual capital securities		2,332	2,326	2,325
Long-term loans and bonds		28,738	29,624	29,196
Receipt in advance from an associated company		69	-	-
Derivative financial instruments		204	166	274
Deferred tax liabilities		4,605	3,600	2,633
Deferred profit		128	28	13
Retirement benefit liabilities		302	226	208
		36,378	35,970	34,649
NET ASSETS		209,051	169,725	150,587
EQUITY				
Share capital	10	903	903	903
Reserves	11	203,549	167,973	148,235
Equity attributable to the Company's shareholders		204,452	168,876	149,138
Non-controlling interests		4,599	849	1,449
TOTAL EQUITY		209,051	169,725	150,587

1. Segment information

(a) Information about reportable segments – Analysis of Consolidated Income Statement

	External turnover	Inter-segment turnover	Operating profit	Finance charges	Finance income	Share of profits less losses of jointly controlled companies	Share of profits less losses of associated companies	Tax (charge)/ credit	Profit for the year	Profit attributable to the Company's shareholders	Depreciation and amortisation charged to operating profit
Year ended 31st December 2010	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
Property											
Property investment	7,893	60	6,553	(1,233)	24	19	18	(792)	4,589	4,582	(139)
Change in fair value of investment properties	-	-	20,381	-	-	1,435	75	(469)	21,422	21,380	-
Property trading	398	381	147	(6)	3	30	-	(19)	155	155	-
Hotels	518	-	(144)	(25)	-	(23)	132	(49)	(109)	(109)	(120)
	8,809	441	26,937	(1,264)	27	1,461	225	(1,329)	26,057	26,008	(259)
Aviation											
Cathay Pacific group	-	-	-	-	-	-	5,079	-	5,079	5,079	-
HAECO group											
- as subsidiary company	2,574	-	229	(12)	5	243	-	(57)	408	290	(228)
- as associated company	-	-	-	-	-	-	152	-	152	152	-
Gain on remeasurement of previously held interest in HAECO	-	-	2,547	-	-	-	-	-	2,547	2,547	-
Hactl	-	-	-	-	-	-	26	-	26	18	-
Sale of interest in Hactl	-	-	1,238	-	-	-	-	-	1,238	825	-
Others	-	-	(30)	-	-	3	-	-	(27)	(10)	(30)
	2,574	-	3,984	(12)	5	246	5,257	(57)	9,423	8,901	(258)
Beverages											
Mainland China	1,523	-	(14)	(47)	7	291	42	(36)	243	203	(86)
Hong Kong	1,882	1	213	-	-	-	-	(21)	192	173	(60)
Taiwan	1,561	-	55	(1)	-	1	-	(6)	49	48	(58)
USA	3,587	-	339	-	-	-	-	(89)	250	250	(137)
Central costs	-	-	25	-	-	-	-	-	25	25	-
	8,553	1	618	(48)	7	292	42	(152)	759	699	(341)
Marine Services											
Swire Pacific Offshore group	3,046	-	732	(12)	13	-	-	(18)	715	709	(429)
HUD group	-	-	-	-	-	82	-	-	82	82	-
	3,046	-	732	(12)	13	82	-	(18)	797	791	(429)
Trading & Industrial											
Swire Resources group	2,135	-	183	-	2	7	28	(43)	177	177	(11)
Taikoo Motors group	3,588	-	125	(1)	1	-	-	(36)	89	89	(28)
Taikoo Sugar	485	109	5	-	-	-	-	-	5	5	(1)
Akzo Nobel Swire Paints	-	-	-	-	-	119	-	(5)	114	114	-
CROWN Beverage Cans group	-	-	-	-	-	56	-	-	56	56	-
Sale of interest in CROWN Beverage Cans group	-	-	771	-	-	-	-	-	771	771	-
Other activities	4	-	(14)	-	-	-	-	-	(14)	(14)	(1)
	6,212	109	1,070	(1)	3	182	28	(84)	1,198	1,198	(41)
Head Office											
Net income/(expenses)	7	-	(257)	(1,237)	1,260	-	-	2	(232)	(232)	-
Change in fair value of investment properties	-	-	963	-	-	-	-	-	963	963	-
	7	-	706	(1,237)	1,260	-	-	2	731	731	-
Inter-segment elimination	-	(551)	(76)	1,257	(1,257)	-	-	-	(76)	(76)	-
Total	29,201	-	33,971	(1,317)	58	2,263	5,552	(1,638)	38,889	38,252	(1,328)

1. Segment information (continued)
(a) Information about reportable segments – Analysis of Consolidated Income Statement (continued)

	External turnover	Inter-segment turnover	Operating profit	Finance charges	Finance income	Share of profits less losses of jointly controlled companies	Share of profits less losses of associated companies	Tax (charge)/ credit	Profit for the year	Profit attributable to the Company's shareholders	Depreciation and amortisation charged to operating profit
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M (Restated)	HK\$M (Restated)	HK\$M (Restated)	HK\$M (Restated)	HK\$M (Restated)	HK\$M
Year ended 31st December 2009											
Property											
Property investment	7,473	53	5,607	(1,185)	140	48	16	(525)	4,101	4,093	(112)
Change in fair value of investment properties	-	-	14,383	-	-	20	63	(800)	13,666	13,577	-
Property trading	643	-	70	(4)	1	(26)	-	(18)	23	23	-
Hotels	172	-	(474)	(26)	-	(30)	95	103	(332)	(332)	(36)
	8,288	53	19,586	(1,215)	141	12	174	(1,240)	17,458	17,361	(148)
Aviation											
Cathay Pacific group	-	-	-	-	-	-	1,349	-	1,349	1,349	-
HAECO group	-	-	-	-	-	-	314	-	314	314	-
Hactl	-	-	-	-	-	-	234	-	234	156	-
Others	-	-	-	-	-	2	-	-	2	2	-
	-	-	-	-	-	2	1,897	-	1,899	1,821	-
Beverages											
Mainland China	1,446	-	(5)	(37)	6	326	54	(28)	316	274	(67)
Hong Kong	1,904	-	215	(1)	1	-	-	(17)	198	179	(61)
Taiwan	1,489	-	64	(3)	-	1	-	(4)	58	46	(42)
USA	3,560	-	338	-	-	-	-	(91)	247	247	(138)
Central costs	-	-	7	-	-	-	-	-	7	7	-
	8,399	-	619	(41)	7	327	54	(140)	826	753	(308)
Marine Services											
Swire Pacific Offshore group	3,892	-	1,594	-	2	3	-	(40)	1,559	1,559	(405)
HUD group	-	-	-	-	-	78	-	-	78	78	-
	3,892	-	1,594	-	2	81	-	(40)	1,637	1,637	(405)
Trading & Industrial											
Swire Resources group	1,835	-	74	-	1	2	39	(16)	100	100	(19)
Taikoo Motors group	2,158	-	53	(1)	1	-	-	(20)	33	33	(30)
Taikoo Sugar	322	79	10	-	-	-	-	(1)	9	9	(1)
Akzo Nobel Swire Paints	-	-	-	-	-	141	-	-	141	141	-
CROWN Beverage Cans group	-	-	-	-	-	72	-	-	72	72	-
Other activities	5	-	(11)	-	19	-	-	(13)	(5)	(5)	(1)
	4,320	79	126	(1)	21	215	39	(50)	350	350	(51)
Head Office											
Net income/(expenses)	10	158	(215)	(1,104)	1,250	-	-	17	(52)	(52)	(1)
Change in fair value of investment properties	-	-	23	-	-	-	-	-	23	23	-
	10	158	(192)	(1,104)	1,250	-	-	17	(29)	(29)	(1)
Inter-segment elimination	-	(290)	-	1,225	(1,225)	-	-	-	-	-	-
Total	24,909	-	21,733	(1,136)	196	637	2,164	(1,453)	22,141	21,893	(913)

1. Segment information (continued)
(a) Information about reportable segments (continued)
Analysis of total assets of the Group
At 31st December 2010

	Segment assets	Jointly controlled companies	Associated companies	Bank deposits and securities	Total assets	Additions to non-current assets (note)
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
Property						
Property investment	181,581	9,964	53	960	192,558	4,623
Property trading and development	6,150	348	-	42	6,540	2
Hotels	4,759	627	652	40	6,078	236
	192,490	10,939	705	1,042	205,176	4,861
Aviation						
Cathay Pacific group	-	-	23,701	-	23,701	-
HAECO group	7,020	1,065	-	1,252	9,337	233
Others	4,831	2,813	-	-	7,644	-
	11,851	3,878	23,701	1,252	40,682	233
Beverages	4,989	1,413	822	731	7,955	412
Marine Services						
Swire Pacific Offshore group	9,878	-	-	381	10,259	1,705
HUD group	-	(18)	-	-	(18)	-
	9,878	(18)	-	381	10,241	1,705
Trading & Industrial						
Swire Resources group	472	15	258	152	897	13
Taikoo Motors group	1,087	-	-	463	1,550	74
Taikoo Sugar	89	-	-	19	108	2
Akzo Nobel Swire Paints	-	340	-	-	340	-
Other activities	12	-	-	-	12	1
	1,660	355	258	634	2,907	90
Head Office	3,381	-	-	233	3,614	149
	224,249	16,567	25,486	4,273	270,575	7,450

At 31st December 2009

	Segment assets	Jointly controlled companies	Associated companies	Bank deposits and securities	Total assets	Additions to non-current assets (note)
	HK\$M (Restated)	HK\$M (Restated)	HK\$M (Restated)	HK\$M	HK\$M (Restated)	HK\$M
Property						
Property investment	157,299	6,505	557	937	165,298	2,907
Property trading and development	3,914	87	-	103	4,104	1
Hotels	4,632	438	488	26	5,584	1,065
	165,845	7,030	1,045	1,066	174,986	3,973
Aviation						
Cathay Pacific group	-	-	17,476	-	17,476	-
HAECO group	-	-	3,656	-	3,656	-
Hactl	-	-	498	-	498	-
Others	-	24	-	-	24	-
	-	24	21,630	-	21,654	-
Beverages	4,705	1,443	608	446	7,202	440
Marine Services						
Swire Pacific Offshore group	8,914	-	38	573	9,525	905
HUD group	-	(91)	-	-	(91)	-
	8,914	(91)	38	573	9,434	905
Trading & Industrial						
Swire Resources group	349	8	224	133	714	5
Taikoo Motors group	880	-	-	264	1,144	28
Taikoo Sugar	83	-	-	8	91	-
Akzo Nobel Swire Paints	-	333	-	-	333	-
CROWN Beverage Cans group	-	378	-	-	378	-
Other activities	122	-	-	-	122	-
	1,434	719	224	405	2,782	33
Head Office	1,014	-	-	331	1,345	-
Inter-segment elimination	-	-	-	-	-	(169)
	181,912	9,125	23,545	2,821	217,403	5,182

Note: In this analysis, additions to non-current assets during the year exclude financial instruments (which include jointly controlled and associated companies), deferred tax assets and retirement benefit assets.

1. Segment information (continued)
(a) Information about reportable segments (continued)

Analysis of total liabilities and non-controlling interests of the Group

At 31st December 2010

	Segment liabilities	Current and deferred tax liabilities	Inter-segment borrowings/ (advances)	External borrowings	Total liabilities	Non-controlling interests
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
Property						
Property investment	4,767	4,271	27,741	4,885	41,664	479
Property trading and development	196	7	4,405	149	4,757	-
Hotels	241	-	-	569	810	-
	5,204	4,278	32,146	5,603	47,231	479
Aviation						
HAECO group	1,043	384	-	1,426	2,853	3,733
Beverages	1,942	304	1,347	173	3,766	391
Marine Services						
Swire Pacific Offshore group	876	83	1	212	1,172	(4)
Trading & Industrial						
Swire Resources group	476	39	(24)	-	491	-
Taikoo Motors group	603	25	-	-	628	-
Taikoo Sugar	58	-	-	2	60	-
Other activities	39	(1)	-	-	38	-
	1,176	63	(24)	2	1,217	-
Head Office	629	88	(33,470)	38,038	5,285	-
	10,870	5,200	-	45,454	61,524	4,599

At 31st December 2009

	Segment liabilities	Current and deferred tax liabilities	Inter-segment borrowings/ (advances)	External borrowings	Total liabilities	Non-controlling interests
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
		(Restated)			(Restated)	(Restated)
Property						
Property investment	4,872	3,366	28,031	3,645	39,914	424
Property trading and development	148	45	2,409	82	2,684	-
Hotels	87	-	864	502	1,453	-
	5,107	3,411	31,304	4,229	44,051	424
Aviation						
Hactl	-	-	-	-	-	37
Beverages	1,892	294	983	130	3,299	392
Marine Services						
Swire Pacific Offshore group	888	91	(343)	381	1,017	(4)
Trading & Industrial						
Swire Resources group	388	16	(21)	-	383	-
Taikoo Motors group	371	(5)	-	-	366	-
Taikoo Sugar	56	-	-	5	61	-
Other activities	23	1	-	-	24	-
	838	12	(21)	5	834	-
Head Office	559	84	(31,923)	29,757	(1,523)	-
	9,284	3,892	-	34,502	47,678	849

1. Segment information (continued)
(a) Information about reportable segments (continued)

The Swire Pacific Group is organised on a divisional basis: Property, Aviation, Beverages, Marine Services and Trading & Industrial.

The Beverages Division is considered to be a single reportable segment as the nature of its operations in different geographical locations is similar. The analysis of the consolidated income statement in note 1(a) presents the results of the Beverages Division by geographical location in order to provide further information.

The reportable segments within each of the other four divisions are classified according to the nature of the business. The Head Office is also considered to be a reportable segment as discrete financial information is available for the Head Office activities.

(b) Information about geographical areas

The activities of the Group are principally based in Hong Kong. Ship owning and operating activities are carried out internationally and cannot be attributed to specific geographical areas.

An analysis of turnover and non-current assets of the Group by principal markets is outlined below:

	Turnover		Non-current assets*	
	2010 HK\$M	2009 HK\$M	2010 HK\$M	2009 HK\$M (Restated)
Hong Kong	13,535	11,220	174,996	145,890
Asia (excluding Hong Kong)	8,906	6,023	24,524	16,463
United States of America	3,640	3,701	1,234	1,222
United Kingdom	74	73	538	433
Ship owning and operating	3,046	3,892	9,057	8,085
	<u>29,201</u>	<u>24,909</u>	<u>210,349</u>	<u>172,093</u>

* In this analysis, the total of non-current assets excludes financial instruments (which include jointly controlled and associated companies), deferred tax assets and retirement benefit assets.

2. Turnover

Turnover represents sales by the Company and its subsidiary companies to external customers and comprises revenue from:

	2010 HK\$M	2009 HK\$M
Gross rental income from investment properties	7,841	7,392
Property trading	398	643
Hotels	518	172
Charter hire and related income	3,046	3,892
Rendering of services	2,614	91
Sales of goods	14,784	12,719
	<u>29,201</u>	<u>24,909</u>

3. Operating profit

	<u>2010</u>	<u>2009</u>
	HK\$M	HK\$M
		(Restated)
<i>Operating profit has been arrived at after charging:</i>		
Depreciation of property, plant and equipment	1,244	868
Amortisation of leasehold land and land use rights	16	2
Amortisation of intangible assets	31	15
Amortisation of initial leasing costs and others	<u>37</u>	<u>28</u>
<i>And after crediting:</i>		
Remeasurement gains and profit on disposal relating to the change of shareholding in PCCW Tower	342	-
Profit on sale of available-for-sale assets	45	46
Profit on sale of investment properties	544	21
(Loss)/profit on sale of property, plant and equipment	<u>(5)</u>	<u>101</u>

4. Net finance charges

	<u>2010</u>		<u>2009</u>	
	HK\$M	HK\$M	HK\$M	HK\$M
<i>Interest charged on:</i>				
Bank loans and overdrafts		(392)		(340)
Other loans and bonds:				
Wholly repayable within five years	(134)		(144)	
Not wholly repayable within five years	<u>(985)</u>		<u>(846)</u>	
		(1,119)		(990)
Fair value (losses)/gains on derivative instruments:				
Interest rate swaps: cash flow hedges, transferred from other comprehensive income	(12)		(20)	
Interest rate swaps: fair value hedges	<u>5</u>		<u>15</u>	
		(7)		(5)
Adjustments to financial liabilities - fair value hedges		13		-
Amortised loan fees - loans at amortised cost		(56)		(26)
Other financing costs		(55)		(45)
Deferred into properties under development for sale		101		32
Capitalised on:				
Investment properties	180		190	
Hotel and other properties	18		43	
Vessels	<u>-</u>		<u>5</u>	
		<u>198</u>		<u>238</u>
		(1,317)		(1,136)
<i>Interest income on:</i>				
Short-term deposits and bank balances	22		11	
Other loans	24		78	
Fair value gain on put option over non-controlling interest in Sanlitun Village	<u>12</u>		<u>107</u>	
		<u>58</u>		<u>196</u>
Net finance charges		<u>(1,259)</u>		<u>(940)</u>

5. Taxation

	2010		2009	
	HK\$M	HK\$M	HK\$M	HK\$M
			(Restated)	(Restated)
Current taxation:				
Hong Kong profits tax	(747)		(418)	
Overseas taxation	(251)		(176)	
Over-provisions in prior years	<u>11</u>		<u>69</u>	
		(987)		(525)
Deferred taxation:				
Changes in fair value of investment properties	(379)		(715)	
Origination and reversal of temporary differences	<u>(272)</u>		<u>(213)</u>	
		<u>(651)</u>		<u>(928)</u>
		<u><u>(1,638)</u></u>		<u><u>(1,453)</u></u>

Hong Kong profits tax is calculated at 16.5% (2009: 16.5%) on the estimated assessable profits for the year. Overseas tax is calculated at tax rates applicable in jurisdictions in which the Group is assessable for tax.

6. Dividends

	Company	
	2010	2009
	HK\$M	HK\$M
Interim dividend paid on 4th October 2010 of HK ¢100.0 per 'A' share and HK ¢20.0 per 'B' share (2009: HK ¢60.0 and HK ¢12.0)	1,505	903
Proposed final dividend of HK ¢250.0 per 'A' share and HK ¢50.0 per 'B' share (2009 actual dividend paid: HK ¢220.0 and HK ¢44.0)	<u>3,761</u>	<u>3,310</u>
	<u><u>5,266</u></u>	<u><u>4,213</u></u>

The proposed final dividend is not accounted for until it has been approved at the Annual General Meeting. The actual amount will be accounted for as an appropriation of the revenue reserve in the year ending 31st December 2011.

7. Earnings per share (basic and diluted)

Earnings per share are calculated by dividing the profit attributable to the Company's shareholders of HK\$38,252 million (2009: HK\$21,893 million, as restated) by the weighted average number of 905,578,500 'A' shares and 2,995,220,000 'B' shares in issue during 2009 and 2010 in the proportion five to one.

8. Trade and other receivables

	<u>2010</u>	<u>2009</u>
	HK\$M	HK\$M
Trade debtors	2,197	1,738
Amounts due from fellow subsidiary companies	-	13
Amounts due from jointly controlled companies	179	116
Amounts due from associated companies	4	9
Prepayments and accrued income	983	857
Other receivables	1,136	1,087
	<u>4,499</u>	<u>3,820</u>

The analysis of the age of trade debtors at year-end (based on the invoice date) is as follows:

	<u>2010</u>	<u>2009</u>
	HK\$M	HK\$M
Under three months	1,966	1,520
Between three and six months	105	137
Over six months	126	81
	<u>2,197</u>	<u>1,738</u>

The various Group companies have different credit policies, depending on the requirements of their markets and the businesses in which they operate. Analyses of the age of debtors are prepared and closely monitored with a view to minimising credit risk associated with receivables.

9. Trade and other payables

	<u>2010</u>	<u>2009</u>
	HK\$M	HK\$M
Trade creditors	1,853	1,491
Amounts due to immediate holding company	191	119
Amounts due to jointly controlled companies	48	69
Amounts due to associated companies	7	43
Interest-bearing advances from jointly controlled companies	17	16
Interest-bearing advances from associated companies	149	149
Advances from non-controlling interests	368	327
Rental deposits from tenants	1,810	1,654
Put option over non-controlling interest in Sanlitun Village	678	690
Accrued capital expenditure	1,318	1,478
Other accruals	2,604	1,904
Other payables	1,113	897
	<u>10,156</u>	<u>8,837</u>

The analysis of the age of trade creditors at year-end is as follows:

	<u>2010</u>	<u>2009</u>
	HK\$M	HK\$M
Under three months	1,720	1,356
Between three and six months	113	119
Over six months	20	16
	<u>1,853</u>	<u>1,491</u>

10. Share capital

	Company				
	<u>'A' shares of HK\$0.60 each</u>	<u>'B' shares of HK\$0.12 each</u>	<u>'A' shares HK\$M</u>	<u>'B' shares HK\$M</u>	<u>Total HK\$M</u>
<i>Authorised:</i>					
At 31st December 2010 and 2009	<u>1,140,000,000</u>	<u>3,600,000,000</u>	<u>684</u>	<u>432</u>	<u>1,116</u>
<i>Issued and fully paid:</i>					
At 31st December 2010 and 2009	<u>905,578,500</u>	<u>2,995,220,000</u>	<u>543</u>	<u>360</u>	<u>903</u>

During the year, the Company did not purchase, sell or redeem any of its shares.

Except for voting rights, which are equal, the entitlements of 'A' and 'B' shareholders are in the proportion five to one.

11. Reserves

	Revenue reserve	Share premium account	Capital redemption reserve	Properties revaluation reserve	Investment revaluation reserve	Cash flow hedge reserve	Translation reserve	Total
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
Group								
At 1st January 2009								
as originally stated	132,433	342	49	-	406	(889)	1,497	133,838
adjustment on adoption of amendments to HKAS 12	14,397	-	-	-	-	-	-	14,397
as restated	146,830	342	49	-	406	(889)	1,497	148,235
Profit for the year	21,893	-	-	-	-	-	-	21,893
Other comprehensive income								
Cash flow hedges								
- recognised during the year	-	-	-	-	-	365	-	365
- transferred to net finance charges	-	-	-	-	-	20	-	20
- transferred to operating profit - exchange differences	-	-	-	-	-	(8)	-	(8)
- transferred to initial cost of non-financial assets	-	-	-	-	-	75	-	75
- deferred tax	-	-	-	-	-	(68)	-	(68)
Net fair value changes on available-for-sale assets								
- net gains recognised during the year	-	-	-	-	141	-	-	141
- net losses transferred to operating profit	-	-	-	-	(37)	-	-	(37)
Share of other comprehensive income of jointly controlled and associated companies								
	42	-	-	-	201	152	14	409
Net translation differences on foreign operations								
	-	-	-	-	-	-	78	78
Total comprehensive income for the year	21,935	-	-	-	305	536	92	22,868
2008 final dividend	(2,227)	-	-	-	-	-	-	(2,227)
2009 interim dividend (note 6)	(903)	-	-	-	-	-	-	(903)
At 31st December 2009	165,635	342	49	-	711	(353)	1,589	167,973
Group								
At 1st January 2010								
as originally stated	149,262	342	49	-	711	(353)	1,589	151,600
adjustment on adoption of amendments to HKAS 12	16,373	-	-	-	-	-	-	16,373
as restated	165,635	342	49	-	711	(353)	1,589	167,973
Profit for the year	38,252	-	-	-	-	-	-	38,252
Other comprehensive income								
Cash flow hedges								
- recognised during the year	-	-	-	-	-	106	-	106
- transferred to net finance charges	-	-	-	-	-	12	-	12
- transferred to operating profit - exchange differences	-	-	-	-	-	(34)	-	(34)
- transferred to initial cost of non-financial assets	-	-	-	-	-	26	-	26
- deferred tax	-	-	-	-	-	(15)	-	(15)
Net fair value changes on available-for-sale assets								
- net losses recognised during the year	-	-	-	-	(30)	-	-	(30)
- net losses transferred to operating profit	-	-	-	-	(39)	-	-	(39)
Revaluation of property previously occupied by the Group								
- gain recognised during the year	-	-	-	1,462	-	-	-	1,462
Share of other comprehensive income of jointly controlled and associated companies								
	12	-	-	-	(7)	(197)	276	84
Net translation differences on foreign operations								
	-	-	-	-	-	-	607	607
Total comprehensive income for the year	38,264	-	-	1,462	(76)	(102)	883	40,431
2009 final dividend (note 6)	(3,310)	-	-	-	-	-	-	(3,310)
2010 interim dividend (note 6)	(1,505)	-	-	-	-	-	-	(1,505)
Changes in composition of Group	(40)	-	-	-	-	-	-	(40)
At 31st December 2010	199,044	342	49	1,462	635	(455)	2,472	203,549

12. Changes in accounting standards

The Group has adopted the following relevant new and revised Hong Kong Financial Reporting Standards (“HKFRS”), amendments and interpretations effective from 1st January 2010:

HKFRSs (Amendments)	Improvements to HKFRSs 2009 *
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 39 (Amendment)	Eligible Hedged Items
HKFRS 3 (Revised)	Business Combinations
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners
HK(IFRIC)-Int 18	Transfers of Assets from Customers
HKFRS 5 (Amendments)	Non-current Assets Held for Sale and Discontinued Operations
HKAS 12 (Amendment)	Income taxes**

* Except for certain amendments to HKAS 39 which were adopted in 2009.

** The Group has early adopted the amendment to HKAS 12. The new accounting policy has been retrospectively applied for annual periods beginning before 1st January 2010.

The Improvements to HKFRSs 2009 consist of further amendments to existing standards, including an amendment to HKAS 17 Leases. The amendment to HKAS 17 requires the land element of a property lease to be classified as a finance lease rather than an operating lease if it transfers substantially all the risks and rewards of ownership. Before amendment, HKAS 17 stated that the land element of a property lease would normally be classified as an operating lease unless title to the land was expected to pass to the lessee at the end of the lease term. On adoption of the amendment, the Group has assessed its leases in Hong Kong, Mainland China and the UK and has reclassified the land element of its principal property leases in Hong Kong from operating leases to finance leases. In addition, the amortisation of the prepaid land lease expense has been reclassified to depreciation. The effect of the adoption of the amendment on the consolidated statement of financial position at 1st January 2010 is to increase property, plant and equipment by HK\$2,182 million with a corresponding reduction in leasehold land and land use rights. The depreciation charge for the year ended 31st December 2010 has increased by HK\$21 million with a corresponding reduction in the amortisation charge. As the adoption of the amendment applies retrospectively, it has also resulted in an increase in the depreciation charge for the year ended 31st December 2009 of HK\$8 million and a corresponding reduction in the amortisation charge for that year. The consolidated statements of financial position at 31st December 2009 and 31st December 2008 have also been restated to reflect the reclassifications.

The revised HKAS 27 requires changes in a parent company's interest in subsidiaries that do not result in changes of control to be accounted for within equity, with no change in goodwill.

12. Changes in accounting standards (continued)

The revised HKFRS 3 has introduced a number of changes to the accounting for business combinations, including the requirement that where a business combination is achieved in stages, the previously held interest in the acquiree should be remeasured at fair value at the acquisition date when the controlling interest is obtained, with any resulting gain or loss recognised in the income statement. The acquisition of additional interests in HAECO during the year has been accounted for in accordance with the revised HKFRS 3 and the revised HKAS 27. This has resulted in the remeasurement of the previously held interest in HAECO of 45.96% to fair value and the recognition of a gain of HK\$2,547 million in the consolidated income statement.

In December 2010, the IASB/HKICPA amended IAS/HKAS 12, 'Income taxes', to introduce an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. Currently IAS/HKAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. The amendment introduces a rebuttable presumption that investment property measured at fair value is recovered entirely by sale. The presumption of recovery entirely by sale is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The effective date for the amendment is annual periods on or after 1st January 2012. As permitted, the Group has early adopted this amendment. The new accounting policy has been applied retrospectively for annual periods beginning before 1st January 2010 and the effects are disclosed as follows.

As of 1st January 2010, the Group had investment properties amounting to HK\$180,248 million (2009: HK\$154,408 million and 2008: HK\$134,539 million), representing their fair values in accordance with the Group's accounting policy. The investment properties held by the Group are situated in Hong Kong and Mainland China.

In Hong Kong, land leases can typically be renewed without a payment of a market-based premium which is consistent with their reclassification as finance leases under the amendment to HKAS17. Given this, it is difficult to assert with a high degree of confidence that the Group would consume substantially all of the economic benefits embodied in the investment property over time. Consequently, as required by the amendment, the Group has re-measured the deferred tax relating to these investment properties based on the presumption that they are recovered entirely by sale as if this new policy had always been applied. The tax consequences in Hong Kong of a sale of the investment property or of the entity owning the investment property are not significantly different.

In Mainland China, the tax consequences of a sale of the investment property or of the entity owning the investment property may be different. The Group's business model is that the entity owning the investment property will recover the value through use and on this basis the presumption of sale has been rebutted. Consequently, the Group has continued to recognise deferred taxes on the basis that the value of investment property is recovered through use.

12. Changes in accounting standards (continued)

As a result of the early adoption of amendments to HKAS 12, the comparative figures for 2009 and 2008 have been restated to reflect the change in accounting policy, as summarised below.

Effect on Consolidated Statement of Financial Position	31st December, 2010	31st December, 2009	1st January, 2009
	HK\$M	HK\$M	HK\$M
Decrease in deferred tax liabilities	20,345	16,703	14,749
Decrease in goodwill (note)	495	495	495
Increase in jointly controlled companies	106	77	64
Increase in associated companies	51	91	81
Increase in non-controlling interests	5	3	2
Increase in retained earnings	20,002	16,373	14,397
Effect on Consolidated Income Statement	Year ended 31st December		
	2010	2009	
	HK\$M	HK\$M	
Decrease in other net gains	(51)	-	
Decrease in income tax expense	3,401	1,954	
Increase in share of profits less losses of jointly controlled companies	29	13	
Increase in share of profit less losses of associated companies	11	10	
Increase in profit attributable to the non-controlling interests	2	1	
Increase in profit attributable to the Company's shareholders	3,388	1,976	
Increase in other comprehensive income attributable to the Company's shareholders	241	-	
Increase in basic earnings per share	HK\$2.25	HK\$1.31	
Increase in diluted earnings per share	HK\$2.25	HK\$1.31	

Note: If the investment properties were acquired as part of a business combination which took place in prior years, then the related deferred tax would be adjusted against goodwill.

The adoption of the other revisions, amendments and interpretations has had no effect on the Group's accounts.

13. Events after the reporting period
Cathay Pacific group

In March 2011, agreements were entered into under which Cathay Pacific group agreed to purchase 15 Airbus A330-300 aircraft and ten Boeing 777-300ER aircraft. The catalogue price of these aircraft is approximately HK\$46,683 million. The actual purchase price of the aircraft, which was determined after arm's length negotiations between the parties, is lower than the catalogue price.

Swire Pacific Offshore ("SPO")

Since the year-end SPO has agreed to acquire four anchor handling tug supply ("AHTS") vessels of which one has been delivered and the remaining three will be delivered in 2012. SPO has also exercised an option to acquire a second wind farm turbine installation vessel for delivery in 2012. These vessels represent commitments aggregating approximately US\$500 million.

Sources of finance

At 31st December 2010, committed loan facilities and debt securities amounted to HK\$56,446 million, of which HK\$12,313 million (22%) remained undrawn. In addition, the Group had undrawn uncommitted facilities totalling HK\$5,303 million. Sources of funds at 31st December 2010 comprised:

	Available	Drawn	Undrawn expiring within one year	Undrawn expiring beyond one year
	HK\$M	HK\$M	HK\$M	HK\$M
<i>Committed facilities</i>				
<i>Loans and bonds</i>				
Fixed / floating rate bonds	17,247	17,247	-	-
Bank loans, overdrafts and other loans	36,867	24,554	1,718	10,595
Perpetual capital securities	2,332	2,332	-	-
<i>Total committed facilities</i>	56,446	44,133	1,718	10,595
<i>Uncommitted facilities</i>				
Bank loans, overdrafts and other loans	6,799	1,496	5,075	228
<i>Total</i>	63,245	45,629	6,793	10,823

At 31st December 2010, 56% of the Group's gross borrowings were on a fixed rate basis and 44% were on a floating rate basis (2009: 68% and 32% respectively).

Staff

The Group, including its jointly controlled and associated companies, employs over 100,000 staff.

Corporate Governance

The Company has complied with all the code provisions set out in the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) for the year.

The Company has adopted codes of conduct regarding securities transactions by Directors and by relevant employees (as defined in the CG Code) on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 of the Listing Rules.

On specific enquiries made, all Directors have confirmed that, in respect of the accounting period covered by the annual report, they have complied with the required standard set out in the Model Code and the Company’s code of conduct regarding Directors’ securities transactions.

The annual results have been reviewed by the Audit Committee of the Company.

Annual Report

The 2010 Annual Report containing all the information required by the Listing Rules will be published on the Stock Exchange website and the Group website www.swirepacific.com. Printed copies will be available to shareholders on 8th April 2011.

List of Directors

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

Executive Directors: C D Pratt (Chairman), M Cubbon, P A Kilgour, J R Slosar, A N Tyler, I S C Shiu

Non-Executive Directors: Baroness Dunn, J W J Hughes-Hallett, P A Johansen, M B Swire

Independent Non-Executive Directors: T G Freshwater, C K M Kwok, C Lee, M Leung, M C C Sze, M M T Yang
