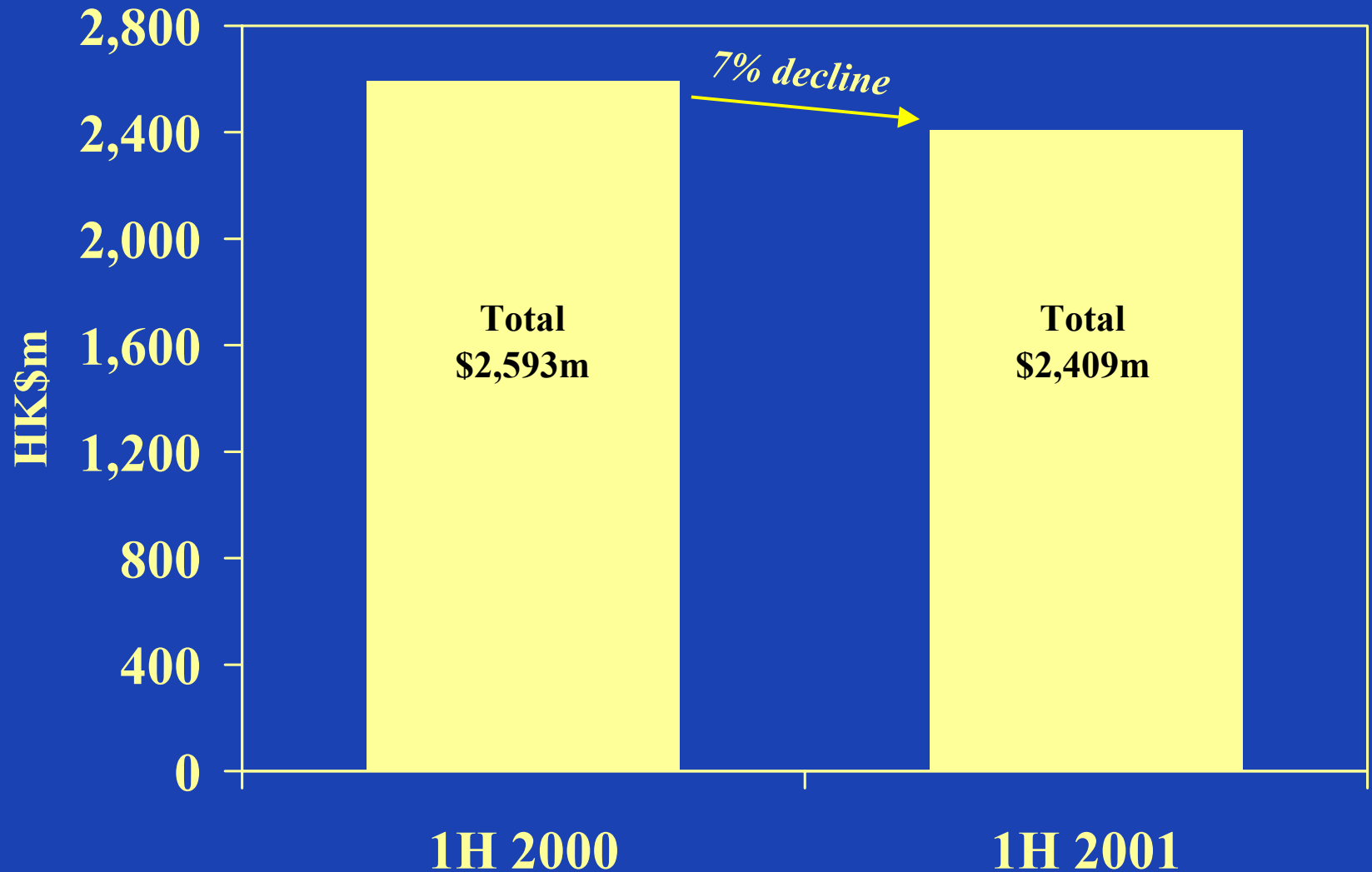


2001 Interim Results Presentation

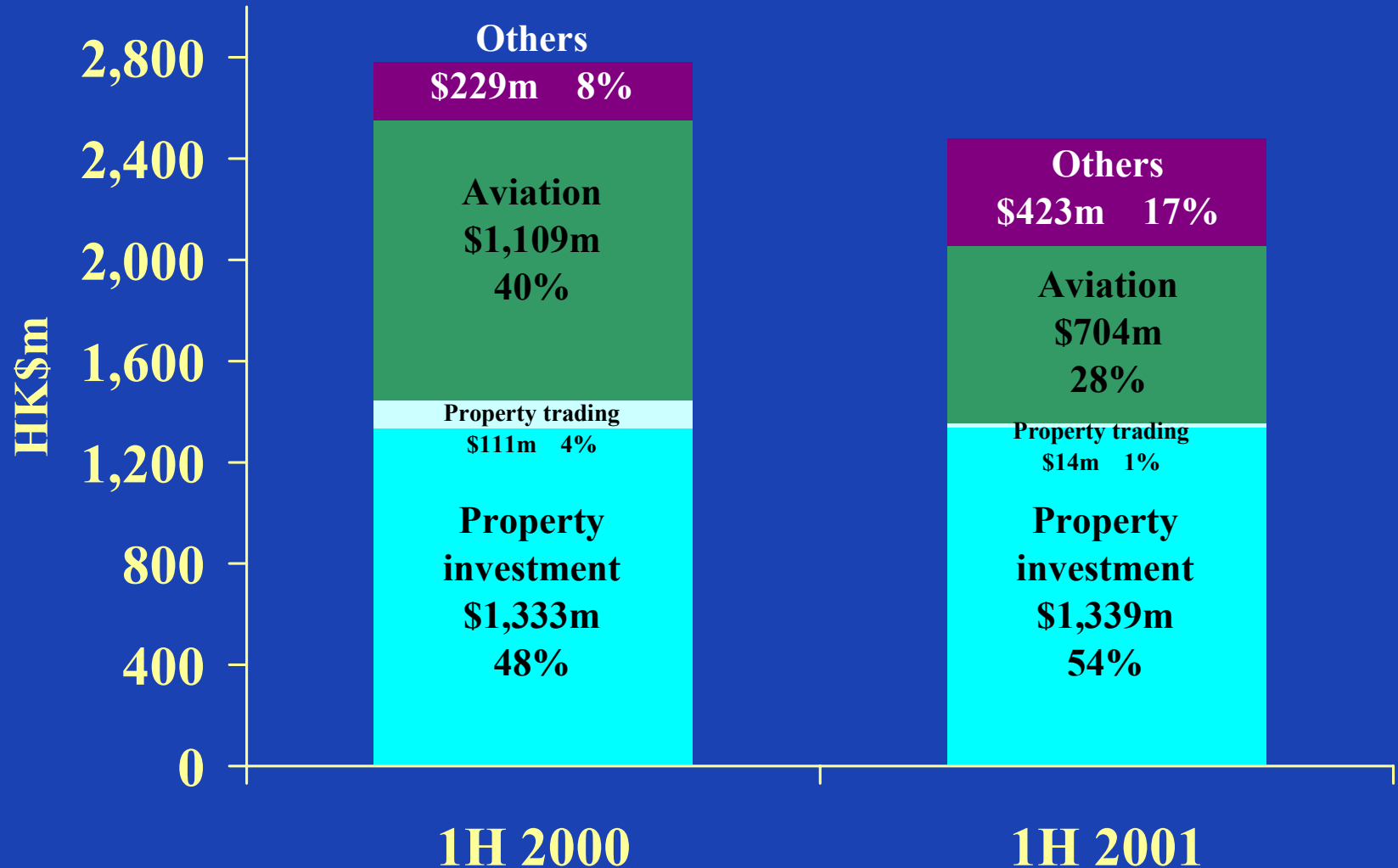
August 9, 2001



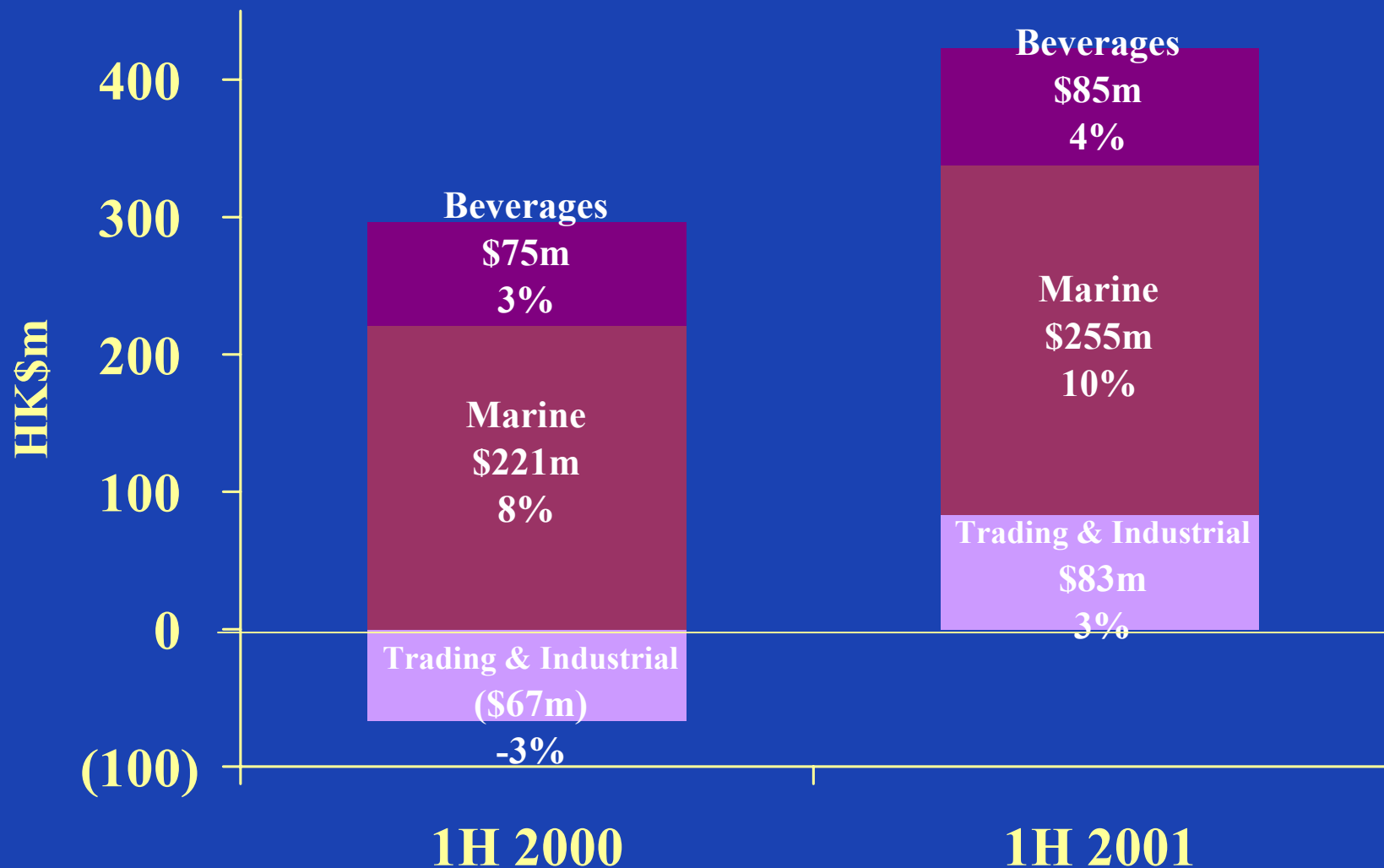
Swire Pacific half-year attributable profit



Swire Pacific half-year attributable profit



Improved contributions from Beverages, Marine & Trading/Industrial



Divisional Attributable Profit

	1H 2001		1H 2000	
	HK\$m	%	HK\$m	%
Property Investment	1,339	54%	1,333	48%
Property Trading	14	1%	111	4%
Aviation	704	28%	1,109	40%
Beverages	85	4%	75	3%
Marine Services	255	10%	221	8%
Trading & Industrial	83	3%	(67)	-3%
	2,480		2,782	
Central costs & adjustments	(71)		(189)	
Attributable profit	2,409		2,593	

2001 Interim Results Presentation

- Appendix



Financial Summary

HK\$M	1st Half 2001	1st Half 2000	% Change	
Operating Profit	2,026	1,926	5.2	↑
Net finance charges	(264)	(233)	13.3	↑
-Less interest capitalised into property (\$105m)				
Net Operating Profit	<u>1,762</u>	<u>1,693</u>	4.1	↑
-Net rental income up				
-Improved contribution from SPO				
-Significantly reduced profit from sale of residential properties				
Share of Profit of				
Jointly Controlled Co's	140	(26)	N/A	↑
- core earnings growth for Beverages operations in Mainland China				
- continued benefits from earlier restructuring in Trading & Industrial				
only Crown Can and SITA produced weaker results in 2001				
Share of Profit of				
Associated Co's	943	1,298	-27.3	↓
- Much lower contribution from CX, despite HK\$207m profit from sale of Equant				
- other companies (MTL, Hotels, HAECO, Dragonair) broadly flat				
Profit Attributable to				
Shareholders	2,409	2,593	-7.1	↓

Financial Ratios

- Financial Position remains strong

<i>HK\$bn</i>	1st Half 2001	Year End 2000	% Change	
Shareholders' Funds and Minority Interests	83.9	82.7	1.5	↑
Consolidated Net Borrowings	16.8	16.8	0.0	↔
Gearing Ratio	20%	20%	0.0	↔
Interest Cover - lower capitalised interest	7.7 times	8.9 times	-13.9	↓

Property

- Reduced contribution due to drop in property trading (StarCrest)
- Higher rental income following a full period's contribution from Lincoln and Oxford Houses
- Excellent performance from retail portfolio, where repositioning and reinvestment have facilitated good growth
- Property Trading - still weak market, but sentiment improving in recent months
- Timing differences will result in higher outgoings in the 2nd half

Aviation

- Contribution 37% lower than in 1st 6 months of 2000
- Cyclical downturn:
 - » weak cargo demand, falling yields & load factors
 - » passenger markets softening, lower load factors, pressure on yields
- Continued improvement in efficiency: cost per ATK now HK\$2.32

Aviation

- Attributable earnings contribution of HK\$207m from Equant
- Yields affected by currency weakness in spite of active hedging

Beverages

- Contribution improved by HK\$10M : 13%
- Good 1st half, but key months still to come
- Satisfactory volume growth in Mainland China augmented by better distribution and hence enhanced profitability
- Taiwan restructured to face difficult market
- Hong Kong market still competitive but price erosion in part compensated for by improved channel & product mix
- Significant pricing pressure in the USA, in particular in non-carbonated beverages, and hence lower profits

Marine

- Improved contribution of HK\$255M : up 15%
- Utilisation & charter rates in SPO improved throughout the 1st 6 months
- Joint ventures MTL, HKST, HUD, SCT holding up very well in a spite of economic slowdown

Trading & Industrial

- Much improved contribution following the restructuring in 2000
 - » Carlsberg Shanghai
 - » Discontinued businesses
- Car sales hit hard by economic slowdown in Taiwan and Hong Kong
 - » New brands, Volkswagen and Kia, provide partial counter-balance to weak market generally
 - » Mainland China car business now profitable and growing strongly
- Swire Resources benefited from a repositioning towards casual footwear in 2000
- Other joint ventures, with exception of Crown Can, performing well

Completed Investment Property

	Six months ended 30th June					
	Office & Industrial		Retail		Residential	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
Gross floor area (sq.ft.)	7,693,397	7,688,113	3,371,477	3,354,967	868,332	868,332
<i>Change</i>	+0.1%		+0.5%		-	
Average occupancy (%)	95	95	100	99	81	88
<i>Change</i>	-		+1%pt		-7% pts	

Residential Property Sales

Residential units sold to date in 2001:

- Ocean Shores Phase 2
(launched in March) 753
- Tung Chung Crescent 367
- StarCrest 27

Cathay Pacific Airways

	Six months ended 30th June	
	<u>2001</u>	<u>2000</u>
Available tonne kilometres ("ATK") (million) <i>Change</i>	5,936	5,483
	+8.3%	
Passenger load factor (%) <i>Change</i>	71.9	75.7
	-3.8% pts	
Average aircraft utilisation (hours per day) <i>Change</i>	12.7	13.0
	-2.3%	
Cost per ATK (HK\$) <i>Change</i>	2.32	2.33
	-0.4%	

Beverages Division

	Six months ended 30th June							
	Mainland China		Hong Kong		Taiwan		USA	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
Sales volume (million unit cases)	87.1	81.5	19.2	19.4	19.5	19.5	36.7	35.5
<i>Change</i>	+6.9%		-1.0%		-		+3.4%	
Franchise population (million)	375.3	367.3	6.9	6.9	22.5	22.0	5.5	5.4
<i>Change</i>	+2.2%		-		+2.3%		+1.9%	
Number of plants	11	10	1	1	2	2	2	2
<i>Change</i>	+10.0%		-		-		-	
Number of sales centres	141	114	1	1	15	16	28	29
<i>Change</i>	+23.7%		-		-6.3%		-3.4%	

Marine Services Division

	Six months ended 30th June	
	<u>2001</u>	<u>2000</u>
Swire Pacific Offshore		
Number of vessels	49	50
Utilisation (%)	87.8	84.4
<i>Change</i>	+3.4% pts	
Modern Terminals		
Throughput ('000 TEUs)	1,525	1,340
<i>Change</i>	+13.8% pts	
Shekou Container Terminals		
Throughput ('000 TEUs)	389	316
<i>Change</i>	+23.1%	