

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the six months ended 30 June 2008

	Note	Unaudited 30/6/2008 HK\$ Million	Unaudited 30/9/2007 HK\$ Million
Turnover	2	12,273	13,856
Other net income	4	142	112
		12,415	13,968
Direct costs and operating expenses		(5,644)	(4,978)
Selling and marketing expenses		(384)	(556)
Administrative and corporate expenses		(540)	(537)
Operating profit before depreciation, amortisation, interest and tax		5,847	7,897
Depreciation and amortisation		(659)	(935)
Operating profit	3	5,188	6,962
Increase in fair value of investment properties		7,280	4,991
Net other charge	5	(961)	–
		11,507	11,953
Finance costs	6	(698)	(766)
Share of results after tax of:			
Associates		165	189
Jointly controlled entities		10	22
Profit before taxation		10,984	11,398
Taxation	7	(1,483)	(2,750)
Profit for the period		9,501	8,648
Profit attributable to:			
Equity shareholders		4,540	4,030
Minority interests		4,961	4,618
		9,501	8,648
Dividends attributable to equity shareholders			
Interim dividend declared	8	51	51
Earnings per share	9	HK\$2.23	HK\$1.98
Interim dividend per share	8	2.5 cents	2.5 cents

CONSOLIDATED BALANCE SHEET

At 30 June 2008

	Note	Unaudited 30/6/2008 HK\$ Million	Audited 31/12/2007 HK\$ Million
Non-current assets			
Fixed assets			
Investment properties		113,786	105,836
Leasehold land		5,717	3,775
Other property, plant and equipment		15,185	15,779
		134,688	125,390
Goodwill and other intangible assets		307	302
Interest in associates		3,484	3,632
Interest in jointly controlled entities		8,253	6,019
Available-for-sale investments		5,026	7,622
Long-term receivables		428	447
Programming library		180	184
Defined benefit pension scheme assets		237	239
Derivative financial assets		20	17
Deferred tax assets		328	360
		152,951	144,212
Current assets			
Properties for sale		25,268	19,805
Inventories		105	97
Trade and other receivables	10	2,353	1,878
Derivative financial assets		48	54
Bank deposits and cash		22,876	13,079
		50,650	34,913
Current liabilities			
Trade and other payables	11	(5,774)	(6,038)
Short-term loans and overdrafts		(7,155)	(7,120)
Deposits from sale of properties		(4,031)	(5,046)
Derivative financial liabilities		-	(131)
Taxation payable		(1,862)	(1,774)
Dividend payable		-	(51)
		(18,822)	(20,160)
Net current assets		31,828	14,753
Total assets less current liabilities		184,779	158,965
Non-current liabilities			
Long-term loans		(38,839)	(27,871)
Deferred taxation		(17,023)	(16,578)
Other deferred liabilities		(265)	(261)
Derivative financial liabilities		(249)	(96)
		(56,376)	(44,806)
NET ASSETS		128,403	114,159
Capital and reserves			
Share capital		1,016	1,016
Reserves		60,117	55,635
Shareholders' equity		61,133	56,651
Minority interests		67,270	57,508
TOTAL EQUITY	12	128,403	114,159

CONDENSED CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE

For the six months ended 30 June 2008

	Unaudited 30/6/2008 HK\$ Million	Unaudited 30/9/2007 HK\$ Million
Net income not recognised in the consolidated profit and loss account	464	1,108
Profit for the period	9,501	8,648
Total recognised income for the period attributable to:		
Equity shareholders	4,685	4,430
Minority interests	5,280	5,326
	9,965	9,756

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2008

	Note	Unaudited 30/6/2008 HK\$ Million	Unaudited 30/9/2007 HK\$ Million
Net cash (used in)/generated from operating activities	(a)	(2,396)	4,291
Net cash used in investing activities		(2,960)	(10,407)
Net cash generated from financing activities		15,071	3,983
Net increase/(decrease) in cash and cash equivalents		9,715	(2,133)
Cash and cash equivalents at 1 January/1 April		12,372	10,235
Effect of foreign exchange rate changes		167	77
Cash and cash equivalents at 30 June/30 September		22,254	8,179
Analysis of the balances of cash and cash equivalents			
Bank balances and deposits	(b)	22,254	8,179
Notes:			
(a) Mainly comprised increase in properties under development for sale in China.			
(b) Cash and cash equivalents			
Bank deposits and cash in the consolidated balance sheet		22,876	8,179
Less: Pledged bank deposits		(622)	–
Cash and cash equivalents in the condensed consolidated cash flow statement		22,254	8,179

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

- (a) These unaudited interim consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants and applicable discloseable provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The preparation of the interim financial statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those described in the financial statements for the period ended 31 December 2007.

In 2008, the Group adopted the new interpretation of Hong Kong Financial Reporting Standards below, which is relevant to its operations.

HK (IFRIC) – Int 14 HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction

The Group has assessed the impact of the adoption of this new interpretation and considered that there was no significant impact on the Group’s results and financial position nor any substantial changes in the Group’s accounting policies and presentation of the financial statements will be resulted.

- (b) The Company changed its financial year end date from 31 March to 31 December in the last financial period, details of which are set out in note 1 of the 2007 Annual Report of the Company. Accordingly, the Group’s consolidated financial statements for the six months ended 30 June 2008 include Wharf’s consolidated financial statements for the six months ended 30 June 2008. The comparative figures, which cover a period for the six months from 1 April 2007 to 30 September 2007, cover Wharf’s financial statements for the nine months period from 1 January 2007 to 30 September 2007. As a result of the change in the year end date of the Company, the comparative figures for the consolidated profit and loss account, condensed consolidated cash flow statement, condensed consolidated statement of recognised income and expense and related notes are therefore not entirely comparable with those of the period under review.

2. SEGMENT INFORMATION

(a) Business segments

	Revenue		Results	
	30/6/2008 HK\$ Million	30/9/2007 HK\$ Million	30/6/2008 HK\$ Million	30/9/2007 HK\$ Million
Property investment	3,917	4,937	2,886	3,603
Hong Kong	3,048	3,877	2,529	3,175
China	257	305	110	148
Singapore	102	84	75	59
Hotels	510	671	172	221
Property development	4,468	3,099	1,099	1,286
Hong Kong	420	1,467	120	598
China	587	1,632	330	688
Singapore	3,461	–	649	–
Communications, media and entertainment (“CME”)	1,871	2,844	191	257
Pay television	699	1,212	61	132
Internet and multimedia	295	442	93	132
Telecommunications	789	1,075	57	14
Others	88	115	(20)	(21)
Logistics	1,832	2,656	808	1,383
Terminals	1,627	2,366	737	1,284
Others	205	290	71	99
Investment and others	393	590	450	662
	12,481	14,126	5,434	7,191
Inter-segment revenue (Note)	(208)	(270)	–	–
	12,273	13,856	5,434	7,191
Unallocated expenses			(246)	(229)

	Results	
	30/6/2008	30/9/2007
	HK\$ Million	HK\$ Million
Operating profit	5,188	6,962
Increase in fair value of investment properties	7,280	4,991
Net other charge	(961)	–
Property development	(479)	–
Investment and others	(482)	–
	11,507	11,953
Finance costs	(698)	(766)
Associates	165	189
Property development	15	17
Terminals	150	172
Jointly controlled entities	10	22
Property development	(8)	–
Terminals	18	22
Profit before taxation	10,984	11,398
Taxation	(1,483)	(2,750)
Profit for the period	9,501	8,648

Note: Inter-segment revenue eliminated on consolidation includes:

	30/6/2008	30/9/2007
	HK\$ Million	HK\$ Million
Property investment	60	78
CME	91	160
Investment and others	57	32
	208	270

(b) Geographical segments

- (i) Total segment revenue and operating profit for the period analysed by geographical segments are as follows:

	Revenue		Operating profit	
	30/6/2008	30/9/2007	30/6/2008	30/9/2007
	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
Hong Kong	7,660	11,445	3,996	5,881
China	958	1,958	311	792
Singapore	3,655	453	881	289
Revenue/operating profit	12,273	13,856	5,188	6,962

- (ii) Total segment assets at the balance sheet date and capital expenditure and increase in interests in associates and jointly controlled entities incurred during the period analysed by geographical segments are as follows:

	Assets		Capital expenditure		Increase in interests in associates and jointly controlled entities	
	30/6/2008	31/12/2007	30/6/2008	30/9/2007	30/6/2008	30/9/2007
	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
Hong Kong	136,137	121,886	405	880	-	-
China	48,304	35,435	1,496	1,717	2,514	4,009
Singapore	19,160	21,804	49	-	-	-
	203,601	179,125	1,950	2,597	2,514	4,009

3. OPERATING PROFIT

	30/6/2008	30/9/2007
	HK\$ Million	HK\$ Million
Operating profit is arrived at after charging/(crediting):		
Depreciation		
– assets held for use under operating leases	41	68
– other fixed assets	509	743
	550	811
Amortisation		
– programming library	64	91
– leasehold land	43	30
– other intangible assets	2	3
	659	935
Total depreciation and amortisation		
Staff costs including retirement scheme costs		
HK\$55 million (2007: HK\$70 million)	1,381	1,836
Cost of trading properties sold	3,340	1,670
Net foreign exchange gain, including impact		
of forward foreign exchange contracts (Note)	(69)	(115)
Rental income less direct outgoings	(2,784)	(3,448)
– including contingent rentals	(302)	(299)
Interest income	(171)	(187)
Dividend income from listed investments	(93)	(298)
Dividend income from unlisted investments	(52)	(81)
Profit on disposal of fixed assets	–	(17)

Note: During the period, total exchange gain arising from the translation of the net investments in WPSL and certain China subsidiaries, associates and jointly controlled entities amounted to HK\$1,890 million (2007: HK\$557 million) for the Group, which has been dealt with as an equity movement.

4. OTHER NET INCOME

	30/6/2008	30/9/2007
	HK\$ Million	HK\$ Million
Net profit on disposal of available-for-sale investments	86	113
Profit on disposal of properties	18	–
Others	38	(1)
	142	112

5. NET OTHER CHARGE

Included in the Group's profit were impairment provisions of HK\$482 million made by WPSL for its 14% interest in SC Global Developments Limited and provision for diminution of HK\$479 million made for certain China projects held by the Group's jointly controlled entities, following an internal review.

6. FINANCE COSTS

	30/6/2008	30/9/2007
	HK\$ Million	HK\$ Million
Interest on:		
Bank loans and overdrafts repayable within five years	460	780
Other loans repayable within five years	32	132
Loans repayable over five years	115	32
Fair value cost on currency swaps	152	–
Other finance costs	42	30
	801	974
Less: Amount capitalised	(103)	(208)
	698	766

The Group's effective borrowing interest rate for the six months period was approximately 3.0% (2007: 4.8%) per annum.

7. TAXATION

Taxation charged to the consolidated profit and loss account represents:

	30/6/2008	30/9/2007
	HK\$ Million	HK\$ Million
<i>Current income tax</i>		
Hong Kong profits tax	526	729
Underprovision in respect of prior years	163	252
Overseas taxation	223	222
	912	1,203
<i>Land appreciation tax in the PRC</i>	60	188
<i>Deferred tax</i>		
Change in fair value of investment properties	1,241	1,280
Origination and reversal of temporary differences	84	79
Effect on reduction in tax rate on deferred tax balances	(812)	–
Benefit of previously unrecognised tax losses now recognised	(2)	–
	511	1,359
	1,483	2,750

- (a) The provision for Hong Kong profits tax is based on the profit for the period as adjusted for tax purposes at the rate of 16.5% (2007: 17.5%).

In February 2008, the Hong Kong SAR Government enacted a reduction in the profits tax rate from 17.5% to 16.5% for the fiscal year 2008/09.

- (b) Overseas taxation is calculated at rates of tax applicable in countries in which the Group is assessed for tax.
- (c) Under the Provisional Regulations on land appreciation tax ("LAT") implemented upon the issuance of the Provisional Regulations of the People's Republic of China ("PRC") on 27 January 1995, all gains arising from transfer of real estate property in the PRC effective from 1 January 1994 are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including borrowing costs and all property development expenditures.
- (d) Tax attributable to associates and jointly controlled entities for the six months ended 30 June 2008 of HK\$21 million (2007: HK\$14 million) is included in the share of results after tax of associates and jointly controlled entities.

8. DIVIDENDS ATTRIBUTABLE TO EQUITY SHAREHOLDERS

	30/6/2008	30/9/2007
	HK\$ Million	HK\$ Million
Interim dividend of 2.5 cents proposed after the balance sheet date (2007: 2.5 cents) per share	51	51

- (a) The interim dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.
- (b) The final dividend of HK\$203 million (2007: HK\$203 million) for the period ended 31 December 2007 was approved and paid in the financial period under review.

9. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on profit attributable to equity shareholders for the period of HK\$4,540 million (2007: HK\$4,030 million) and 2,032 million ordinary shares in issue throughout the six months ended 30 June 2008 and 30 September 2007.

10. TRADE AND OTHER RECEIVABLES

Included in this item are trade debtors (net of allowance for bad and doubtful debts) with an ageing analysis as at 30 June 2008 as follows:

	30/6/2008	31/12/2007
	HK\$ Million	HK\$ Million
Trade debtors		
Current	1,116	768
31 – 60 days	212	229
61 – 90 days	73	35
Over 90 days	27	60
	1,428	1,092
Other receivables	925	786
	2,353	1,878

The Group has established credit policies for each of its core businesses. The general credit terms allowed range from 0 to 60 days, except for sale proceeds of the sold properties that are receivable pursuant to the terms of the agreements. All the receivables are expected to be virtually recoverable within one year.

11. TRADE AND OTHER PAYABLES

Included in this item are trade payables with an ageing analysis as at 30 June 2008 as follows:

	30/6/2008	31/12/2007
	HK\$ Million	HK\$ Million
Amounts payable in the next:		
0 – 30 days	430	439
31 – 60 days	128	132
61 – 90 days	109	110
Over 90 days	260	250
	927	931
Rental and customer deposits	1,729	1,591
Other payables	3,118	3,516
	5,774	6,038

12. TOTAL EQUITY

	Shareholders' equity							Total equity
	Share capital	Share premium	Investment	Exchange	Revenue reserves	Total	Minority interests	
			revaluation reserves	and other reserves*				
HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	
At 1 January 2008	1,016	1,914	1,539	1,302	50,880	56,651	57,508	114,159
Revaluation deficit	-	-	(912)	-	-	(912)	(741)	(1,653)
Transferred to the profit and loss account on:								
Disposal of available-for-sale investments	-	-	(108)	-	-	(108)	(106)	(214)
Impairment of available-for-sale investments	-	-	272	-	-	272	210	482
Exchange differences	-	-	-	785	-	785	877	1,662
Others	-	-	-	(7)	(3)	(10)	(31)	(41)
Share of reserves of associates/ jointly controlled entities	-	-	-	118	-	118	110	228
Net income recognised directly in equity	-	-	(748)	896	(3)	145	319	464
Profit for the period	-	-	-	-	4,540	4,540	4,961	9,501
Total recognised income and expenses	-	-	(748)	896	4,537	4,685	5,280	9,965
Shares issued by subsidiaries	-	-	-	-	-	-	5,490	5,490
Advance to minority interests	-	-	-	-	-	-	(47)	(47)
Dividends paid to minority interests	-	-	-	-	-	-	(961)	(961)
Final dividend approved in respect of the previous year (Note 8b)	-	-	-	-	(203)	(203)	-	(203)
At 30 June 2008	1,016	1,914	791	2,198	55,214	61,133	67,270	128,403

* Included in exchange and other reserves is capital redemption reserve of HK\$19 million (31 December 2007: HK\$19 million).

13. CONTINGENT LIABILITIES

There were no material contingent liabilities as at 30 June 2008 and 31 December 2007.

14. COMMITMENTS

The Group's outstanding commitments on expenditures as at 30 June 2008 included belows:

	30/6/2008				31/12/2007			
	Hong Kong HK\$ Million	China HK\$ Million	Singapore HK\$ Million	Total HK\$ Million	Hong Kong HK\$ Million	China HK\$ Million	Singapore HK\$ Million	Total HK\$ Million
(a) Capital expenditure								
Authorised and contracted for	486	1,644	-	2,130	243	2,544	-	2,787
Authorised but not contracted for	667	2,089	-	2,756	704	1,870	-	2,574
	1,153	3,733	-	4,886	947	4,414	-	5,361
(b) Programming and others								
Authorised and contracted for	869	-	-	869	744	-	-	744
Authorised but not contracted for	86	-	-	86	77	-	-	77
	955	-	-	955	821	-	-	821
(c) Properties under development								
Authorised and contracted for	857	11,788	1,470	14,115	266	15,272	1,609	17,147
Authorised but not contracted for	173	39,201	-	39,374	580	32,155	-	32,735
	1,030	50,989	1,470	53,489	846	47,427	1,609	49,882
(d) Properties under development undertaken by jointly controlled entities (attributable to the Group)								
Authorised and contracted for	-	6,293	-	6,293	-	6,081	-	6,081
Authorised but not contracted for	-	11,197	-	11,197	-	9,710	-	9,710
	-	17,490	-	17,490	-	15,791	-	15,791
(e) Expenditure for operating leases								
Within one year	67	-	-	67	72	-	-	72
After one year but within five years	39	-	-	39	56	-	-	56
Over five years	69	-	-	69	68	-	-	68
	175	-	-	175	196	-	-	196

- (i) Commitments for properties under development by the Group's subsidiaries or through associates and jointly controlled entities included outstanding land cost attributable to the Group of HK\$14,568 million payable by instalments in 2008 and 2009. Other commitments under the categories are mainly construction cost for the forthcoming years.
- (ii) Commitment for capital expenditure in China are mainly related to Modern Terminals' port expenditure for the Dachan Bay and Taicang projects.
- (iii) The Group leases a number of properties and telecommunication network facilities under operating leases. The leases typically run for an initial period of two to fifteen years, with an option to renew the lease when all terms are renegotiated. Lease payments are usually increased annually to reflect market rentals. None of the leases includes contingent rentals.
- (iv) The above commitments, apart from HK\$4.6 billion in respect of properties under development undertaken by WPL group or through its jointly controlled entities, are substantially attributable to Wharf group. As at 30 June 2008, the Group has available-for-sale investments of HK\$5.0 billion and undrawn banking facilities of HK\$23.4 billion available for funding the above commitments.

15. MATERIAL RELATED PARTY TRANSACTIONS

Except for the transactions noted below, the Group has not been a party to any material related party transactions during the six-month period ended 30 June 2008:

In respect of the period ended 30 June 2008, the Group earned rental income totalling HK\$221 million (2007: HK\$265 million, which included Wharf's rental income from the related parties for nine months ended 30 September 2007) from various tenants which are wholly-owned by, or are non-wholly-owned subsidiaries of, companies which in turn are wholly-owned by the family interests of, or by a trust the settlor of which is, the Chairman of the Company. Such transactions are considered to be related party transactions and also constitute connected transactions as defined under the Listing Rules.

16. REVIEW OF UNAUDITED INTERIM FINANCIAL STATEMENTS

The unaudited interim financial statements for the six months ended 30 June 2008 have been reviewed with no disagreement by the Audit Committee of the Company.

MODEL CODE FOR DIRECTORS' DEALING IN SECURITIES

The Company has adopted a code of conduct regarding directors' securities transactions 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") in Appendix 10 of the Listing Rules. The Company has made specific enquiry of all Directors and all the Directors have complied with the required standard set out in the Model Code and its code of conduct regarding Directors' securities transactions.

DIRECTORS' INTERESTS IN SHARES

At 30 June 2008, Directors of the Company had the following beneficial interests, all being long positions, in the share capitals of the Company, and of three subsidiaries of the Company, namely, The Wharf (Holdings) Limited ("Wharf"), i-CABLE Communications Limited ("i-CABLE") and Wheelock Properties Limited ("WPL"), and the percentages which the relevant shares represented to the issued share capitals of the four companies respectively are also set out below:

	No. of Ordinary Shares (percentage of issued capital)	Nature of Interest
The Company		
P K C Woo	1,204,934,330 (59.3023%)	Personal Interest in 8,847,510 shares, Corporate Interest in 200,865,142 shares and Other Interest in 995,221,678 shares
G W J Li	1,486,491 (0.0732%)	Personal Interest
S T H Ng	300,000 (0.0148%)	Personal Interest
B M Chang	8,629,575 (0.4247%)	Corporate Interest
Wharf		
G W J Li	772,367 (0.0280%)	Personal Interest
S T H Ng	731,314 (0.0266%)	Personal Interest
K W S Ting	248,000 (0.0090%)	Personal Interest
i-CABLE		
G W J Li	68,655 (0.0034%)	Personal Interest
S T H Ng	1,065,005 (0.0529%)	Personal Interest
WPL		
G W J Li	2,900 (0.0001%)	Personal Interest

Notes:

- (1) *The 995,221,678 shares of the Company stated above as “Other Interest” against the name of Mr P K C Woo represented an interest comprised in certain trust properties in which Mr Woo was taken, under certain provisions in Part XV of the Securities and Futures Ordinance (the “SFO”) which are applicable to a director or chief executive of a listed company, to be interested.*
- (2) *The shareholdings classified as “Corporate Interest” in which the Directors concerned were taken to be interested as stated above were interests of corporations at respective general meetings of which the relevant Directors were respectively either entitled to exercise (or taken under Part XV of the SFO to be able to exercise) or control the exercise of one-third or more of the voting power in general meetings of such corporations.*
- (3) *The shareholding interests stated above as “Personal Interest” and “Corporate Interest” against the name of Mr P K C Woo totalling 209,712,652 shares of the Company represented the same block of shares as that of the shareholding interest of Mrs Bessie P Y Woo stated under the section headed “Substantial Shareholders’ Interests” below.*
- (4) *The 995,221,678 shares of the Company as referred to under Note (1) above are entirely duplicated with or included in the shareholding interest of HSBC Trustee (Guernsey) Limited stated under the section headed “Substantial Shareholders’ Interests” below.*

Except as disclosed above, as recorded in the register kept by the Company under section 352 of the SFO in respect of information required to be notified to the Company and the Stock Exchange by the Directors and/or Chief Executive of the Company pursuant to the SFO or to the Model Code, there were no interests, both long and short positions, held during the financial period by any of the Directors or Chief Executive of the Company in shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), nor had there been any exercises during the financial period of any rights to subscribe for any shares, underlying shares or debentures of the Company.

SUBSTANTIAL SHAREHOLDERS’ INTERESTS

Given below are the names of all parties, other than person(s) who is/are Director(s) of the Company, who/which were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital of the Company as at 30 June 2008, the respective relevant numbers of shares in which they were, and/or were deemed to be, interested as at that date as recorded in the register kept by the Company under section 336 of the SFO (the “Register”), and the percentages which the shares represented to the issued share capital of the Company:

Names	No. of Ordinary Shares (percentage of issued capital)
(i) Third Avenue Management LLC	123,151,000 (6.06%)
(ii) Mrs Bessie P Y Woo	209,712,652 (10.32%)
(iii) HSBC Trustee (Guernsey) Limited	1,095,300,362 (53.91%)

Note: Duplication occurred in respect of the shareholding interests under (ii) and (iii) above, as set out in Notes (3) and (4) under the section headed “Directors’ Interests in Shares” above.

All the interests stated above represented long positions and as at 30 June 2008, there were no short position interests recorded in the Register.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company during the financial period under review.

BOOK CLOSURE

The Register of Members will be closed from Monday, 22 September 2008 to Wednesday, 24 September 2008, both days inclusive, during which period no transfer of shares of the Company can be registered. In order to qualify for the abovementioned interim dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Registrars, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 19 September 2008.

By Order of the Board

Wilson W S Chan

Company Secretary

Hong Kong, 27 August 2008

As at the date of this interim report, the Board of Directors of the Company comprises of Mr Peter K C Woo, Mr Gonzaga W J Li, Mr Stephen T H Ng and Mr Paul Y C Tsui, together with three independent Non-executive Directors, namely, Mr Alexander S K Au, Mr B M Chang and Mr Kenneth W S Ting.