WHEELOCK AND COMPANY LIMITED

INTERIM RESULTS ANNOUNCEMENT
for the half-year period ended 30 September 1999

* Unaudited consolidated profit attributable to Shareholders of HK$452.0 million for the six-month period ended 30 September 1999.

* Earnings per share were 22.3 cents.

* Interim dividend of 2.5 cents per share.

* Land premiums for MTRC Kowloon Station Package Two and former San Miguel site in Sham Tseng were finalised satisfactorily.

* Construction of Ardmore Park in Singapore on schedule, with staged payments being received regularly. Plans are underway to redevelop the Marco Polo Hotel, Singapore into a luxury condominium complex.

* Lane Crawford International was privatised in July 1999 and became a wholly-owned subsidiary of the Group.

* Wharf continues as Group's driving force.

    * Property portfolio 93 per cent occupied. The new Gateway II retail virtually fully let. Gateway II office over 40 per cent pre-let. The first phase of 95 serviced apartments successfully launched on 1 October, with 86 units leased.

    * The i-CABLE Communications IPO was completed with overwhelming success. The response to the IPO was 15 times subscribed for the United States and international offering and 6.3 times subscribed for the Hong Kong offering, which permitted a pricing at the top of the range of valuation equivalent to an enterprise value of HK$21.1 billion.

    * Deregulation permits New T&T to directly access international gateway.

    * Modern Terminals achieved satisfactory cumulative throughput growth in the first nine months of 1999.

GROUP RESULTS

For the six-month period ended 30 September 1999, the unaudited Group profit attributable to Shareholders amounted to HK$452.0 million, a gain of 31 per cent over the same period last year.

Earnings per share were 22.3 cents (1998 - 17.0 cents).

INTERIM DIVIDEND

The Board has declared an interim dividend in respect of the half-year ended 30 September 1999 of 2.5 cents (1998 - 2.5 cents) per share, payable on 28 January 2000 to Shareholders on record as at 20 January 2000.

SUMMARY OF UNAUDITED CONSOLIDATED RESULTS

Six months ended 30 September:	**1999 HK$ Million**	1998 HK$ Million
Turnover	**1,744.0**	2,689.3
Operating profit	**155.6**	207.1
Share of profits less losses of associated companies	**603.3**	596.7
Profit before taxation	**758.9**	803.8
Taxation (Note 1)	**(136.9)**	(207.8)
Profit after taxation	**622.0**	596.0
Minority interests	**(170.0)**	(250.9)
Group profit attributable to Shareholders	**452.0**	345.1
Interim dividend	**(50.8)**	(50.7)
Transferred to revenue reserves	**401.2**	294.4
Earnings per share (Note 2)	**22.3 cents**	17.0 cents
Interim dividend per share	**2.5 cents**	2.5 cents

Notes :

(1) The provision for Hong Kong profits tax is based on the profit for the period as adjusted for tax purposes at the rate of 16.0% (1998 - 16.0%). Overseas taxation is calculated at rates of tax applicable in countries in which the Group is assessed for tax. The taxation charge is made up as follows:

Six months ended 30 September:	**1999 HK$ Million**	1998 HK$ Million
Company and its subsidiaries		
Current taxation		
Hong Kong profits tax	**10.0**	50.3
Overseas taxation	**7.4**	0.5
Deferred taxation	**64.1**	37.4
	81.5	88.2
Associated companies		
Current taxation		
Hong Kong profits tax	**45.2**	111.7
Overseas taxation	**6.7**	7.2
Deferred taxation	**3.5**	0.7
	55.4	119.6
	136.9	207.8

(2) The calculation of earnings per share is based on earnings for the period of HK$452.0 million (1998 - HK$345.1 million) and on the weighted average of 2,030.5 million (1998 - 2,026.9 million) ordinary shares in issue during the period. For the period under review and the preceding comparative period, there is no difference between the basic and diluted earnings per share.

BUSINESS REVIEW AND PROSPECTS

Business Review

Corporate Review

In the period under review from April to September 1999, the economy of Hong Kong began to recover gradually with plateauing unemployment and a positive GDP growth since the second quarter. On balance, the Group's results in this period were in line with the market.

Wheelock Properties

The Group is a committed participant in the long-term growth of the property markets in Hong Kong and Asia.

In Hong Kong, improving market sentiments have been evident as a result of plateauing unemployment and a 4.5 per cent year-on-year GDP growth for the third quarter. Despite expectations of further increases in interest rates in the near future, positive market sentiments boosted by the China-US deal in WTO, the Disney investment by the Government of the HKSAR and ample liquidity in the banking sector should continue to underpin the recovery of the Hong Kong economy and maintain the cycle of growth for the residential property market.

In Singapore, signs of improving market sentiments have been emerging since March 1999 in the form of heightened activities in the mass residential property market. Along with the robust recovery of the economy, a gradual recovery of the property markets is beginning to take effect. In the intermediate term, this should bode well for the luxury end of the residential freehold property market where the current developments are targeted by Marco Polo Developments Limited ("MPDL"), a subsidiary listed in Singapore.

The Sham Tseng site is a joint venture development equally owned by the Company, New Asia Realty and Wharf. Approval has been received to increase the total residential area from 2.5 million square feet to 2.8 million square feet, a 12 per cent gain arising from the decking over of the canals adjacent to the site. An agreement has been reached with the Government to finalise the land premium at a level compatible with the prevalent market conditions. Construction is in progress.

The land premium of Kowloon Station Package Two payable to the Government has recently been finalised on behalf of the Group through negotiation by Mass Transit Railway Corporation with the Government and was subsequently paid at a realistic market level. The project is equally owned by a five-member consortium comprising the Company, New Asia Realty, Realty Development Corporation, and two Wharf group companies. Substructure work is in progress.

Realty Development Corporation Limited, a listed subsidiary 53.7 per cent effectively owned by the Group, continued the sale of its various projects. 12 units of The Regalia and 3 units of the Forest Hill were sold. The Astrid was launched for sale and 13 units were sold.

In Singapore, the construction of Ardmore Park is ahead of schedule. 98 per cent of the redevelopment were pre-sold. Additional staged billings commenced in June 1999 and October 1999 on completion of reinforced frameworks and brickwalls in the development. These two staged billings are expected to complete by July 2000. A substantial percentage of the sales receivables have been collected and further receipts are being steadily received. The next five per cent of staged billing is scheduled in first quarter 2000 upon completion of ceiling works.

Ninety-seven per cent of the apartments at Ardmore View are currently leased. Planning for the development of this property is underway.

The office tower as well as levels 3, 4 and 5 of the Wheelock Place podium in Singapore are currently 96 per cent let to quality tenants of multinational stature such as Philip Morris, General Motors, Boeing, Cisco, Colgate-Palmolive and Bank of America.

MPDL ceased to operate the Marco Polo Hotel on 31 July 1999. Plans are underway to redevelop the site into a luxury condominium project. The new development will be a freehold, luxury high-rise condominium development. Contracts for piling and demolition have been awarded to Shimizu Corporation. Demolition of the building is currently underway and scheduled to complete by March 2000.

Wheelock Pacific

On 30 June 1999, an agreement was reached to sell the Group's joint venture interest in Foster's Wheelock Tianjin Invesment Company Limited to CRE Beverage Limited, a company 51 per cent owned by China Resources and 49 per cent by South African Breweries.

Lane Crawford International

Lane Crawford was successfully privatised in July 1999 and became a wholly-owned subsidiary of the Group. The proposal involving the cancellation of all issued shares held by the minority shareholders of Lane Crawford at a cancellation price of HK$12.50 per "A" share and HK$1.25 per "B" share payable to shareholders of Lane Crawford other than subsidiaries of the Company was approved and accepted by the required majority votes of the shareholders of Lane Crawford.

Wharf

The Group's principal associate Wharf recorded consolidated interim profits of HK$1,056.3 million for the half-year period to 30 June 1999.

Anchored by its core assets, Wharf's programme of asset and value building in the major areas of property, communications and container terminal operations is on schedule.

Gateway II will add 2.7 million square feet to Harbour City upon full completion, equivalent to 50 per cent growth of Harbour City. This also reflects a 36 per cent growth in Wharf's core investment property portfolio of Harbour City and Times Square. When optimum occupancy is attained, this should bring the total rental billings of Wharf to about HK$4.5 billion.

Excluding the Gateway II towers, the overall occupancy rates at Harbour City, Times Square and Plaza Hollywood now average close to 93 per cent. The latest Gateway II retail podium is 95 per cent leased, a significant achievement since the podium opened for business in a weak market in October 1998.

Although office space at the first two towers of Gateway II have been over 40 per cent pre-let, the Group is withholding the official launch of the third tower for leasing in line with market demand until Central's outstanding supply of office space was progressively absorbed. The first phase of 95 serviced apartments was launched on 1 October, and 86 units have already been leased.

After six years of start up work, Hong Kong Cable's investment phase is coming to fruition, and free cashflow has been achieved. CABLE TV presently has about 450,000 subscribers.

Its penetration rate has exceeded 26.5 per cent of the over 1.69 million cable ready homes in Hong Kong. Its programmes are therefore available to about 95 per cent of the homes in Hong Kong. Among them, more than 940,000 have been connected to the hybrid-fibre-optic network, which will expand its coverage to approach one million homes by year end.

The convergence of the broadcasting and telecommunications industries is providing an opportunity for Hong Kong Cable to leverage its broadband network infrastructure to launch multimedia services through the bundling of television, Internet and telephony services.

Multimedia services have been on schedule in the development of various products, and the i-CABLE dial-up Internet access service was launched in March 1999 and by mid November, it has attracted 100,000 Internet subscribers. Broadband cable modem services will be available by early 2000.

An announcement was made on 18 October 1999 that the Group intended to turn the CABLE TV broadcasting business and the Internet business public through listings both in the Nasdaq in New York and Hong Kong.

The i-CABLE IPO was completed with overwhelming success. The response to the IPO was overwhelming, with the USA and overseas offering being 15 times subscribed and the Hong Kong offering being 6.3 times subscribed, which permitted a pricing at the top of the range of valuation equivalent to an enterprise value of HK$21.1 billion. Post IPO response was so strong that it further permitted our investment bank to increase the public allocation from the original 18.4 per cent to 20.6 per cent by exercising the "Greenshoe" option. As a whole, the IPO has attracted a broad base of investors in North America, Europe, Asia and Hong Kong, and its valuation provides a currency of this business unit for the future.

New T&T operates the second largest telecommunications network in Hong Kong. It has achieved a 15 per cent market share in its addressable market for fixed lines and maintains an eight per cent market share for IDD traffic. Beginning in January 1999, deregulation of external services has permitted New T&T to invest directly in international gateways, and further deregulation in the beginning of 2000 will permit direct investments in submarine cables. New T&T's operating margin is expected to increase as a result of continuing cost reductions.

Modern Terminals Limited ("MTL") is sustaining good growth and the cumulative gain in throughput for the first six months of this year attained a double digit. With Hong Kong's overall container throughput gaining 6.9 per cent in the first 10 months, MTL's performance for 1999 is expected to exceed its original target.

Prospects

In Hong Kong, activities in both the primary and the secondary property markets will continue at reasonably stable prices. In the long term, the market will continue to be supported by government policies to decrease the supply of HOS units and to reduce the land premiums paid for urban renewal projects. Given its holding of a sizeable landbank, the Group is well placed to take advantage of the gradual recovery of the residential property market in the next several years.

In Singapore, the office and retail markets are in an over-supply situation but sentiments have improved and rents have stabilised. Rentals are expected to continue to improve gradually. The Group is well-positioned to take advantage of whatever opportunities that may present themselves in the next cycle of growth.

The Wharf group is well-placed to enter a new phase of growth, in tandem with the gradual recovery of the Hong Kong economy. Given a stabilising office market, Gateway II should continue to contribute to group's core rental billings. CABLE TV and the due to be launched cable modem Internet services will take the development of multimedia services one step closer to realisation. Along with the impressive performance of South China ports, which indicates a strong recovery in the trade business, Modern Terminals is expected to register higher growth for the full year.

YEAR 2000 ISSUE

The Year 2000 issue arises from computer systems and electronic devices which store date information based on a two-digit year and are unable to process dates for the year 2000 and beyond.

The Group has conducted a comprehensive assessment on systems used and its value chain that could be affected by the Year 2000 issue to ensure that the impact would be minimised. A steering committee has been formed in early 1998 and all milestones are set. Various working groups have been established to address the issue and report regularly to the steering committee for progress monitoring.

The Group has completed all projects and tasks related to the issue by 30 September 1999 which involved the upgrading and, where appropriate, replacement of existing systems to ensure Year 2000 readiness.

The Group expects that a total of HK$12.7 million will be spent for rectifying its Year 2000 problem, of which a total of HK$11.6 million has been incurred to-date. These expenses are recognised as expenses when incurred, except for those incurred for the replacement of hardware and software for enhancing the capacity and capability of major systems which are capitalised and amortised according to the Group's accounting policies.

It is the Group's policy to include a Year 2000 compliant warranty clause in all contracts and purchase orders.

PURCHASE, SALE OR REDEMPTION OF SHARES

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

BOOK CLOSURE

The Register of Members will be closed from 18 to 20 January 2000, both days inclusive, during which period no transfer of shares can be registered. In order to qualify for the interim dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrars, Tengis Limited, at 1601 Hutchison House, 10 Harcourt Road, Central, Hong Kong, not later than 4:00 p.m. on Monday, 17 January 2000.

By Order of the Board
Wilson W. S. Chan
Secretary

Hong Kong, 8 December 1999