WHEELOCK AND COMPANY LIMITED

INTERIM RESULTS ANNOUNCEMENT
for the half-year period ended 30 September 2000

* Half year group profit HK$460.5 million.

* Group committed participation in long term growth supported by strong property base.

* With Lane Crawford, Joyce and City Super, Wheelock portfolio has leading edge in retail industry.

* Two major projects - Sham Tseng and MTRC Kowloon Station Package Two both due for completion 2003.

* In Singapore, Marco Polo Developments has reputation as the leading quality residential developer.

* Wharf's core property investment portfolio over 90% occupied.

* i-CABLE has "triple play" capabilities of providing pay TV, broadband Internet and voice.

* Upon completion of Container Terminal 9, Modern Terminals capability will increase to 4.5 million TEU per year.

GROUP RESULTS

For the six-month period ended 30 September 2000, the unaudited Group profit attributable to Shareholders amounted to HK$460.5 million, compared with HK$455.4 million as restated for the corresponding period last year.

Earnings per share were 22.7 cents (1999 – 22.4 cents).

INTERIM DIVIDEND

The Board has declared an interim dividend in respect of the six-month period ended 30 September 2000 of 2.5 cents (1999 – 2.5 cents) per share, payable on 18 January 2001 to Shareholders on record as at 12 January 2001.

BUSINESS REVIEW

Wheelock Group remains a committed participant in the long-term growth of the property markets in Asia. The Group's property portfolio in Hong Kong, Mainland China and Singapore continues to provide a strong base for the implementation of this strategy.

Sentiment in the Hong Kong business community is picking up as the economy continues to revive. October's total exports increased by 23.8% as compared to last year and the total exports from January to October increased by 18.8%. Property sales transactions in the market have however been spasmodic and irregular. It is our view that until deflationary pressure dissipates, both primary and secondary markets will not be too active despite the availability of ample liquidity in the banking system.

The retail market has decidedly picked up in the first six months of the year largely because of an improved "feel good" factor and increasing tourist arrivals in Hong Kong. Turnover has seen a significant increase although margins remain tight. The Group's view is that the retail market is on a steady uptrend and we foresee further improvement of consumer sentiment in 2001.

In addition to the leading retail brand of Lane Crawford, equity shareholdings in other leading brands such as Joyce Boutique and City Super give Wheelock a considerable presence in the retail market, the quality and size of which are unmatched in the region. Increasingly, Wheelock's portfolio has gained a leading edge in the retail industry.

Properties

In the six months under review, the Group continued its sales of various property projects, especially Astrid, Forest Hill and My Loft.

The Sham Tseng site is a joint venture development equally owned by the Company, together with listed New Asia Realty and the Wharf group. Approval has been received from the Government to increase the total residential area from 2.5 million to 2.8 million square feet, a 12 per cent gain arising from the decking over of the canals adjacent to the site. The number of residential units to be built has been increased from 2,756 to 3,354. Foundation works for the whole development and pile caps works of Towers 2 to 9 were completed. Superstructure work is now in progress. Completion of Phases I and II of the development is scheduled for 2003.

The MTRC Kowloon Station Package Two development is equally owned by a five-member consortium comprising the Company together with its listed New Asia Realty, Realty Development Corporation ("RDC"), and two Wharf group companies. Superstructure work is now in progress and that for Phase I covering 1.2 million square feet GFA commenced in May 2000. Pre-sales are scheduled for 2001. Completion of Phase I of the development is scheduled for the second quarter of 2003.

Comprising close to 30,000 square feet GFA, the Yau Yat Chuen project known as "The Primrose" will provide a total of 16 residential units. Superstructure work is in progress.

The Group has taken a 20 per cent equity interest through RDC in a 904,000 square feet GFA residential development project located in King's Park, Homantin, Kowloon. The development is owned by a five-member consortium comprising RDC, New World Development, Sino Land, Chinese Estates and Manhattan Garments.

In Singapore, the construction of Ardmore Park undertaken by Marco Polo Developments, a 55 per cent effectively owned subsidiary, is ahead of schedule and a topping out ceremony was held on 5 May 2000. Ninety-six per cent of the redevelopment or 330 units was pre-sold. To date, staged billings, representing approximately 50 per cent of the total sales price of these units sold, have been issued and a substantial percentage of these has been collected.

The average occupancy of Ardmore View is currently 94 per cent with leases terminating on or before August 2002. Provisional planning permission for the redevelopment of this property in Singapore to 110,200 square feet GFA was obtained in February 2000.

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

Plans are underway to redevelop the Marco Polo Hotel site in Singapore into a luxury 467,600 square feet condominium project. The new development, known as "Grange Residences", will be a freehold, luxury condominium. Demolition of the former hotel building was completed. Foundation works for the new development are progressing according to schedule.

Retail

In retailing, Lane Crawford International has seen a marked rise in new customers and increased spending per customer. This has been achieved through merchandising, diligent expansion and value building, enhanced by improvements in performance and market conditions.

While retail margins remain tight in Hong Kong, Lane Crawford's profitability benefited from increased gross margins and lower operating costs. The total turnover from four main stores was the same as when five large stores were in operation.

"On Pedder", Lane Crawford's specialty shop for shoes and accessories, expanded to three shops in Hong Kong, one outlet each in Shanghai and Singapore, with more expansion planned over the next year.

In August 2000 Wheelock acquired a controlling interest of 51 per cent in Joyce Boutique Holdings for HK$205 million. This stake is estimated at slightly below NAV with no premium paid for control or goodwill.

There will be considerable synergy between the two as Joyce Boutique has experience in Taiwan and Lane Crawford has experience in Shanghai. Also, particular economies can be derived through the use of Group shopping malls and other retail properties.

After experiencing two years of losses, Joyce Boutique has turned around to generate profits for the nine months since October 1999.

Apart from Ad Hoc and Joyce Beauty, there was no expansion for the core fashion division. Two new Ad Hoc stores and one Joyce Beauty store were opened during the period. However, with the stabilisation of the economic environment, the Joyce group is expecting to open more stores to maximise business opportunities.

We are cautiously optimistic about business for the remainder of the current fiscal period.

Wharf

The Group's principal associate Wharf Holdings recorded an unaudited profit of HK$1,119.7 million for the half-year period to 30 June 2000.

Wharf continues to exercise maximum financial prudence. Debt to total asset ratio remained at a conservative 25 per cent. Both Moody's and Standard & Poor's raised the outlook for Wharf's ratings from "negative" to "stable". Moreover, Moody's has re-rated the Wharf group's CMBS papers up by one notch each in five categories.

The overall occupancy of Wharf's core property investment portfolio recovered to about 90 per cent, with retail occupancy particularly strong at 96 per cent. The third tower of Gateway II is likely to be officially launched shortly to capitalise on the cyclical turnaround.

The construction of three luxury development projects, totalling some 180,000 square feet and collectively named "Wharf Peak Portfolio", is also on schedule. Forward sales for these projects will depend on market conditions.

Tourism-related business is expected to grow by 14 per cent this year over 1999, a positive trend of which Marco Polo Hotels is well positioned to take advantage. All three Hong Kong hotels reported strong growth for the first half of 2000 and the year-end results are expected to reflect a continuation of this growth.

The Marco Polo Hotels Group unified the Marco Polo brand name in Hong Kong in October 2000. The three existing hotels are now known as "The Marco Polo Hongkong Hotel", "The Marco Polo Gateway" and "The Marco Polo Prince".

i-CABLE is well placed to take advantage of the opportunities provided by the convergence of video, data and voice services. Growing at the annual rate of 15 per cent, pay TV subscriptions have exceeded the 500,000-mark. The pay TV EBITDA margin grew by nine points to 30 per cent and viewership share has risen to 30 per cent.

High speed cable modem Internet service was introduced in March, and the number of broadband Internet subscribers is now close to the 50,000 mark.

In the period under review, New T&T saw dramatic growth in all areas of New T&T's services. The installed line base was 125,000 as at the end of September, over 80 per cent higher than a year earlier. IDD lines increased by 35 per cent to over 600,000.

New T&T's infrastructure capabilities have been, and continue to be, enhanced to meet the challenges of the future. A second gateway switch was commissioned in February 2000 and the third local switch was commissioned recently. The rapid increase in traffic demand will necessitate the fourth and fifth local switches being commissioned in the near future.

Modern Terminals continue to register significant growth as a result of strong consumer demand in the US and improvements in intra Asian trade. For the first half of 2000, throughput grew by 9.8 per cent over the same period last year.

The Container Terminal 9 civil construction contract was signed in May 2000 and the first berth of CT9 is expected to be operational in the first half of 2002.

On completion, Modern Terminals' capacity will increase from the present 3.4 million TEUs to 4.5 million TEUs.

Development of CT9 and the strategic engagement by Modern Terminals in Western Shenzhen ports are both fortuitously timed in view of the impending entry of China into the World Trade Organization.

PROSPECTS

Given its holding of a sizeable landmark, mainly represented by its 74 per cent effective interest in the Sham Tseng site, 61 per cent effective interest in the MTRC Kowloon Station Package Two project and 11 per cent effective interest in the King's Park Homantin project, the Group is well-placed to take advantage of the gradual recovery of the economy in the next several years.

In Singapore, along with the improving economy, the property market is expected to maintain a steady course of development.

The Wharf group continues to improve on its firm footing, and is riding the wave of attractive growth in most areas of its operations. A stronger office rental market, encouraging improvements in the CABLE TV and telecommunications businesses along with impressive performance in other areas of businesses have all indicated continual uptrend for the remainder of the year.

Consolidated Profit and Loss Account
for the six months ended 30 September 2000

	Note	**Unaudited 30/9/2000 HK$ Million**	(Restated) Unaudited 30/9/1999 HK$ Million
Turnover	2	**1,432.9**	1,811.5
Other net income	3	**172.3**	71.2
		1,605.2	1,882.7
Direct costs and operating expenses		**(745.4)**	(977.3)
Selling and marketing expenses		**(231.3)**	(175.5)
Administrative expenses		**(107.9)**	(136.6)
Operating profit	2 & 4	**520.6**	593.3
Borrowing costs	5	**(467.7)**	(437.7)
Share of profits less losses of associates		**627.4**	606.7
Profit before taxation		**680.3**	762.3
Taxation	6	**(103.4)**	(136.9)
Profit after taxation		**576.9**	625.4
Minority interests		**(116.4)**	(170.0)
Group profit attributable to shareholders		**460.5**	455.4
Interim dividend		**(50.8)**	(50.8)
Transferred to revenue reserves		**409.7**	404.6
Earnings per share	7	**22.7 cents**	22.4 cents
Interim dividend per share		**2.5 cents**	2.5 cents

Consolidated Balance Sheet
at 30 September 2000

	Note	Unaudited 30/9/2000 HK$ Million	Unaudited 30/9/2000 HK$ Million	(Restated) Audited 31/3/2000 HK$ Million	(Restated) Audited 31/3/2000 HK$ Million
Non-current assets					
Fixed assets			**5,829.8**		5,764.9
Associates			**22,941.5**		23,570.9
Long-term investments			**3,966.7**		3,613.1
Deferred assets			**117.6**		91.0
			32,855.6		33,039.9
Current assets					
Properties under development		**22,339.4**		21,334.1	
Properties held for sale		**500.8**		538.8	
Inventories		**356.2**		208.8	
Debtors and prepayments	8	**382.7**		745.4	
Bank balances and deposits		**837.5**		1,430.0	
Tax recoverable		**5.1**		3.5	
		24,421.7		24,260.6	
Current liabilities					
Short-term loans and overdrafts		**6,968.3**		4,806.8	
Creditors and provisions	9	**1,298.4**		1,147.6	
Deposits from sale of properties		**3,793.4**		3,505.0	
Taxation		**31.8**		391.5	
Proposed dividends		**152.3**		101.5	
		12,244.2		9,952.4	
Net current assets			**12,177.5**		14,308.2
Total assets less current liabilities			**45,033.1**		47,348.1
Financed by :					
Shareholders' funds					
Share capital	10		**1,015.4**		1,015.4
Reserves			**26,003.0**		26,227.0
			27,018.4		27,242.4
Minority interests			**6,407.8**		6,217.6
Non-current liabilities					
Long-term loans		**10,398.9**		12,704.9	
Deferred taxation		**768.4**		734.9	
Deferred profits		**439.6**		448.3	
			11,606.9		13,888.1
			45,033.1		47,348.1

Notes to interim accounts

1) The unaudited consolidated accounts have been prepared in accordance with Statement of Standard Accounting Practice 25 "Interim Financial Reporting" and Appendix 16 of Listing Rules of The Stock Exchange of Hong Kong Limited. The accounting policies and methods of computation used in the preparation of the interim accounts are consistent with those used in the annual accounts for the year ended 31 March 2000 except the method of accounting for pre-operating costs.

   In prior years, pre-operating and pre-maturity expenses, mostly incurred by the Group's associates, The Wharf (Holdings) Limited and its subsidiaries, were deferred and amortised over the licence period for cable television and telecommunications operations or a period not exceeding five years from the dates the projects come into operation and less such provisions as considered appropriate by the directors. With effect from 1 April 2000, an accounting policy has been adopted to write off the pre-operating and pre-maturity expenses in the period in which they incurred in order to comply with Interpretation 9 "Accounting for pre-operating costs" issued by the Hong Kong Society of Accountants ("Interpretation 9"). The new accounting policy has been adopted retrospectively. In adjusting prior years' figures, revenue reserves as at 1 April 1999 were restated and decreased by HK$838.2 million representing the Group's share of the write-off to the prior year's consolidated profit and loss account of the unamortised balance of pre-operating and pre-maturity expenses.

   As a result of the adoption of Interpretation 9 and restating the prior years' results and reserves, the Group's profit for the period attributable to shareholders has increased by HK$20.7 million (1999 - HK$3.4 million) as a net result of no amortisation of pre-operating and pre-maturity expenses and of write-off of related expenses incurred during the period, and the Group's net assets at 30 September 2000 have decreased by HK$693.9 million (1999 - HK$844.9 million).

2) Analysis of the Group's turnover and operating profit by principal activities and geographical locations for the six months ended 30 September is as follows :

	Turnover		**Operating profit** (before borrowing costs)	
	30/9/2000	30/9/1999	**30/9/2000**	30/9/1999
	HK$ Million	HK$ Million	**HK$ Million**	HK$ Million
A. Principal activities				
Retailing and trading	**752.2**	614.8	**32.8**	(24.8)
Sale of property	**389.0**	813.9	**159.0**	326.2
Property rental	**141.9**	177.2	**111.7**	142.1
Treasury management, investment and others	**149.8**	205.6	**217.1**	149.8
	1,432.9	1,811.5	**520.6**	593.3
B. Geographical locations of operations				
Hong Kong	**983.2**	1,048.6	**235.2**	279.3
Singapore	**428.6**	749.5	**273.0**	311.9
Others	**21.1**	13.4	**12.4**	2.1
	1,432.9	1,811.5	**520.6**	593.3

3) Other net income

	30/9/2000	30/9/1999
	HK$ Million	HK$ Million
Profit on disposal of listed securities	**182.2**	6.1
Deferred profit realised on assets previously transferred to associates	**18.3**	13.4
Provision for properties	**(48.7)**	(31.4)
Profit on disposal of subsidiaries and associates	**—**	74.1
Others	**20.5**	9.0
	172.3	71.2

4) Operating profit is arrived at:

	30/9/2000	30/9/1999
	HK$ Million	HK$ Million
after charging: -		
Cost of properties sold	**226.8**	497.5
Cost of inventories sold	**440.8**	378.2
Depreciation	**24.2**	18.4
and after crediting: -		
Dividend income from listed investments	**55.7**	52.7

5) Borrowing costs

	30/9/2000	30/9/1999
	HK$ Million	HK$ Million
Interest on borrowings	**675.4**	579.6
Other borrowing costs	**31.6**	20.6
Less: Amount capitalised	**(239.3)**	(162.5)
	467.7	437.7

6) Taxation

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% (1999 - 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:

	30/9/2000	30/9/1999
	HK$ Million	HK$ Million
Company and subsidiaries		
Hong Kong profits tax for the period	**6.2**	10.0
Overseas taxation for the period	**5.6**	7.4
Deferred taxation	**33.8**	64.1
	45.6	81.5
Associates		
Hong Kong profits tax for the period	**59.2**	45.2
Overseas taxation for the period	**3.3**	6.7
Deferred taxation	**(4.7)**	3.5
	57.8	55.4
	103.4	136.9

7) Earnings per share

The calculation of earnings per share is based on earnings for the period of HK$460.5 million (1999 -HK$455.4 million) and on the weighted average of 2,030.8 million (1999 - 2,030.5 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.

8) Debtors and prepayments

Included in debtors and prepayments are trade debtors and their age analysis as at 30 September 2000 is as follows:

	HK$ Million
Amounts receivable within :	
0-3 months	102.0
4-6 months	4.5
over 6 months	9.8
	116.3

9) Creditors and provisions

Included in creditors and provisions are trade creditors and their age analysis as at 30 September 2000 is as follows:

	HK$ Million
Amounts payable within:	
0-3 months	565.8
4-6 months	55.2
over 6 months	66.9
	687.9

10) Share capital

By a resolution passed at the annual general meeting held on 28 September 2000, the authorised ordinary share capital of the Company was increased from HK$1,210.0 million to HK$1,400.0 million by the creation of 380 million new ordinary shares of HK$0.50 each. There has been no material change in the issued share capital since 31 March 2000.

11) Comparative figures

The presentation and classification of items in the accounts have been changed due to the adoption of the requirements of SSAP 1 (revised) "Presentation of financial statements". As a result, additional line items have been included on the face of the accounts. Comparative figures have been reclassified to conform with the current period's presentation. Certain comparative figures have also been adjusted as a result of the change in accounting policy for pre-operating and pre-maturity expenses in order to comply with Interpretation 9, details of which are set out in Note 1.

12) The unaudited interim accounts for the 6 months ended 30 September 2000 have been reviewed by the audit committee of the Company.

COMMENTARY ON INTERIM ACCOUNTS

(I) Review of 2000/2001 Interim Results

Group profit attributable to Shareholders for the six months ended 30 September 2000 amounted to HK$460.5 million, a slight increase of 1.1% as compared to HK$455.4 million for last corresponding period. Earnings per share were 22.7 cents.

The Group's turnover for the period was HK$1,432.9 million, a decrease of HK$378.6 million or 20.9%, which was principally due to lower property sales revenue recognised by Marco Polo Developments ("MPDL") group in respect of its sales of Ardmore Park units in Singapore and decrease in property sales in Hong Kong as reported by Realty Development Corporation ("RDC") group. On retailing and trading side, turnover improved by an increase of 22.3% to HK$752.2 million being contributions from Lane Crawford and Joyce Boutique Holdings Limited, a non-wholly owned subsidiary acquired in mid-August 2000.

The Group's operating profit before borrowing costs decreased by 12.3% to HK$520.6 million compared to HK$593.3 million achieved in the previous period as a result of lower profit contribution from MPDL group. MPDL group's profits for both the current and last corresponding periods were mainly derived from recognitions of pre-sale profit from one of its development properties, Ardmore Park, and its reported decrease in profit was mainly attributable to lower profit recognition from this development. 96% of the Ardmore Park was pre-sold with 50% of the total sale price of these units sold having been billed which have been substantially collected.

The above adverse results were mitigated by the positive contribution from Lane Crawford which reported a retailing operating profit of over HK$30 million against the loss of HK$24.8 million for last corresponding period, benefited from increased gross margin and lower operating costs.

Included in operating profit for the period under review is other net income of HK$172.3 million, mainly representing profit on disposal of listed securities HK$182.2 million less provisions for properties HK$48.7 million.

Borrowing costs charged to the consolidated profit and loss account for the period was HK$467.7 million (1999 - HK$437.7 million).

Share of profits of associates was HK$627.4 million, mainly contributed from the Wharf group, a slight increase of HK$20.7 million from HK$606.7 million for the previous period.

The taxation charge for the period was HK$103.4 million against HK$136.9 million for last period.

Minority interests for the period amounted to HK$116.4 million, a decrease of HK$53.6 million as compared with last corresponding period as lower profits were reported by the non-wholly-owned subsidiaries.

(II) Liquidity and Financial Resources

At 30 September 2000, the Group's total net debts amounted to HK$16,529.7 million, representing total debts of HK$17,367.2 million less deposits and cash of HK$837.5 million. Accordingly, the Group's ratio of net debts to total assets was 29.3%.

The debt maturity profile of the Group at 30 September 2000 is analysed as follows :

	30/9/2000	31/3/2000
	HK$ Million	HK$ Million
Repayable within one year	**6,968.3**	4,806.8
Repayable after 1 year, but within 2 years	**5,143.0**	5,615.0
Repayable after 2 years, but within 5 years	**5,255.9**	7,089.9
Total	**17,367.2**	17,511.7

The following assets of the Group have been pledged for securing bank loan facilities :

	30/9/2000	31/3/2000
	HK$ Million	HK$ Million
Fixed assets	**4,150.8**	4,176.1
Investments	**2,372.8**	5,587.3
Properties under development	**5,552.0**	10,769.1
	12,075.6	20,532.5

To minimise exposure on foreign exchange fluctuations, the Group's borrowings are primarily denominated in Hong Kong dollars except that the borrowings for financing Singapore assets are denominated in Singapore dollars. The Group has no significant exposure to foreign exchange rate fluctuations.

The Group continues to maintain a portfolio of long-term investments with market value of HK$3,955.0 million at 30 September 2000, which primarily comprises blue chip securities.

(III) Finance

During the period under review, the Group secured and renewed committed banking facilities of a total amount of HK$5.8 billion. In addition, various short-term banking facilities were also secured or renewed. Grace Sign Limited, in which RDC group has a 20% interest, has also completed a project finance facility of HK$2.5 billion to finance the development of KIL 11118 King's Park site.

(IV) Acquisition of subsidiaries and associates

During the period under review, the Group acquired a controlling interest of 56.9% in Joyce Boutique Holdings Limited and a 39.5% interest in City Super Limited.

During the period under review, RDC group has participated in a joint venture of which RDC owns 20% to acquire the King's Park site at HK$2,508 million.

(V) Employee

The Group, including Joyce Boutique Holdings group newly acquired in mid-August 2000, has approximately 2,300 employees as at 30 September 2000. Employees are remunerated according to nature of the job and market trend, with built-in merit component incorporated in the annual increment to reward and motivate individual performance. The Group also sponsors external training programs that are complementary to certain job functions. Total staff costs for the six months ended 30 September 2000 was HK$195.8 million.

PURCHASE, SALE OR REDEMPTION OF SHARES

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

BOOK CLOSURE

The Register of Members will be closed from 9 to 12 January 2001, both days inclusive, during which period no transfer of shares 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 Share Registrars, Tengis Limited, at 4th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong, not later than 4:00 p.m. on Monday, 8 January 2001.

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

Hong Kong, 30 November 2000