

Newsbites



Smash Hit

HONG KONG The 2006 Watsons Water Champions Challenge thrilled tennis fans in Hong Kong with a new format that enabled the public to see more matches. There were clashes between five world-class aces – Lindsay Davenport, Kim Clijsters, Elena Dementieva, Serena and Venus Williams and three rising stars – Nicole Vaidisova, Sania Mirza and Zheng Jie. Ms Clijsters dethroned Ms Davenport in the Gold Group while Ms Vaidisova won the Silver Group as well as the doubles title with Ms Dementieva. The stars also appeared at a tennis clinic for junior players held at the Victoria Park Tennis Stadium. **R**



3 ITALIA TO LAUNCH MOBILE TV CHANNEL LA3

ITALY 3 Italia plans to start broadcasting its own new mobile TV channel, La3, in June. The new DVB-H mobile TV will have 15 channels at its launch, including the live and exclusive transmission of the 2006 FIFA World Cup from Germany. La3, a mobile digital platform formed by the acquisition of Channel 7, holds a network licence for national digital TV distribution on terrestrial frequencies and will provide full content mobility for customers.

Meanwhile, Hutchison Whampoa Limited (HWL) has decided to defer the planned IPO of 3 Italia. While 3 Italia had received all necessary regulatory approvals required to list, prevailing market conditions for European telecom stocks were weak. 3 Italia will conduct an investor education campaign with a view to clearly differentiating the outlook for



its business and the progress it has made in developing its unique business model from that of the incumbent mobile operators in Europe.

At the same time, Goldman Sachs has agreed to arrange and underwrite a structured pre-IPO transaction involving a private placement of an effective 10% indirect share interest in 3 Italia. **T**



CONGRATULATIONS!

Hutchison Whampoa Limited was among the winners in the 2005 Best Corporate Governance Disclosure Awards presented by the Hong Kong Institute of Certified Public Accountants.

TOM's Top Awards

CHINA Major entertainers from China, Taiwan, Hong Kong and the US performed live at the 2005 **TOM Online** Internet Entertainment Awards Gala held at Beijing's Century Theatre. More than 20 awards covering the whole spectrum of the entertainment industry including music, movie, television and the Internet were presented. The winners were chosen by millions of Chinese Internet users who voted online or by mobile phone. Highlights of the event – including a performance by Korean star Nara Jang – were aired on CETV, the Travel Channel and more than 60 other television channels. **R**





TOP CHINA DOGS

CHINA The arrival of the Year of the Dog was celebrated in style. The acclaimed dog circus from Japan made its Hong Kong debut at Wonderful Worlds of Whampoa, while the Shanghai Westgate Mall held a "Cute Dogs Fashion Show". Meanwhile, Chongqing Metropolitan Plaza staged a series of traditional activities including a Sichuan magic show and a kung fu demonstration. **H**



Irish Jig

IRELAND 3 Ireland now has the widest 3G coverage in Ireland, with 72% of the population able to access mobile content, from high speed audio and music video downloads to the latest football highlights. The company has also announced the appointment of Robert Finnegan as managing director. **T**

Satisfactory Growth for HWL

HONG KONG Hutchison Whampoa Limited recorded satisfactory results in 2005. Profits attributable to shareholders amounted to HKD14,343 million, an 11 per cent increase compared to last year's profit which has been restated after the adoption of new accounting rules. Despite fierce competition throughout 2005, the 3 Group is continuing to achieve both improved operating and financial performance, and operating losses will have significantly less impact on consolidated Group earnings in 2006 than in 2005. The 3 Group's revenues grew 138 per cent and achieved full-year positive EBIDTA before customer acquisition costs. **C**

HIGHLIGHTS

- Total revenue grew 33 per cent to HKD241,862 million
- Earnings per share increased 11 per cent to HKD3.36
- 3G customer base currently totals over 11.9 million worldwide
- Given the present economic trends, the Group's business is expected to continue to perform well in 2006

THAI FIRST

HONG KONG Hongkong Electric Holding Limited (HEH) has finalised financial arrangements for the construction of a 1,400 megawatt power station in Ratchaburi Province, Thailand, the group's first power generation project outside Hong Kong. In Australia, HEH's wholly-owned subsidiary, Hongkong Electric International Finance (Australia), has signed an AUD617 million (HKD3.57 billion) loan facility to refinance existing investments in Australia. **E**



Husky Challenge

CANADA Husky Energy sponsored the 2006 Western Engineering Competition in Calgary, an event that attracted 250 of the region's brightest students. In the Senior Team Design competition entrants were asked to find a way of providing access to a remote village cut off by flooding and inaccessible by air. Competing teams had to work within a budget, a materials list and logistical constraints to deliver a realistic solution. **E**



BOOK MARKS

CHINA TOM Group subsidiary Cite Publishing Group won six prizes at the Best Books Awards, the annual event organised by the *China Times*. **R**





BIG DAY OUT

HONG KONG Hutchison Whampoa Limited (HWL) sponsored a two-day carnival at the Whampoa Garden which saw youngsters from different backgrounds spend a great weekend with their families. Volunteers from HWL and the charitable organisation TREATS jointly co-ordinated the event, which attracted some 20,000 participants. **C**



Dalian Deal

CHINA Hutchison Port Holdings (HPH) Group and Dalian Ports Corporation Limited have signed a joint-venture agreement to invest and develop a RMB 2.2 billion (HKD2.1 billion) ore terminal in Dalian to meet China's rising demand for commodities. The Dalian terminal will comprise two berths with a total length of 886 metres. It marks HPH's first dedicated non-containerised terminal operation in the PRC. **P**

Food from Britain Export Awards

2005



Watson Double

HONG KONG A.S. Watson (ASW) won the international award at the 2005 Hong Kong Business Awards in recognition of its contribution to maintaining and expanding the international stature of Hong Kong. In recent years ASW has expanded its retail business in many new markets such as the UK, the Netherlands, France, the Baltic States and Turkey. ASW has also been named International Retailer of the Year in the Food from Britain (FFB) Export Awards 2005. ASW's supermarket chain PARKnSHOP

was acclaimed for combining the western supermarket concept with a traditional Hong Kong wetmarket. **R**



20 YEARS OF SERVICE

HONG KONG The Kowloon Hotel celebrated its 20th anniversary with a dinner party for 100 special guests. The evening was filled with wonderful memories and General Manager Romain Chan thanked everyone for their support over the years and said the hotel would strive to provide the same professional, reliable and friendly service in the years to come. **H**



The Greenwich is Good News

CHINA The Greenwich, a boutique-style residential development in Beijing, has received tremendous response from clients since its VIP debut late last year. Located in Chaoyang District near the East Fourth Ring Road, it comprises approximately 2,000 low-density luxury residential units and a five-star clubhouse. **H**

Husky Chief

CANADA **Husky Energy Inc** has appointed Robert J. Peabody Chief Operating Officer, Operations and Refining, of Husky Oil Operations Limited. He will be responsible for Husky operating units in Canada, including exploration, heavy oil and production.

Husky is proceeding with its Sunrise Oil Sands Project in Alberta and also plans to drill two wells in the Northwest Territories. The first shipment of crude oil from the White Rose offshore field has been delivered. **E**

SUPER ARNIE

HONG KONG California Governor Arnold Schwarzenegger paid a visit to the **PARKnSHOP Superstore** at Causeway Bay during his visit to Hong Kong in November and was delighted to find a wide selection of Californian products in the fresh food section. **R**



HOT HUSKY

CANADA **Husky Energy Inc** reported strong results for the year 2005, with net earnings up 100% to a record of CAD2.0 billion (HKD13.4 billion). Sales and operating revenues in 2005 were CAD10.2 billion, compared with CAD8.4 billion in 2004. **E**

HIGHLIGHTS

	2004	2005
Earnings per share	CAD2.37	CAD4.72
Return on equity	17.0%	29.2%
Total company proved and probable reserve life index	11.5 years	19.7 years
Dividends per share	0.46	0.65
Special dividend per share	0.54	1.00

Ericsson Partnership

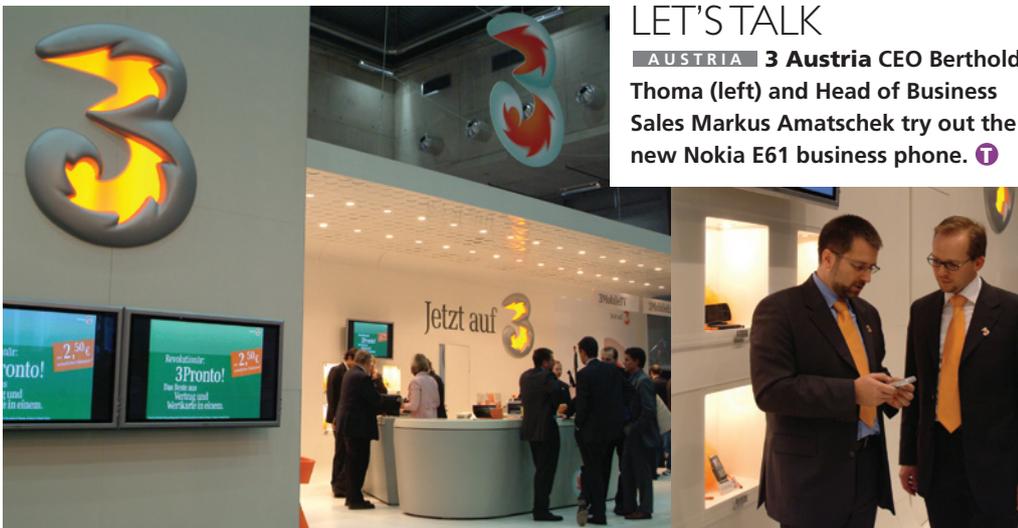
UNITED KINGDOM **3 UK** and Ericsson have entered a seven-year managed services partnership. Ericsson will be responsible for the management of the 3 network and its IT infrastructure in the UK and 3 will retain ownership of the network and IT assets. **T**

ORASCOM DEAL

HONG KONG **Hutchison Whampoa Limited (HWL)** and **Orascom Telecom Holding** have announced a global strategic alignment of their mobile businesses in emerging markets. Under the terms of the agreement, Orascom has acquired a 19.3% stake in Hutchison Telecommunications International Limited from HWL for USD1.3 billion (HKD10.1 billion). **T**

LET'S TALK

AUSTRIA **3 Austria** CEO Berthold Thoma (left) and Head of Business Sales Markus Amatschek try out the new Nokia E61 business phone. **T**



Double Triumph

HONG KONG **Hongkong International Terminals** has reason for double celebrations. It has handled its 90 millionth container and also won the Technology Innovation Award at the Logistics Awards Hong Kong 2005. **P**



Bigger and Bigger

HONG KONG **Watsons**

Your Personal Store, the largest health and beauty retailer in Asia, now operates more than 1,300 stores in 13 markets in Asia and Europe after opening stores in Estonia (October 2005), Indonesia (January 2006) and Slovenia (February 2006). **R**



YANTIAN EXPANSION

CHINA **Hutchison Port Holdings Group** and **Shenzhen Yantian Port Group** have signed a joint venture to develop the Yantian Port Expansion Project. The project will include the construction of six new container berths, capable of accommodating 10,000-plus TEU mega vessels. The first berth will come on stream in the second half of 2006 and the entire project is due for completion by 2010. Meanwhile, Yantian International Container Terminals has been named Best Global Container Port of the Year by the Global Institute of Logistics. **P**



Shanghai Project

CHINA **Hutchison Port Holdings (HPH)** is teaming up with Shanghai International Port (Group), APM Terminals, COSCO and China Shipping Group to jointly develop the Yangshan Deep-water Port Phase II Project in Shanghai. The project affirms Shanghai's status as a major international shipping centre and will accelerate growth in the Yangtze River Delta.

HPH has also agreed to invest and operate a container terminal in the Port of Sohar, Oman, and has signed a conditional agreement to acquire a majority stake in Terminal Catalunya, a container terminal in the Port of Barcelona, Spain. **P**



COOKIE KINGS

HONG KONG Nearly 100 young chefs, aged from six to 11, experimented with fun ways of making cookies during a series of bakery classes conducted by the **Hongkong Electric Home Management Centre (HMC)**. The classes were part of the Hong Kong WinterFest and the little chefs each received an HMC certificate. The HMC promotes cooking to the younger generation by offering courses, workshops and competitions that children can take part in with their parents. **E**



GOLDEN SUNBLOCK

SWEDEN All girl band Sunblock has been awarded Gold Mobiles for selling more than 10,000 downloads with 3 Sweden. The band received their awards at the annual Swedish record industry Grammy gala

from Stefan Blom, Head of Products & Services, Hi3G Scandinavia, and Pandelis Eliopoulos, Scandinavian Product Manager, Hi3G Scandinavia. **T**

Partner Results

HONG KONG Partner Communications Company Limited, a leading Israeli mobile communications operator and a subsidiary of Hutchison Telecommunications International Limited, reported net income of USD77 million (HKD600 million) for the year ended 31 December, 2005. **T**

Makeover on the Move

UNITED KINGDOM Superdrug hit the road with a novel marketing drive – a classic double-decker bus refurbished to offer a mobile pampering parlour. Staffed by beauty specialists, make-up artists and manicurists, the bus offered fashion followers a glass of chilled champagne and a makeover on the move during the Everyone's London Festival and London Fashion Week.

Miss England, Hammassa Kohistani (far right) was the face of Superdrug's one-stop fashion shop. **R**



CHARITY VISIT

HONG KONG Television stars Kwok Chun-on and Tong Ying-ying joined Hongkong Electric Volunteers in a visit to an elderly centre in Tai Po in support of an event organised by the Oriental Daily Charity Fund. The 200 residents welcomed the visitors with songs before being presented with souvenirs and gift packages which included food and warm clothes. **E**



Sparks Fly for CKI

AUSTRALIA Cheung Kong Infrastructure Holdings Limited (CKI) sold a 49% interest in Powercor, Citipower and ETSA Utilities to a new Australian infrastructure investment vehicle, Spark Infrastructure, which was listed on the Australian Stock Exchange. CKI retains a 9.9% stake in Spark Infrastructure and acts as a Manager of the Fund. CKI also received a substantial income of HKD3.7 billion from the transaction.



Separately, CKI purchased 22.07% of Powercor, Citipower and ETSA Utilities from Hongkong Electric. As a result, CKI, along with Hongkong Electric, retains a direct 51% shareholding in each of the three assets. **E**



SMOOTH AS SILK

AUSTRALIA **Cheung Kong Infrastructure Holdings Limited** and **Hongkong Electric Limited** acquired the strategic commercial telecommunications assets from **ETSA Utilities** and **Powercor** in December 2005.

The new company, named **Silk Telecom Pty Limited**, operates extensive optic fibre telecommunications networks in **Adelaide**, **Melbourne**, and key regional centres in **South Australia** and **Victoria**. **E**



Even More Great

HONG KONG **Great** has reopened in **Pacific Place** after a revamp to create **Asia's** first truly world-class food hall. The culinary adventure caters to the full spectrum of tastes ranging from cooked-to-order **Asian** and **European** specialties to chocolate delicacies and fresh coffees and juices. With 2,000 new products, **Hong Kong** gourmets can now enjoy even greater access to mouth-watering delicacies from around the world. **R**



Swede Success

SWEDEN **3** Scandinavia's music service **3Music** won a top award at the annual **3GSM** world fair in **Barcelona**. The judges said the **3Music** was the most complete mobile music service available. **3Music** consists of **3Music Store**, **3OnAir** and the connected **MP3-player 3Player**. Actress **Juliette Lewis** presents the awards. **T**



HUSKY HORSEPOWER

CANADA **Husky** has purchased a 1,200 horsepower yard engine locomotive for shuttling railcars at the **Husky Lloydminster Upgrader** plant site. The locomotive was built in 1963 and overhauled in 1999. **E**



WUHAN SHOWPIECES

CHINA **Cheung Kong (Holdings)** and **Hutchison Whampoa Property Group** are expanding their property development business in **China** after buying land in **Hualou Street** and **Laopupian** in **Wuhan**. With high-rise luxurious residential towers commanding a magnificent view above a themed retail podium, the **Hualou Street** project will become **Wuhan's** premier commercial complex, while the **Laopupian** complex is a premier downtown residential and retail development. **H**

Groundbreaking Ceremony in Tianjin

CHINA A groundbreaking ceremony was held at the commercial and residential complex development at **Tianjin Ying Kou Dao**, **Hutchison Whampoa Property Group's** first property venture in **Tianjin**. The project is a joint venture with **Tianjin Metro General Corp**. **H**

