



# HUTCHISON PORT HOLDINGS TRUST ("HPH Trust") UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

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*The issue managers for the initial public offering of HPH Trust (the "Offering") were DBS Bank Ltd., Deutsche Bank AG, Singapore Branch, and Goldman Sachs (Singapore) Pte. The issue managers for the Offering assume no responsibility for the contents of this announcement.*

### Footnote:

- (a) The prospectus dated 7 March 2011 ("Prospectus") issued by HPH Trust in connection with the proposed listing of the units in HPH Trust in the form of a business trust established under the laws of Singapore on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

**1(a)(i) Consolidated income statements for the periods ended 30 September 2012**

	Group					
	01/07/2012 to 30/09/2012	01/07/2011 to 30/09/2011	Favorable/ (Unfavorable)	01/01/2012 To 30/09/2012	25/02/2011 to 30/09/2011 <sup>(a)</sup>	Favorable/ (Unfavorable)
	HK\$'M	HK\$'M	%	HK\$'M	HK\$'M	%
<b>Revenue and other income</b>	3,329.8	3,246.6	2.6	9,279.2	6,646.5	39.6
Cost of services rendered	(1,152.8)	(1,075.6)	(7.2)	(3,204.9)	(2,206.4)	(45.3)
Staff costs	(67.3)	(61.8)	(8.9)	(199.9)	(132.9)	(50.4)
Depreciation and amortisation	(694.4)	(677.4)	(2.5)	(2,067.7)	(1,462.1)	(41.4)
Other operating income	9.3	64.3	(85.5)	22.4	115.1	(80.5)
Other operating expenses	(222.7)	(169.5)	(31.4)	(632.7)	(400.6)	(57.9)
<b>Total operating expenses</b>	(2,127.9)	(1,920.0)	(10.8)	(6,082.8)	(4,086.9)	(48.8)
<b>Operating profit</b>	1,201.9	1,326.6	(9.4)	3,196.4	2,559.6	24.9
Interest and other finance costs	(149.9)	(126.5)	(18.5)	(450.6)	(277.6)	(62.3)
Share of profits less losses after tax of associated companies	7.4	4.7	57.4	14.8	8.8	68.2
Share of profits less losses after tax of jointly controlled entities	39.2	42.9	(8.6)	118.8	97.7	21.6
<b>Profit before tax</b>	1,098.6	1,247.7	(11.9)	2,879.4	2,388.5	20.6
Tax	(97.4)	(151.4)	35.7	(287.4)	(287.8)	0.1
<b>Profit for the period</b>	1,001.2	1,096.3	(8.7)	2,592.0	2,100.7	23.4
Allocated as:						
Profit attributable to non-controlling interests	(399.5)	(387.9)	3.0	(947.2)	(738.6)	28.2
Profit attributable to unitholders of HPH Trust	601.7	708.4	(15.1)	1,644.8	1,362.1	20.8
<b>Earnings per unit attributable to unitholders of HPH Trust</b>	<b>HK cents</b> 6.91	<b>HK cents</b> 8.13	(15.1)	<b>HK cents</b> 18.89	<b>HK cents</b> 15.64	20.8

*Footnote:*

- (a) HPH Trust was constituted on 25 February 2011 and the acquisition of the assets and business undertakings of its initial portfolio was only completed on 15 March 2011. Consequently, there were no operating activities for the period prior to 16 March 2011.

**1(a)(ii) Consolidated statements of comprehensive income for the periods ended 30 September 2012**

	Group					
	01/07/2012 to 30/09/2012	01/07/2011 to 30/09/2011	Favorable/ (Unfavorable)	01/01/2012 to 30/09/2012	25/02/2011 to 30/09/2011 <sup>(a)</sup>	Favorable/ (Unfavorable)
	HK\$'M	HK\$'M	%	HK\$'M	HK\$'M	%
	Comprehensive Income:					
	Profit for the period					
	1,001.2	1,096.3	(8.7)	2,592.0	2,100.7	23.4
Other comprehensive income <sup>(b)</sup> :						
Investments						
Valuation gains/(losses) taken to reserves	5.8	(7.7)	175.3	7.5	(3.2)	334.4
Currency translation differences	15.8	28.0	(43.6)	0.3	41.4	(99.3)
Actuarial losses of defined benefit plans	-	(86.0)	100.0	-	(86.0)	100.0
Total comprehensive income for the period						
	1,022.8	1,030.6	(0.8)	2,599.8	2,052.9	26.6
Allocated as:						
Attributable to non-controlling interests	(406.5)	(399.7)	1.7	(947.5)	(755.5)	25.4
Attributable to unitholders of HPH Trust	616.3	630.9	(2.3)	1,652.3	1,297.4	27.4

*Footnotes:*

- (a) HPH Trust was constituted on 25 February 2011 and the acquisition of the assets and business undertakings of its initial portfolio was only completed on 15 March 2011. Consequently, there were no operating activities for the period prior to 16 March 2011.
- (b) Items shown within other comprehensive income have no tax effect.

**1(b)(i) Statements of financial position as at 30 September 2012**

	<b>Group</b>	
	30/9/2012	31/12/2011
	HK\$'M	HK\$'M
<b>ASSETS</b>		
<b>Non-current assets</b>		
Fixed assets	26,380.9	26,765.0
Projects under development	1,107.4	1,349.7
Leasehold land and land use rights	45,272.1	46,221.3
Railway usage rights	16.0	16.4
Customer relationships	7,924.8	8,171.0
Goodwill	41,629.0	41,594.1
Associated companies	144.1	129.2
Jointly controlled entities	2,579.1	2,595.5
Investments	817.1	809.6
Deferred tax assets	9.0	9.0
<b>Total non-current assets</b>	<b>125,879.5</b>	<b>127,660.8</b>
<b>Current assets</b>		
Cash and cash equivalents	5,095.6	7,890.5
Trade and other receivables	3,010.8	3,006.7
Inventories	139.9	143.6
<b>Total current assets</b>	<b>8,246.3</b>	<b>11,040.8</b>
<b>Current liabilities</b>		
Trade and other payables <sup>(a)</sup>	6,786.5	8,871.1
Bank loans	32.6	32.6
Current tax liabilities	314.1	279.7
<b>Total current liabilities</b>	<b>7,133.2</b>	<b>9,183.4</b>
<b>Net current assets</b>	<b>1,113.1</b>	<b>1,857.4</b>
<b>Total assets less current liabilities</b>	<b>126,992.6</b>	<b>129,518.2</b>
<b>Non-current liabilities</b>		
Bank loans	29,092.6	29,019.7
Pension obligations	246.4	265.3
Deferred tax liabilities	12,027.6	12,209.7
Other non-current liabilities	0.7	0.5
<b>Total non-current liabilities</b>	<b>41,367.3</b>	<b>41,495.2</b>
<b>Net assets</b>	<b>85,625.3</b>	<b>88,023.0</b>
<b>EQUITY</b>		
Units in issue	68,539.8	68,539.8
Reserves	(1,929.6)	550.5
<b>Net assets attributable to unitholders of HPH Trust</b>	<b>66,610.2</b>	<b>69,090.3</b>
Non-controlling interests	19,015.1	18,932.7
<b>Total equity</b>	<b>85,625.3</b>	<b>88,023.0</b>

*Footnote:*

- (a) Trade and other payables was HK\$6,786.5 million as at 30 September 2012 whereas it was HK\$8,871.1 million as at 31 December 2011. The decrease was mainly due to payments made for dividends payable to non-controlling interests and dividends accrued for prior to the listing of HPH Trust on SGX-ST as disclosed in the Prospectus.

**1(b)(i) Statements of financial position as at 30 September 2012**

<b>Trust</b>	
30/9/2012	31/12/2011
HK\$'M	HK\$'M
<b>ASSETS</b>	
<b>Non-current assets</b>	
Investment in a subsidiary	65,057.6 67,290.0
<b>Total non-current assets</b>	65,057.6 67,290.0
<b>Current assets</b>	
Cash and cash equivalents	3.3 1.3
Trade and other receivables	1.8 2.2
<b>Total current assets</b>	5.1 3.5
<b>Current liabilities</b>	
Trade and other payables	55.3 29.2
<b>Total current liabilities</b>	55.3 29.2
<b>Net current liabilities</b>	(50.2) (25.7)
<b>Total assets less current liabilities</b>	65,007.4 67,264.3
<b>Net assets</b>	65,007.4 67,264.3
<b>EQUITY</b>	
Units in issue	68,539.8 68,539.8
Reserves	(3,532.4) (1,275.5)
<b>Total equity</b>	65,007.4 67,264.3

**1(b)(ii) Aggregate amount of the Group's borrowings and debt securities as at 30 September 2012**

<b>Group</b>	<b>Current portion HK\$'M</b>	<b>Non-current portion HK\$'M</b>	<b>Total HK\$'M</b>
Unsecured bank loans	27.7	5,728.5	5,756.2
Secured bank loans	4.9	23,531.6	23,536.5
<b>Total principal amount of bank loans</b>	<b>32.6</b>	<b>29,260.1</b>	<b>29,292.7</b>
Unamortised loan facilities fees	-	(167.5)	(167.5)
	<b>32.6</b>	<b>29,092.6</b>	<b>29,125.2</b>

**Aggregate amount of the Group's borrowings and debt securities as at 31 December 2011**

<b>Group</b>	<b>Current portion HK\$'M</b>	<b>Non-current portion HK\$'M</b>	<b>Total HK\$'M</b>
Unsecured bank loans	27.7	5,742.3	5,770.0
Secured bank loans	4.9	23,535.3	23,540.2
<b>Total principal amount of bank loans</b>	<b>32.6</b>	<b>29,277.6</b>	<b>29,310.2</b>
Unamortised loan facilities fees	-	(257.9)	(257.9)
	<b>32.6</b>	<b>29,019.7</b>	<b>29,052.3</b>

**Details of any collateral at HPH Trust**

Bank loans of HK\$23,536.5 million (31 December 2011: HK\$23,540.2 million) are secured by a charge over all of the shares in a subsidiary and charges over certain assets of subsidiary companies.

**1(c) Consolidated statements of cash flows for the periods ended 30 September 2012**

	<b>Group</b>			
	<b>01/07/2012 to 30/09/2012</b>	<b>01/07/2011 to 30/09/2011</b>	<b>01/01/2012 to 30/09/2012</b>	<b>25/02/2011 to 30/09/2011<sup>(a)</sup></b>
	<b>HK\$'M</b>	<b>HK\$'M</b>	<b>HK\$'M</b>	<b>HK\$'M</b>
<b>Operating activities</b>				
Cash generated from operations	1,870.7	1,606.2	4,060.7	3,483.0
Interest and other finance costs paid	(118.5)	(97.1)	(358.8)	(203.6)
Tax paid	(149.8)	(65.6)	(434.9)	(205.4)
<b>Net cash from operating activities</b>	<b>1,602.4</b>	<b>1,443.5</b>	<b>3,267.0</b>	<b>3,074.0</b>
<b>Investing activities</b>				
Acquisition of subsidiary companies	-	-	-	(56,527.4)
Purchase of fixed assets and additions to projects under development <sup>(b)</sup>	(227.9)	(1,232.7)	(598.1)	(1,476.0)
Proceeds on disposal of fixed assets	0.4	1.3	3.2	1.7
Dividends received from investments	8.9	-	11.0	2.1
Dividends received from associated companies and jointly controlled entities	44.0	44.3	142.3	89.0
Interest received	24.0	22.6	80.0	70.3
<b>Net cash used in investing activities</b>	<b>(150.6)</b>	<b>(1,164.5)</b>	<b>(361.6)</b>	<b>(57,840.3)</b>
<b>Financing activities</b>				
Issuance of units	-	-	-	42,494.7
Drawdown of bank loans	-	-	-	23,400.0
Repayment of bank loans	(1.2)	(1.2)	(17.5)	(3,003.6)
Upfront debt transaction costs and facilities fee of bank loans	-	-	-	(351.2)
Distribution to unitholders of HPH Trust	(2,094.5)	(1,245.4)	(4,132.4)	(1,245.4)
Distribution to non-controlling interests	(865.1)	(237.6)	(1,550.4)	(237.6)
<b>Net cash (used in) / from financing activities</b>	<b>(2,960.8)</b>	<b>(1,484.2)</b>	<b>(5,700.3)</b>	<b>61,056.9</b>
<b>Net change in cash and cash equivalents</b>	<b>(1,509.0)</b>	<b>(1,205.2)</b>	<b>(2,794.9)</b>	<b>6,290.6</b>
Cash and cash equivalents at beginning of the period	6,604.6	7,495.8	7,890.5	-
Cash and cash equivalents at end of the period	5,095.6	6,290.6	5,095.6	6,290.6

*Footnotes:*

(a) HPH Trust was constituted on 25 February 2011 and the acquisition of the assets and business undertakings of its initial portfolio was only completed on 15 March 2011. Consequently, there were no operating activities for the period prior to 16 March 2011.

(b) Purchases of fixed assets and additions to projects under development in 2012 for the quarter was HK\$227.9 million, whereas it was HK\$1,232.7 million last year for the quarter. Last year's figure was higher as it included the land payments for YICT Phase III Expansion project.

# 1(d)(i) Statements of changes in equity for the periods ended 30 September 2012

## Group

	Units in issue HK\$'M	Exchange and other reserves HK\$'M	Revaluation reserve HK\$'M	Pension reserve HK\$'M	Retained profits / (accumulated losses) HK\$'M	Attributable to unitholders HK\$'M	Non- controlling interests HK\$'M	Total HK\$'M
Balance as at 1 July 2012	68,539.8	23.8	(0.8)	(204.5)	(269.9)	68,088.4	19,473.7	87,562.1
Comprehensive income:								
Profit for the period	-	-	-	-	601.7	601.7	399.5	1,001.2
Investments:								
Valuation gains taken to reserves	-	-	5.8	-	-	5.8	-	5.8
Currency translation differences	-	8.8	-	-	-	8.8	7.0	15.8
Total comprehensive income	-	8.8	5.8	-	601.7	616.3	406.5	1,022.8
Transaction with owners:								
Distributions	-	-	-	-	(2,094.5)	(2,094.5)	(865.1)	(2,959.6)
<b>Balance as at 30 September 2012</b>	<b>68,539.8</b>	<b>32.6</b>	<b>5.0</b>	<b>(204.5)</b>	<b>(1,762.7)</b>	<b>66,610.2</b>	<b>19,015.1</b>	<b>85,625.3</b>
Balance as at 1 January 2012	68,539.8	32.6	(2.5)	(204.5)	724.9	69,090.3	18,932.7	88,023.0
Comprehensive income:								
Profit for the period	-	-	-	-	1,644.8	1,644.8	947.2	2,592.0
Investments:								
Valuation gains taken to reserves	-	-	7.5	-	-	7.5	-	7.5
Currency translation differences	-	-	-	-	-	-	0.3	0.3
Total comprehensive income	-	-	7.5	-	1,644.8	1,652.3	947.5	2,599.8
Transaction with owners:								
Distributions	-	-	-	-	(4,132.4)	(4,132.4)	(865.1)	(4,997.5)
<b>Balance as at 30 September 2012</b>	<b>68,539.8</b>	<b>32.6</b>	<b>5.0</b>	<b>(204.5)</b>	<b>(1,762.7)</b>	<b>66,610.2</b>	<b>19,015.1</b>	<b>85,625.3</b>
Balance as at 1 July 2011	68,539.8	8.3	4.5	-	653.7	69,206.3	19,141.2	88,347.5
Comprehensive income:								
Profit for the period	-	-	-	-	708.4	708.4	387.9	1,096.3
Investments:								
Valuation losses taken to reserves	-	-	(7.7)	-	-	(7.7)	-	(7.7)
Currency translation differences	-	16.2	-	-	-	16.2	11.8	28.0
Actuarial losses of defined benefit plans	-	-	-	(86.0)	-	(86.0)	-	(86.0)
Total comprehensive income/(loss)	-	16.2	(7.7)	(86.0)	708.4	630.9	399.7	1,030.6
Transaction with owners:								
Distributions	-	-	-	-	(1,245.4)	(1,245.4)	(237.6)	(1,483.0)
<b>Balance as at 30 September 2011</b>	<b>68,539.8</b>	<b>24.5</b>	<b>(3.2)</b>	<b>(86.0)</b>	<b>116.7</b>	<b>68,591.8</b>	<b>19,303.3</b>	<b>87,895.1</b>
Balance as at 25 February 2011 <sup>(a)</sup>	-	-	-	-	-	-	-	-
Comprehensive income:								
Profit for the period	-	-	-	-	1,362.1	1,362.1	738.6	2,100.7
Investments:								
Valuation losses taken to reserves	-	-	(3.2)	-	-	(3.2)	-	(3.2)
Currency translation differences	-	24.5	-	-	-	24.5	16.9	41.4
Actuarial losses of defined benefit plans	-	-	-	(86.0)	-	(86.0)	-	(86.0)
Total comprehensive income/(loss)	-	24.5	(3.2)	(86.0)	1,362.1	1,297.4	755.5	2,052.9
Transaction with owners:								
Issuance of units	68,539.8	-	-	-	-	68,539.8	-	68,539.8
Relating to acquisition of								
Interests in subsidiary companies	-	-	-	-	-	-	18,785.4	18,785.4
Distributions	-	-	-	-	(1,245.4)	(1,245.4)	(237.6)	(1,483.0)
<b>Balance as at 30 September 2011</b>	<b>68,539.8</b>	<b>24.5</b>	<b>(3.2)</b>	<b>(86.0)</b>	<b>116.7</b>	<b>68,591.8</b>	<b>19,303.3</b>	<b>87,895.1</b>

## Footnote:

- (a) HPH Trust was constituted on 25 February 2011 and the acquisition of the assets and business undertakings of its initial portfolio was only completed on 15 March 2011. Consequently, there were no operating activities for the period prior to 16 March 2011.



# **1(d)(i) Statements of changes in equity for the periods ended 30 September 2012 (Continued)**

## **Trust**

	Units in issue HK\$'M	Retained profits / (accumulated losses) HK\$'M	Attributable to unitholders HK\$'M
Balance as at 1 July 2012	68,539.8	(1,427.5)	67,112.3
Loss and total comprehensive loss for the period	-	(10.4)	(10.4)
Transaction with owners:			
Distributions	-	(2,094.5)	(2,094.5)
<b>Balance as at 30 September 2012</b>	<b>68,539.8</b>	<b>(3,532.4)</b>	<b>65,007.4</b>
Balance as at 1 January 2012	68,539.8	(1,275.5)	67,264.3
Profit and total comprehensive income for the period	-	1,875.5	1,875.5
Transaction with owners:			
Distributions	-	(4,132.4)	(4,132.4)
<b>Balance as at 30 September 2012</b>	<b>68,539.8</b>	<b>(3,532.4)</b>	<b>65,007.4</b>
Balance as at 1 July 2011	68,539.8	(6.3)	68,533.5
Loss and total comprehensive loss for the period	-	(6.9)	(6.9)
Transaction with owners:			
Distributions	-	(1,245.4)	(1,245.4)
<b>Balance as at 30 September 2011</b>	<b>68,539.8</b>	<b>(1,258.6)</b>	<b>67,281.2</b>
Balance as at 25 February 2011 <sup>(a)</sup>	-	-	-
Loss and total comprehensive loss for the period	-	(13.2)	(13.2)
Transaction with owners:			
Issuance of units	68,539.8	-	68,539.8
Distributions	-	(1,245.4)	(1,245.4)
<b>Balance as at 30 September 2011</b>	<b>68,539.8</b>	<b>(1,258.6)</b>	<b>67,281.2</b>

*Footnote:*

- (a) HPH Trust was constituted on 25 February 2011 and the acquisition of the assets and business undertakings of its initial portfolio was only completed on 15 March 2011. Consequently, there were no operating activities for the period prior to 16 March 2011.

# **1(d)(ii) Details of any change in units for the periods ended 30 September 2012**

	Group			
	01/07/2012 to 30/09/2012	01/07/2011 to 30/09/2011	01/01/2012 to 30/09/2012	25/02/2011 to 30/09/2011 <sup>(a)</sup>
At beginning of the period	8,708,888,000	8,708,888,000	8,708,888,000	-
Unit issued at registration	-	-	-	1
Units issued upon HPH Trust listing on SGX-ST on 18 March 2011	-	-	-	8,708,887,999
At end of the period	8,708,888,000	8,708,888,000	8,708,888,000	8,708,888,000

*Footnote:*

- (a) HPH Trust was constituted on 25 February 2011 and the acquisition of the assets and business undertakings of its initial portfolio was only completed on 15 March 2011. Consequently, there were no operating activities for the period prior to 16 March 2011.

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The financial information set out in paragraphs 1, 6(i) and 6(ii) of this announcement was extracted from the interim accounts of HPH Trust and its subsidiaries for the periods ended 30 September 2012 ("Interim Accounts") which have been reviewed in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by International Auditing and Assurance Standards Board.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

The review report on the Interim Accounts dated 24 October 2012 issued by PricewaterhouseCoopers LLP is enclosed in Appendix 1.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The accounting policies and methods of computation used in the preparation of the Interim Accounts for the current period are consistent with those specified in the audited accounts of HPH Trust and its subsidiaries for the period from 25 February 2011 (date of constitution) to 31 December 2011 except for the adoption of the standards, amendments and interpretations issued by the Hong Kong Institute of Certified Public Accountants effective and applicable for the Interim Accounts. The effect of the adoption of these standards, amendments and interpretations was not material to the Group's results of operations or financial position.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The accounting policies and methods of computation used in the preparation of the Interim Accounts for the current period are consistent with those specified in the audited accounts of HPH Trust and its subsidiaries for the period from 25 February 2011 (date of constitution) to 31 December 2011 except for the adoption of the standards, amendments and interpretations issued by the Hong Kong Institute of Certified Public Accountants effective and applicable for the Interim Accounts. The effect of the adoption of these standards, amendments and interpretations was not material to the Group's results of operations or financial position.

**6. Group's earnings per unit ("EPU") and distribution per unit ("DPU") for the periods ended 30 September 2012**

	<b>01/07/2012 to 30/09/2012</b>	<b>01/07/2011 to 30/09/2011</b>	<b>01/01/2012 to 30/09/2012</b>	<b>25/02/2011 to 30/09/2011<sup>(a)</sup></b>
(i) Weighted average number of units in issue	8,708,888,000	8,708,888,000	8,708,888,000	8,708,888,000
(ii) Earnings per unit for the period based on the weighted average number of units in issue (HK cents)	6.91	8.13	18.89	15.64
(iii) Number of units issued at end of the period	8,708,888,000	8,708,888,000	8,708,888,000	8,708,888,000
(iv) Distribution per unit for the period (HK cents) <sup>(b)</sup>	-	-	24.05	14.30

*Footnotes:*

- (a) HPH Trust was constituted on 25 February 2011 and the acquisition of the assets and business undertakings of its initial portfolio was only completed on 15 March 2011. Consequently, there were no operating activities for the period prior to 16 March 2011.
- (b) HPH Trust will make distribution to unitholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates.

**7 Net asset value ("NAV") attributable to unitholders per unit based on units issued as at 30 September 2012<sup>(a)</sup>**

	<b>Group</b>		<b>Trust</b>	
	<b>30/09/2012</b>	<b>31/12/2011</b>	<b>30/09/2012</b>	<b>31/12/2011</b>
<b>Net asset value attributable to unitholders per unit (HK\$)<sup>(a)</sup></b>	<b>7.65</b>	<b>7.93</b>	<b>7.46</b>	<b>7.72</b>

*Footnote:*

- (a) The number of units used for computation of actual NAV per unit is 8,708,888,000 which is the number of units in issue as at 30 September 2012 and 31 December 2011 respectively.

## 8. Review of performance

### Consolidated income statement (01/01/2012-30/09/2012 vs 25/02/2011-30/09/2011)

The consolidated income statement for the period ended 30 September 2012 was not comparable to the corresponding period in last year as HPH Trust was constituted on 25 February 2011 and the acquisition of the assets and business undertakings of its initial portfolio was only completed on 15 March 2011. Consequently, there were no operating activities for the period prior to 16 March 2011.

### Consolidated income statement (01/07/2012-30/09/2012 vs 01/07/2011-30/09/2011)

Revenue and other income for the quarter was HK\$3,329.8 million, representing HK\$83.2 million or 2.6% above last year for the quarter. The container throughput of HIT<sup>(a)</sup> increased by 5.6% and 7.7% respectively, as compared to the same quarter in 2011 and the period from 1 January 2011 to 30 September 2011. HIT's higher throughput as compared to last year was primarily due to the growth in transshipment cargoes. The container throughput of YICT<sup>(b)</sup> increased by 9.7% and 4.8% respectively, as compared to the same quarter in 2011 and the period from 1 January 2011 to 30 September 2011. YICT's higher throughput as compared to last year was primarily due to the growth in non US/Europe trade and transshipment cargoes. The average revenue per TEU for Hong Kong was lower than last year due to a higher proportion of transshipment throughput handled, whereas that for China was about the same as last year.

Cost of services rendered was HK\$1,152.8 million, representing HK\$77.2 million or 7.2% above last year for the quarter. The increase was mainly due to higher container throughput and inflationary pressure. Staff costs were HK\$67.3 million, representing HK\$5.5 million or 8.9% above last year for the quarter. Depreciation and amortisation was HK\$694.4 million, representing HK\$17.0 million or 2.5% above last year for the quarter, mainly due to the full year impact of yard areas put into operation over the course of 2011 for YICT Phase III Expansion. Other operating income was HK\$9.3 million, representing HK\$55.0 million or 85.5% below last year for the quarter. Other operating expenses were HK\$222.7 million, representing HK\$53.2 million or 31.4% above last year for the quarter. The lower other operating income and higher other operating expenses over last year were primarily because YICT's net RMB-denominated monetary assets incurred a net exchange gain in 2011 but a net exchange loss in 2012 with overall impact of HK\$77.6 million in difference. In addition, the timing difference in receiving River Ports Economic Benefits also resulted in lower other operating income over last year. With the aforesaid, total operating expenses were HK\$2,127.9 million, representing HK\$207.9 million or 10.8% above last year for the quarter.

#### *Footnotes:*

(a) HIT means Terminals 4, 6, 7 and two berths in Terminal 9, located at Kwai Tsing, Hong Kong.

(b) YICT means Yantian International Container Terminals, located at Yantian, Shenzhen, PRC, which comprises Yantian International Container Terminals Phases I & II, Phase III and Phase III Expansion, and Shenzhen Yantian West Port Terminals Phases I and II.

## 8. Review of performance (Cont'd)

As a result, the operating profit was HK\$1,201.9 million, representing HK\$124.7 million or 9.4% below last year for the quarter.

Interest and other finance costs were HK\$149.9 million, representing HK\$23.4 million or 18.5% above last year for the quarter. This was mainly due to higher interest rate for YICT's HK\$2.8 billion bank loan refinanced in late 2011. Liquidity of Hong Kong dollars was extremely tight in China as compared to 2007 when the loan was first drawn down, despite YICT managed to refinance at a very competitive rate at the then loan market.

Share of profits less losses after tax of associated companies was HK\$7.4 million, representing HK\$2.7 million or 57.4% above last year for the quarter. This was mainly due to better performance of an associated company, resulting from an asset disposal gain.

Share of profits less losses after tax of jointly controlled entities was HK\$39.2 million, representing HK\$3.7 million or 8.6% below last year for the quarter. This was mainly due to timing difference in receiving the dividend by a jointly controlled entity.

Tax was HK\$97.4 million, representing HK\$54.0 million or 35.7% below last year for the quarter. This was mainly due to higher deferred tax credit and YICT's tax provision written back after finalisation of 2011 profit tax.

Overall, the profit for the quarter was HK\$1,001.2 million, representing HK\$95.1 million or 8.7% below last year for the quarter. Profit attributable to unitholders of HPH Trust was HK\$601.7 million, representing HK\$106.7 million or 15.1% below last year for the quarter.

### Material changes in statements of financial position and statements of cash flows

Please refer to footnotes of 1(b)(i) and 1(c).

**9(a) Review of actual against the Projection disclosed in the Prospectus for the periods ended 30 September 2012**

Consolidated income statement

Group	Group					
	01/07/2012 to 30/09/2012			01/01/2012 to 30/09/2012		
	Actual	Projection <sup>(a)</sup>	Favorable/ (Unfavorable)	Actual	Projection <sup>(a)</sup>	Favorable/ (Unfavorable)
	HK\$'M	HK\$'M	%	HK\$'M	HK\$'M	%
<b>Revenue and other income</b>	<b>3,329.8</b>	<b>3,808.1</b>	<b>(12.6)</b>	<b>9,279.2</b>	<b>10,198.9</b>	<b>(9.0)</b>
Cost of services rendered	(1,152.8)	(1,227.1)	6.1	(3,204.9)	(3,366.5)	4.8
Staff costs	(67.3)	(70.8)	4.9	(199.9)	(214.4)	6.8
Depreciation and amortisation	(694.4)	(743.4)	6.6	(2,067.7)	(2,201.9)	6.1
Other operating income	9.3	15.1	(38.4)	22.4	37.3	(39.9)
Other operating expenses	(181.8)	(163.9)	(10.9)	(516.2)	(488.3)	(5.7)
Management fees	(5.3)	(5.0)	(6.0)	(15.2)	(14.9)	(2.0)
Trust expenses	(35.6)	(36.7)	3.0	(101.3)	(110.2)	8.1
<b>Total operating expenses</b>	<b>(2,127.9)</b>	<b>(2,231.8)</b>	<b>4.7</b>	<b>(6,082.8)</b>	<b>(6,358.9)</b>	<b>4.3</b>
<b>Operating profit</b>	<b>1,201.9</b>	<b>1,576.3</b>	<b>(23.8)</b>	<b>3,196.4</b>	<b>3,840.0</b>	<b>(16.8)</b>
Interest and other finance costs	(149.9)	(183.2)	18.2	(450.6)	(548.3)	17.8
Share of profits less losses after tax of associated companies	7.4	3.7	100.0	14.8	11.2	32.1
Share of profits less losses after tax of jointly controlled entities	39.2	35.4	10.7	118.8	102.2	16.2
<b>Profit before tax</b>	<b>1,098.6</b>	<b>1,432.2</b>	<b>(23.3)</b>	<b>2,879.4</b>	<b>3,405.1</b>	<b>(15.4)</b>
Tax	(97.4)	(185.5)	47.5	(287.4)	(430.6)	33.3
<b>Profit for the period</b>	<b>1,001.2</b>	<b>1,246.7</b>	<b>(19.7)</b>	<b>2,592.0</b>	<b>2,974.5</b>	<b>(12.9)</b>
Allocated as:						
Profit attributable to Non-controlling interests	(399.5)	(462.7)	(13.7)	(947.2)	(1,078.6)	(12.2)
Profit attributable to Unitholders of HPH Trust	601.7	784.0	(23.3)	1,644.8	1,895.9	(13.2)

Footnote:

(a) The Projection figures formed part of the Projection Year 2012 figures disclosed in the Prospectus.

**9(b) Commentary on performance against the Projection disclosed in the Prospectus for the quarter ended 30 September 2012**

Revenue and other income for the quarter was HK\$3,329.8 million, representing HK\$478.3 million or 12.6% below the Projection for the quarter. The container throughput of HIT<sup>(a)</sup> increased by 5.6% as compared to the same quarter in 2011, but was 7.6% below the Projection for the quarter. The container throughput of YICT<sup>(b)</sup> increased by 9.7% as compared to the same quarter in 2011, but was 10.4% below the Projection for the quarter. HIT and YICT's lower throughput as compared to the Projection was primarily due to weaker than expected US and Europe volume with effects carried over from 2011. The average revenue per TEU for Hong Kong was lower than projected due to a higher proportion of transshipment throughput handled, whereas that for China was in line with the projection.

Cost of services rendered was HK\$1,152.8 million, representing HK\$74.3 million or 6.1% below the Projection for the quarter. The drop was mainly due to lower than projected container throughput. Staff costs were HK\$67.3 million, representing HK\$3.5 million or 4.9% below the Projection for the quarter, mainly due to less headcount than projected and lower staff related costs. Depreciation and amortisation was HK\$694.4 million, representing HK\$49.0 million or 6.6% below the Projection for the quarter, mainly due to the finalisation of the purchase price allocation arising from the acquisition of the HPH Trust business portfolio at fair value from Hutchison Port Holdings Limited, resulting in less depreciation and amortisation expenses than projected. Other operating income was HK\$9.3 million, representing HK\$5.8 million or 38.4% below the Projection for the quarter, mainly due to timing difference with lower River Ports Economic Benefits<sup>(c)</sup> than projected during this quarter. Other operating expenses were HK\$181.8 million, representing HK\$17.9 million or 10.9% above the Projection for the quarter, primarily due to net exchange loss of YICT's net RMB-denominated monetary assets. Trust expenses were HK\$35.6 million, representing HK\$1.1 million or 3.0% below the Projection for the quarter. With the aforesaid, total operating expenses were HK\$2,127.9 million, representing HK\$103.9 million or 4.7% below the Projection for the quarter.

*Footnotes:*

- (a) HIT means Terminals 4, 6, 7 and two berths in Terminal 9, located at Kwai Tsing, Hong Kong.
- (b) YICT means Yantian International Container Terminals, located at Yantian, Shenzhen, PRC, which comprises Yantian International Container Terminals Phases I & II, Phase III and Phase III Expansion, and Shenzhen Yantian West Port Terminals Phases I and II.
- (c) The River Ports Economic Benefits represent the economic interest and benefits of the river ports in Nanhai, Jiangmen and Zhuhai Jiuzhou, PRC (together the "River Ports"), including all dividends and any other distributions or other monies payable to a related company or any of its subsidiaries in its capacity as a shareholder of the relevant holding company of the River Ports arising from the profits attributable to the business of the River Ports and all sale or disposal proceeds derived from such businesses, assets, rights and/or liabilities constituting any part of the business of the River Ports as agreed with a related company and any of its subsidiaries.

**9(b) Commentary on performance against the Projection disclosed in the Prospectus for the quarter ended 30 September 2012 (Cont'd)**

As a result, the operating profit was HK\$1,201.9 million, representing HK\$374.4 million, or 23.8% below the Projection for the quarter.

Interest and other finance costs were HK\$149.9 million, representing HK\$33.3 million or 18.2% below the Projection for the quarter. This was mainly due to lower interest rates than those projected for the US\$3.0 billion bank loan of HIT and the HK\$5.8 billion bank loans of YICT.

Share of profits less losses after tax of associated companies was HK\$7.4 million, representing HK\$3.7 million or 100% above the Projection for the quarter. This was mainly due to better performance of the tugboat operations of an associated company and an asset disposal gain in an associated company which was not projected.

Share of profits less losses after tax of jointly controlled entities was HK\$39.2 million, representing HK\$3.8 million or 10.7% above the Projection for the quarter, mainly due to higher net profit of COSCO-HIT<sup>(a)</sup>.

Tax was HK\$97.4 million, representing HK\$88.1 million or 47.5% below the Projection for the quarter, mainly due to lower profit, higher tax credit utilised by YICT and YICT's tax provision written back after finalisation of 2011 profit tax.

Overall, the profit for the quarter was HK\$1,001.2 million, representing HK\$245.5 million or 19.7% below the Projection for the quarter. The profit for the period ended 30 September 2012 was HK\$2,592.0 million, representing HK\$382.5 million or 12.9% below the Projection for the period.

Profit attributable to unitholders of HPH Trust for the quarter was HK\$601.7 million, representing HK\$182.3 million or 23.3% below the Projection for the quarter. Profit attributable to unitholders of HPH Trust for the period ended 30 September 2012 was HK\$1,644.8 million, representing HK\$251.1 million or 13.2% below the Projection for the period.

*Footnote:*

*(a) COSCO-HIT means Terminal 8 East, located at Kwai Tsing, Hong Kong.*



**10. Commentary on the significant trends of the competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months**

Global economy remains sluggish with slow growth in trade. The US economic recovery is gaining momentum and showing signs of healthiness. Its labor market continues to improve with September unemployment rate dropped below 8% for the first time since 2009. The US Federal Reserve is committed to propping up the US economy by announcing the third round of quantitative easing. The European Central Bank also launched its "Outright Monetary Transactions" bond-buying program to support the Euro. Despite this, the demand for manufacturing and consumer goods in Euro-zone is expected to remain soft due to rising unemployment and weak consumer sentiment. Emerging countries play a more significant role in driving the global recovery with their continued increase in economic heft. Transshipment along with trade routes such as the Far East, Africa, Central and South America and Oceania continue to expand and are expected to outperform those of the US and Europe.

China's GDP rose by 7.6% in the second quarter of 2012, declining from 8.1% in the first quarter to its slackest pace in nearly three years. In addition to the official interest rate cuts in earlier months, the Chinese government approved infrastructure projects of over US\$150 billion to support GDP growth. Further stimuli are expected in the coming months to bolster the export. China continues to be the key engine of global growth with Pearl River Delta region remaining a main cargo source and the gateway to the Guangdong Province trade catchment area. HPH Trust's ports shall continue to benefit from China's growth.

Shipping lines improved their financial performance in the second quarter of 2012 due to increased freight rates and lower bunker costs during the period. They continue to reduce costs and achieve economies of scale by deploying more mega vessels, entering into more vessel sharing agreements and consolidating traffic at larger ports. All of these measures are expected to benefit HPH Trust's ports given their superior infrastructure, natural deep water channels, long contiguous berths and scale of operations.

The Trustee-Manager is confident that HPH Trust will respond promptly and effectively to any challenges, given its strong fundamentals.

**11. Distribution**

**(a) Current financial period**

Any distribution recommended for the current financial period?

HPH Trust will make distribution to unitholders on a semi-annual basis in March and September.

No distribution has been recommended for the current financial period.

**(b) Corresponding period of the immediately preceding financial period**

Any distribution declared for the previous corresponding period? No

**(c) Date Payable**

Not applicable

**(d) Books closure date**

Not applicable

**12. If no distribution has been declared/recommendeded, a statement to that effect**

No distribution has been declared/recommendeded for the current financial quarter.

**13. General mandate from unitholders for interested person transaction ("IPT")**

No IPT general mandate has been obtained.

#### **14. Negative confirmation by the Board**

The Board of Directors of Hutchison Port Holdings Management Pte. Limited (as Trustee-Manager of HPH Trust) has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results of the Group for the period ended 30 September 2012 to be false or misleading in any material respect.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risk, uncertainties and assumptions. Representative examples of these factors included (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sales/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management of future events.

BY ORDER OF THE BOARD

HUTCHISON PORT HOLDINGS MANAGEMENT PTE LIMITED

(COMPANY REGISTRATION NO. 201100749W)

AS TRUSTEE-MANAGER OF HPH TRUST

Lim Ka Bee

Company Secretary

24 October 2012



The Directors  
Hutchison Port Holdings Management Pte. Limited  
(in its capacity as Trustee-Manager of Hutchison Port Holdings Trust)  
50 Raffles Place,  
#32-01 Singapore Land Tower  
Singapore 048623

24 October 2012

Dear Sirs

## REPORT ON REVIEW OF INTERIM ACCOUNTS OF HUTCHISON PORT HOLDINGS TRUST

We have reviewed the accompanying interim accounts of Hutchison Port Holdings Trust (the "Trust") and its subsidiaries (the "Group") set out on pages 1 to 19, which comprise the condensed statements of financial position of the Trust and the Group as at 30 September 2012, the related condensed consolidated income statements of the Group, the condensed consolidated statements of comprehensive income of the Group, the statements of changes in equity of the Trust and the Group, and the condensed consolidated statements of cash flows of the Group for the periods from 1 July 2012 to 30 September 2012 and 1 January 2012 to 30 September 2012 (collectively the "Interim Accounts"). The management of Hutchison Port Holdings Management Pte. Limited, the Trustee-Manager of the Trust, is responsible for the preparation and presentation of this Interim Accounts in accordance with Hong Kong Accounting Standard 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this Interim Accounts based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Accounts are not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers LLP  
Public Accountants and Certified Public Accountants  
Singapore

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