

Chairman's Statement

Following the spin-off from Hutchison Telecommunications International Limited, Hutchison Telecommunications Hong Kong Holdings Limited (the "Company") was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 8 May 2009. This represents a new chapter in a telecommunications success story that has developed under the all-pervasive Hutchison brand name.

Results

Consolidated turnover amounted to HK\$8,449 million, representing a growth of 4% compared to HK\$8,124 million for 2008. Profit attributable to equity holders of the Company was HK\$468 million, a growth of 103% compared to HK\$230 million for 2008. Basic earnings per share were 9.72 HK cents for the year, compared to 4.78 HK cents for 2008.

Dividends

The board of directors (the "Board") recommends the payment of a final dividend of 6.16 HK cents per share, for the year 2009 (2008 : Nil), or HK\$297 million in total, to those persons registered as shareholders of the Company on Tuesday, 11 May 2010. This is equivalent to a dividend payout ratio of 75% of our profit attributable to equity holders. The proposed final dividend will be paid on Tuesday, 18 May 2010 following approval at the Annual General Meeting of the Company. The register of members will be closed from Friday, 7 May 2010 to Tuesday, 11 May 2010, both days inclusive.

Financial Review

Although 2009 was a challenging year following the financial tsunami, our businesses have remained resilient. We achieved steady year-on-year turnover growth of 4% and total operating expenses in 2009 were held steady at HK\$7,662 million, comparable to HK\$7,616 million in 2008. Depreciation and amortisation decreased 7% to HK\$1,288 million in 2009 from HK\$1,390 million in 2008.

Interest and other finance costs in 2009 decreased 17% to HK\$184 million compared to HK\$223 million in 2008, mainly reflecting lower market interest rates. Taxation decreased 16% to HK\$61 million compared to HK\$73 million in 2008.

In view of the solid businesses growth in 2009, profit attributable to equity holders of the Company was HK\$468 million compared to HK\$230 million in 2008, representing an encouraging increase of 103%.

Business Review

Mobile business - Hong Kong and Macau

We have continued to strengthen our customer profile and achieve steady growth in turnover and margin, despite the dampening effect of economic difficulties and an all-round decline in spending and travelling. Our mobile customer base in Hong Kong and Macau grew 10% to approximately 3 million.

The year under review saw the powerful **3** brand enjoying continued prominence as the top 3G service provider in Hong Kong and the second largest mobile operator in Macau. Our innovative approach to the latest technologies, creative marketing efforts and focus on value-for-money services have well positioned that the **3** brand as the most suitable option for those seeking to enhance everyday lifestyles with iPhones, other smartphones and mobile broadband data products.

Fixed-line business - Hong Kong

Our fixed-line business has grown to command a prominent market share with its extensive fibre-to-the-building network. Such constantly-enhanced fixed-line network addresses the needs of a diversity of entities that range from submarine cable operators, international carriers, local mobile operators and data centres. This activity benefits from a strategy that entails tailoring solutions to a wide spread of industries that include professional services, logistics and media, as well as financial services and the public sector.

Further afield, we provide an advanced voice-data-IP network that links our home market with the rest of the world and carries traffic between internationally-dispersed geographies. In addition, we continue to explore the potential of forming more strategic alliances with other operators in the region.

Outlook

During a challenging and competitive year, we achieved steady growth and solid progress into network rollout. We have built an advanced and integrated mobile and fixed-line infrastructure that can meet growing demand for bandwidth and broadband service applications. At the same time, we benefit from a strong financial position and healthy operating cash flow.

We are well positioned to explore and capitalise on opportunities generated by upwardly-spiraling demand for bandwidth and an increasing appetite for mobile data services. This bodes well for the future development of our businesses, as well as reinforcement of our market leadership in an economic environment that has yet to make a full recovery.

Finally, I would like to take this opportunity to express my gratitude to the Board and all staff members for their dedication, professionalism and determination to succeed.

FOK Kin-ning, Canning

Chairman

Hong Kong, 8 March 2010