

Highlights

	For the six months ended 30 June 2016 HK\$ millions	For the six months ended 31 December 2015 HK\$ millions	For the six months ended 30 June 2015 HK\$ millions	1H 2016 vs 2H 2015 Change	1H 2016 vs 1H 2015 Change
Consolidated revenue	5,324	11,022	11,020	-52%	-52%
Consolidated service revenue	3,826	3,804	3,870	+1%	-1%
Consolidated hardware revenue	1,498	7,218	7,150	-79%	-79%
Consolidated EBITDA ⁽¹⁾	1,253	1,332	1,456	-6%	-14%
Consolidated service EBITDA ⁽²⁾	1,233	1,202	1,281	+3%	-4%
Consolidated EBIT ⁽³⁾	556	641	789	-13%	-30%
Consolidated service EBIT	536	511	614	+5%	-13%
Profit attributable to shareholders	376	407	508	-8%	-26%
Earnings per share (in HK cents)	7.80	8.45	10.54	-8%	-26%
Interim dividend per share (in HK cents)	4.00	N/A	5.20	N/A	-23%

The revenue of the Group was significantly affected by lower hardware revenue in the first half of 2016 as a result of the lack of popular smartphones being available in the market during the period. This in turn impacted adversely on the financial results of the Group for the first half of 2016. In order to provide a better understanding of the business development and performance of the Group since the end of 2015, comparisons with both the results for the first and second halves of 2015 have been made with the latter being more relevant. As noted in the comparison with the second half of 2015, underlying operational performance for the first half of 2016 has seen improvement.

Comparison against the First Half of 2015

- Consolidated service revenue decreased by 1% to HK\$3,826 million.
- Consolidated service EBITDA decreased by 4% to HK\$1,233 million mainly as a result of lower mobile roaming revenue.
- Profit attributable to shareholders decreased by 26% to HK\$376 million.
- Interim dividend per share is 4.00 HK cents.

Comparison against the Second Half of 2015

- Consolidated service revenue was HK\$3,826 million, slightly increased by 1% as a result of improved fixed-line service revenue, partially offset by a drop in mobile roaming revenue.
- Consolidated hardware revenue declined significantly from the second half of 2015 of HK\$7,218 million.
- Consolidated service EBITDA was HK\$1,233 million, increased by 3% as a result of improvement to service operations, as well as a sharp focus on operational efficiency.

Notes:

- (1) EBITDA is defined as earnings before interest income, interest and other finance costs, taxation, depreciation and amortisation, and share of results of joint ventures.
- (2) Service EBITDA is defined as EBITDA excluding standalone handset sales margin.
- (3) EBIT is defined as earnings before interest income, interest and other finance costs, taxation and share of results of joint ventures.