

Other Businesses



i-CABLE's TV business reported strong subscription and airtime sales growth notwithstanding the competitive wide environment

Left: i-CABLE actively participates in various community activities

Right: Wharf T&T reported a record-high net gain in business broadband installed base



The Group's other businesses include i-CABLE, Wharf T&T, The "Star" Ferry Company, Limited ("The Star Ferry") and Hong Kong Air Cargo Terminals Limited ("Hactl").

i-CABLE

i-CABLE's TV business reported strong subscription and airtime sales growth notwithstanding the challenging environment. Operating margin, however, came under pressure partly due to significant non-recurrent costs.

Turnover increased by 14% to HK\$2,002 million. Net loss, however, rose to HK\$267 million as a result of substantial content expenses incurred during 2010. Nevertheless, the financial position remains sound, with net cash of HK\$447 million at year end.

The exclusive content offerings, including Barclays Premier League, 2010 FIFA World Cup, 2010 Winter Olympics, together with the High Definition initiatives, generated a strong recovery in high-yield subscriber base in 2010. Pay TV subscribers grew by 10% to a record-breaking 1,100,000 at the end of 2010. The group has expanded its HD platform to entertainment programmes, and investment in content protection and broadband upgrade continued.

Wharf T&T

Year 2010 was a busy but exciting year for Wharf T&T, with its first key milestone for Wharf T&T's +EN achieved. Wharf T&T aims to bring 'Fibre-To-The-Desk' (FTTD) to 95% of the business customers in the territory by 2013. The company reported a record-high net gain in business broadband installed base, with respectable progress made in network rollout, corporate branding and product competitiveness. Total revenue rose by 2% to HK\$1,680 million and a net profit of HK\$201 million was reported, together with stable net cash inflow.

The ferry crossings of **The Star Ferry** at Victoria Harbour are acclaimed as an important part of the commuter system between Hong Kong Island and Kowloon. The National Geographic Traveler has named the Star Ferry ride as one of "50 places of a lifetime", and the ferry ride is also well known as one of the world's most value-for-money sightseeing trips. In 2010, The Star Ferry operated four inner harbour ferry services, including Tsim Sha Tsui - Central, Tsim Sha Tsui-Wanchai, Central-Hung Hom and Wanchai- Hung Hom, with a daily patronage of 62,700 passengers.

Hactl became an associate of the Group in May 2010. Throughput volume grew by 25% to 2.9 million tonnes in 2010, reflecting a gradual recovery of the global economy.