

HUTCHISON WHAMPOA LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 013)

DISCLOSEABLE TRANSACTION

The Directors are pleased to announce that on 21 December 2005 the Sale and Purchase Agreement was entered into pursuant to which the Vendor, an indirect wholly owned subsidiary of the Company, sold and the Purchaser, purchased, the Sale Shares for a total cash consideration of US\$1,302,256,248.81 (or HK\$10,095,350,892) representing a sale price of HK\$11 per Sale Share. The respective obligations of the Vendor and the Purchaser under the Sale and Purchase Agreement are guaranteed by the Company and OTH respectively. Completion of the Sale occurred on signing of the Sale and Purchase Agreement.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, neither the Purchaser, OTH nor their respective ultimate beneficial owners is a connected person of the Company.

Through the Transaction, the Purchaser has acquired approximately 19.31% of the equity in HTIL and the Company's indirect equity in HTIL will be reduced from 69.11% to approximately 49.8%. After Completion, HTIL ceases to be a subsidiary of the Company and will be accounted for as an associated company of the Company.

On Completion, the Company has realised a profit on disposal of approximately HK\$7,400 million. The Purchaser is also granted the Call Option to purchase from the Vendor an additional 175,326,456 HTIL Shares or such other number of HTIL Shares as is equal to 3.69% of the total number of HTIL Shares in issue at the date of the exercise of the Call Option, exercisable within twelve (12) months after obtaining all regulatory approvals required for the exercise of such option.

The net sale proceeds derived by the Group from the Transaction will be used for its general working capital purposes.

The Transaction and the grant of the Call Option constitute a discloseable transaction for the Company under the Listing Rules. A circular providing further details on the Transaction will be despatched to the shareholders as soon as reasonably practicable.

THE SALE AND PURCHASE AGREEMENT

Date

21 December 2005

Parties

- (1) Vendor
- (2) Purchaser
- (3) Company as vendor guarantor
- (4) OTH as purchaser guarantor

Transaction

The Sale and Purchase Agreement is completed on signing. The Vendor sold, and the Purchaser purchased, at Completion the Sale Shares subject to and in accordance with the terms and conditions of the Sale and Purchase Agreement. The respective obligations of the Vendor and the Purchaser under the Sale and Purchase Agreement are guaranteed by the Company and OTH respectively.

The Sale Shares represents approximately 19.31% of HTIL's issued share capital. HTIL Group is a leading global provider of telecommunications services which currently operates mobile and fixed telecommunications services in Hong Kong and operates or is rolling out mobile telecommunication services in Macau, India, Israel, Thailand, Sri Lanka, Ghana, Indonesia and Vietnam.

The audited net asset value of HTIL as at 31 December 2003 and 2004 was HK\$(6,375) million and HK\$14,287 million respectively. The audited net profits before taxation of HTIL for the financial years ended 31 December 2003 and 2004 were HK\$(101) million and HK\$805 million respectively. The audited net profits after taxation and extraordinary items of HTIL for the financial years ended 31 December 2003 and 2004 were HK\$72 million and HK\$316 million respectively.

Through the Transaction, the Purchaser has acquired approximately 19.31% equity in HTIL and the Company's indirect equity in HTIL is reduced from 69.11% to approximately 49.8%. After Completion, HTIL ceases to be a subsidiary of the Company and will be accounted for as an associated company of the Company.

Consideration

The total cash consideration for the Sale Shares is US\$1,302,256,248.81 (or HK\$10,095,350,892) satisfied in cash and by the issue of the Promissory Note. The sale price of HK\$11 per Sale Share represents a (i) premium of approximately 0.9% to the closing price of the HTIL Shares on 21 December 2005 of HK\$10.90, and (ii) a premium of approximately 2% to the closing price of the HTIL Shares over the 3 weeks up to and including 20 December 2005 of HK\$10.793. Such consideration has been arrived at after arm's length negotiations.

Completion

Completion occurred on 21 December 2005.

At Completion, the Purchaser is also granted the Call Option to acquire from the Vendor additional 175,326,456 HTIL Shares or such other number of HTIL Shares as is equal to 3.69% of the total number of HTIL Shares in issue at the date of the exercise of the Call Option, exercisable within twelve (12) months after obtaining all regulatory approvals required for the exercise of such option. The Call Option may be exercised at a price per HTIL Share equal to the higher of (i) the average of the closing traded price of a HTIL Share for the thirty (30) trading days on the Stock Exchange immediately prior to the date of service of the notice of the Purchaser's intention to exercise the Call Option, and (ii) HK\$11, subject to adjustment for any events occurring after Completion which shall have a diluting or concentrating effect on the market value of the HTIL Shares.

REASONS FOR, BENEFITS OF, THE TRANSACTION

Through implementing the Transaction, the Company has created an opportunity for the strategic co-operation between the HTIL Group and the OTH Group, pursuant to which the two groups will seek to exploit synergy benefits fully between their businesses. The Directors consider the terms of the Sale and Purchase Agreement, including the terms of the Call Option, which are reached based on arms' length negotiations, to be on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

On Completion, the Company realised a profit on disposal of approximately HK\$7,400 million. The net proceeds derived by the Group from the Transaction will be used for its general working capital purposes.

DISCLOSEABLE TRANSACTION

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, neither the Purchaser, OTH nor their respective ultimate beneficial owners is a connected person of the Company.

Applying the relevant percentage ratios resulting from the calculations set out in Listing Rule 14.07, the Transaction and the grant of the Call Option constitute a discloseable transaction for the Company under the Listing Rules. A circular providing further details on the Transaction will be despatched to the shareholders of the Company as soon as reasonably practicable.

GENERAL

The Group operates and invests in five core businesses: ports and related services; property and hotels; retail and manufacturing; energy, infrastructure, finance and investments; and telecommunications.

The Purchaser is an investment holding company. OTH is a leading mobile telecommunications company operating GSM networks in seven countries in the Middle East (namely Algeria, Pakistan, Egypt, Tunisia, Iraq, Bangladesh and Zimbabwe), Africa and South Asia.

As at the date of this announcement, the Directors are:

Executive Directors:

Mr. Li Ka-shing (*Chairman*)
Mr. Li Tzar Kuoi, Victor (*Deputy Chairman*)
Mr. FOK Kin-ning, Canning
Mrs. CHOW WOO Mo Fong, Susan
Mr. Frank John SIXT
Mr. LAI Kai Ming, Dominic
Mr. KAM Hing Lam

Non-executive Directors:

Mr. George Colin MAGNUS
Mr. William SHURNIAK

Independent Non-executive Directors:

The Hon. Sir Michael David KADOORIE
Mr. Holger KLUGE
Mr. William Elkin MOCATTA
(*Alternate to The Hon. Sir Michael David Kadoorie*)
Mr. Simon MURRAY
Mr. OR Ching Fai, Raymond
Mr. WONG Chung Hin
(*Also Alternate to Mr. Simon Murray*)

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"Call Option"	the option granted by the Vendor to the Purchaser on Completion pursuant to the Sale and Purchase Agreement for the acquisition of an additional 175,326,456 HTIL Shares or such other number of HTIL Shares as is equal to 3.69% of the total number of HTIL Shares in issue at the date of the exercise of the Call Option, exercisable within twelve (12) months after obtaining all regulatory approvals required for the exercise of such option
"Company"	Hutchison Whampoa Limited, a limited liability company incorporated in Hong Kong, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code:013)
"Completion"	completion of the sale and purchase of the Sale Shares which occurred on the Completion Date
"Completion Date"	21 December 2005, upon signing of the Sale and Purchase Agreement
"connected person"	shall have the meaning ascribed to that expression in the Listing Rules
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries
"HTIL"	Hutchison Telecommunications International Limited, a limited liability company incorporated in the Cayman Islands, whose shares are listed on the Stock Exchange (Stock Code: 2332) and whose depositary shares are listed on the New York Stock Exchange, Inc. (Ticker: HTX)
"HTIL Group"	HTIL and its subsidiaries
"HTIL Share(s)"	share(s) of HK\$0.25 each in the issued share capital of HTIL
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange
"OTH"	Orascom Telecom Holding (S.A.E.), a company established in accordance with the laws of the Arab Republic of Egypt whose shares are listed on the Cairo and Alexandria Stock Exchange (symbol: ORTE.CA, ORAT.EY) and whose GDRs are traded on the London Stock Exchange (symbol: ORTEq.L and OTLD.L)
"OTH Group"	OTH and its subsidiaries
"Promissory Note"	an interest-bearing note issued by the Purchaser to the Vendor for repayment of US\$1,172,030,623.81 on or before 28 February 2006, the Purchaser's obligations thereunder being guaranteed by OTH and secured by a legal mortgage over the Sale Shares
"Purchaser"	Orascom Telecom Eurasia Limited, the purchaser under the Sale and Purchase Agreement
"Sale and Purchase Agreement"	an unconditional agreement dated 21 December 2005 and made amongst the Vendor, the Purchaser, the Company and OTH for the sale and purchase of the Sale Shares and the grant of the Call Option
"Sale Shares"	917,759,172 HTIL Shares, representing approximately 19.31% of the issued share capital of HTIL as at the date hereof
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Transaction"	the sale and purchase of the Sale Shares for an aggregate consideration of US\$1,302,256,248.81 on terms and conditions set out in the Sale and Purchase Agreement
"Vendor"	Hutchison Telecommunications Investment Holdings Limited, an indirect wholly owned subsidiary of the Company and the vendor under the Sale and Purchase Agreement
"HK\$" / "US\$"	Hong Kong dollars, the lawful currency of Hong Kong / United States dollars, the lawful currency of the United States of America

For the purpose of this announcement and for reference purpose only, an exchange rate of HK\$7.7522 to US\$1.00 is adopted.

By Order of the Board

Edith Shih
Company Secretary

Hong Kong, 21 December 2005

Hutchison Whampoa Limited

