



CHEUNG KONG (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 001)



HUTCHISON WHAMPOA LIMITED

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

JOINT ANNOUNCEMENT CONNECTED TRANSACTIONS

The respective Boards of CKH and HWL wish to announce that Project Co, a company in which each of CKH and HWL has an indirect interest of 47.5% through Forton, won the land bid of CQN Land. The remaining 5% interest in Project Co is held by Independent Party.

On 18 April 2007, Project Co entered into the Land Use Right Grant Contract for the acquisition and development of CQN Land. It is intended that CQN Land will be developed by Project Co into residential and commercial properties.

Pursuant to the Land Use Right Grant Contract, Project Co agreed to pay a total consideration of approximately RMB2,453 million (approximately HK\$2,478 million) to acquire the land use rights of CQN Land. The consideration will be payable by instalments and subject to the other terms and conditions set out therein.

To fund the payment of land costs, construction costs and the development costs (including the cost of demolition of the existing structures and compensation for the settlement of the original occupiers) in relation to CQN Land, the total investment and registered capital of Project Co are proposed to be increased from RMB690 million (approximately HK\$697 million) and RMB230 million (approximately HK\$232 million) respectively to RMB4,542 million (approximately HK\$4,587 million) and RMB2,156 million (approximately HK\$2,178 million) respectively in stages. The contribution to the registered capital of, and any shareholders' loans to, Project Co is expected to be made by CKH and HWL (or their respective subsidiaries) in proportion to their respective effective equity interests in Project Co.

HWL is a substantial shareholder of certain subsidiaries of CKH and hence is a connected person of CKH within the meaning of the Listing Rules. CKH is a substantial shareholder of HWL and hence is a connected person of HWL within the meaning of the Listing Rules. Accordingly, the financial assistance provided or to be provided by way of contribution to increase the registered capital of, and any shareholders' loans to, Project Co in relation to the Acquisition and Development constitute connected transactions for both CKH and HWL under Listing Rule 14A.13(2). As one or more of the relevant percentage ratios represented by the funding contribution of each of CKH and HWL is or are more than 0.1% but less than 2.5%, in accordance with Listing Rule 14A.66(2), such funding contribution is exempt from the independent shareholders' approval requirements and is only subject to the reporting and announcement requirements set out in Listing Rules 14A.45 to 14A.47.

Funding contribution to Forton for the Acquisition and Development through Project Co

Land Use Right Grant Contract

Parties: (1) Chongqing Land Bureau
(2) Project Co

Subject matter: Acquisition of land use rights of CQN Land subject to and on the terms and conditions set out therein.

The respective Boards of CKH and HWL wish to announce that Project Co, a company in which each of CKH and HWL has an indirect interest of 47.5% through Forton, won the land bid of CQN Land. The remaining 5% interest in Project Co is held by Independent Party.

On 18 April 2007, Project Co entered into the Land Use Right Grant Contract for the purpose of acquiring and developing CQN Land. It is intended that CQN Land will be developed by Project Co into residential and commercial properties.

Pursuant to the Land Use Right Grant Contract, Project Co agreed to pay a total consideration of approximately RMB2,453 million (approximately HK\$2,478 million) to acquire the land use rights of CQN Land. The consideration will be payable by instalments and subject to the other terms and conditions set out therein.

To fund the payment of land costs, construction costs and the development costs (including the cost of demolition of the existing structures and compensation for the settlement of the original occupiers) in relation to CQN Land, the total investment and registered capital of Project Co are proposed to be increased from RMB690 million (approximately HK\$697 million) and RMB230 million (approximately HK\$232 million) respectively to RMB4,542 million (approximately HK\$4,587 million) and RMB2,156 million (approximately HK\$2,178 million) respectively in stages.

The contribution to the registered capital of, and any shareholders' loans to, Project Co is expected to be made by CKH and HWL (or their respective subsidiaries) in proportion to their respective effective equity interests in Project Co. The respective interest in Forton will be accounted for by CKH and HWL using equity accounting method. It is currently expected that each of CKH and HWL will provide its contribution for the land costs and portion of the construction costs and the development costs of CQN Land using its internal resources and that Project Co may obtain loans from banks or financial institutions or corporations for the remaining portion of the construction costs and development costs of CQN Land.

Project Co was established in 2004 for owning and developing another piece of land also located at 重慶市南岸區 (Nanan District, Chongqing) at a distance of about 3 kilometres from the CQN Land and currently the principal activities of Project Co are to own and develop such land as well as the CQN Land.

Reasons for the transactions

The entering into the Land Use Right Grant Contract and the acquisition of the land use rights in CQN Land for the development into residential and commercial properties is consistent with one of the core business strategies for both CKH and HWL. The respective Boards of CKH and HWL, including the respective Independent Non-executive Directors of CKH and HWL, consider the terms for the acquisition of CQN Land and the land use rights thereof and for the increase in the total investment of Project Co for the Acquisition and Development to be in the respective interests of CKH and HWL and their respective shareholders, on normal commercial terms and fair and reasonable so far as CKH and HWL and their respective shareholders are concerned.

Connected transactions

HWL is a substantial shareholder of certain subsidiaries of CKH and hence is a connected person of CKH within the meaning of the Listing Rules. CKH is a substantial shareholder of HWL and hence is a connected person of HWL within the meaning of the Listing Rules. Accordingly, the financial assistance provided or to be provided by way of contribution to increase the registered capital of, and any shareholders' loans to, Project Co in relation to the Acquisition and Development constitute connected transactions for both CKH and HWL under Listing Rule 14A.13(2). As one or more of the relevant percentage ratios represented by the funding contribution of each of CKH and HWL is or are more than 0.1% but less than 2.5%, in accordance with Listing Rule 14A.66(2), such funding contribution is exempt from the independent shareholders' approval requirements and is only subject to the reporting and announcement requirements set out in Listing Rules 14A.45 to 14A.47.

General

The principal activities of the CKH Group are investment holding, property development and investment, hotel and serviced suite operation, property and project management and investments in securities. The HWL Group operates and invests in five core businesses: ports and related services; property and hotels; retail; energy, infrastructure, finance & investments and others; and telecommunications.

The directors (*Note*) of CKH as at the date of this announcement are Mr. LI Ka-shing (*Chairman*), Mr. LI Tzar Kuoi, Victor (*Managing Director and Deputy Chairman*), Mr. KAM Hing Lam (*Deputy Managing Director*), Mr. IP Tak Chuen, Edmond (*Deputy Managing Director*), Mr. CHUNG Sun Keung, Davy, Ms. PAU Yee Wan, Ezra, Ms. WOO Chia Ching, Grace and Mr. CHIU Kwok Hung, Justin as Executive Directors; Mr. LEUNG Siu Hon, Mr. FOK Kin-ning, Canning, Mr. Frank John SIXT, Mr. CHOW Kun Chee, Roland and Mr. George Colin MAGNUS as Non-executive Directors; and Mr. KWOK Tun-Ii, Stanley, Mr. YEH Yuan Chang, Anthony, Mr. Simon MURRAY, Mr. CHOW Nin Mow, Albert, Ms. HUNG

Siu-lin, Katherine, Dr. WONG Yick-ming, Rosanna (*also Alternate to Mr. Simon Murray*), Mr. CHEONG Ying Chew, Henry and Mr. KWAN Chiu Yin, Robert as Independent Non-executive Directors.

The directors of HWL as at the date of this announcement are Mr. LI Ka-shing (*Chairman*), Mr. LI Tzar Kuoi, Victor (*Deputy Chairman*), Mr. FOK Kin-ning, Canning (*Group Managing Director*), Mrs. CHOW WOO Mo Fong, Susan (*Deputy Group Managing Director*), Mr. Frank John SIXT (*Group Finance Director*), Mr. LAI Kai Ming, Dominic and Mr. KAM Hing Lam as Executive Directors; Mr. George Colin MAGNUS and Mr. William SHURNIAK as Non-executive Directors; and 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 and Mr. WONG Chung Hin (*also Alternate to Mr. Simon Murray*) as Independent Non-executive Directors.

Definitions

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

“Acquisition and Development”	acquisition of CQN Land and the land use rights thereof pursuant to the Land Use Right Grant Contract and the development thereof;
“Board”	board of directors;
“Chongqing Land Bureau”	重慶市國土資源和房屋管理局 (Chongqing Municipal Bureau of Land Resources and Housing Administration*), a government department in Chongqing, PRC;
“CKH”	Cheung Kong (Holdings) Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 001);
“CKH Group”	CKH and its subsidiaries;
“connected person”	shall have the meaning ascribed to such term in the Listing Rules;
“CQN Land”	the piece of land with an area of approximately 1 million square metres and located at 重慶市南岸區南坪鎮楊家山片區 (Yangjiashan District of Nanping Town, Nanan District, Chongqing*);
“Forton”	Forton Investment Limited, a company incorporated in Hong Kong on 12 March 1992 as an investment holding vehicle and owned indirectly as to 50% by each of CKH and HWL, and represented equally on its board of directors indirectly by CKH and HWL;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HWL”	Hutchison Whampoa Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 013);
“HWL Group”	HWL and its subsidiaries;
“Independent Party”	an entity established under the laws of the PRC which (including its ultimate beneficial owner(s)) is independent of each of CKH and HWL and their respective connected persons;
“Land Use Right Grant Contract”	the contract entered into on 18 April 2007 by Project Co with Chongqing Land Bureau for the acquisition of the land use rights of CQN Land subject to and on the terms and conditions set out therein;
“Listing Rules”	Rules Governing the Listing of Securities on the Main Board of the Stock Exchange;
“PRC”	the People's Republic of China;
“Project Co”	和記黃埔地產 (重慶南岸) 有限公司 (Hutchison Whampoa Properties (Chongqing Nanan) Limited*), a joint venture company established in 2004 in the PRC and owned as to 95% by Forton and 5% by Independent Party;
“RMB”	Renminbi, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

The exchange rate used for reference purpose in this announcement is RMB1.00 to HK\$1.01.

* Name translated for reference purpose only in this announcement.

By Order of the Board
CHEUNG KONG (HOLDINGS) LIMITED
Eirene Yeung
Company Secretary

By Order of the Board
HUTCHISON WHAMPOA LIMITED
Edith Shih
Company Secretary

Hong Kong, 18 April 2007

Note: Other than Chairman, Managing Director and Deputy Managing Directors, order by date of appointment, and in the case of Non-executive Directors (“NED”)/Independent Non-executive Directors (“INED”), order by date of appointment as NED/INED.