

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



**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)

CONNECTED TRANSACTIONS FINANCIAL ASSISTANCE TO CONNECTED PERSON

The respective Boards of CKH and HWL wish to announce that JGEL, a company in which each of CKH and HWL has an indirect 50% equity interest, was successful in the Land bid and has entered into the Land Use Right Transfer Contract with the Changzhou Land Bureau for the Acquisition and Development on 19 February 2008.

Pursuant to the Land Use Right Transfer Contract, JGEL agreed to pay, by instalments, a total consideration of RMB1,200 million (approximately HK\$1,307 million) to acquire the land use right of the Land for a term of 70 years.

Project Co, a new enterprise to be wholly foreign-owned by JGEL, will be established for the purpose of the Acquisition and Development. To fund the payment of the land cost, construction costs and other project costs for the development of the Land, the total investment and registered capital of Project Co are proposed to be RMB1,486 million (approximately HK\$1,618 million) and RMB1,297 million (approximately HK\$1,412 million) respectively. The future contribution to the registered capital of, and any shareholders' loans to, Project Co are expected to be borne by CKH and HWL (or their respective subsidiaries) equally and in proportion to their respective equity interests in Project Co.

HWL is a substantial shareholder of certain subsidiaries of CKH and hence is a connected person of CKH. CKH is a substantial shareholder of HWL and hence is a connected person of HWL. Accordingly, the financial assistance to be provided by way of contribution to the registered capital of Project Co and any shareholders' loans made or to be made to Project Co and/or JGEL for the purpose of the Acquisition and Development constitute or will 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 such funding contribution of each of CKH and HWL is or are more than 0.1% but less than 2.5%, the provision of 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.

Provision of financial assistance to connected person

JGEL, a company in which each of CKH and HWL has an indirect 50% equity interest, was successful in the Land bid and has entered into the Land Use Right Transfer Contract with the Changzhou Land Bureau for the Acquisition and Development on 19 February 2008.

Pursuant to the Land Use Right Transfer Contract, JGEL agreed to pay, by instalments, a total consideration of RMB1,200 million (approximately HK\$1,307 million) to acquire the land use right of the Land for a term of 70 years. It is intended that the Land will be developed for residential purpose.

Project Co, a new enterprise to be wholly foreign owned by JGEL, will be established for the purpose of the Acquisition and Development. To fund the payment of the land cost, construction costs and other project costs for the development of the Land, the total investment and registered capital of Project Co are proposed to be RMB1,486 million (approximately HK\$1,618 million) and RMB1,297 million (approximately HK\$1,412 million) respectively. The future contribution to the registered capital of, and any shareholders' loans to, Project Co are expected to be borne by CKH and HWL (or their respective subsidiaries) equally and in proportion to their respective equity interests in Project Co.

Reasons for, and the benefits of, the transactions

Project Co will be established to engage in the business of property development and investment in the PRC, which is consistent with one of the core business strategies for both CKH and HWL. The respective Boards of CKH and HWL, including their respective Independent Non-executive Directors, consider the terms for the future contribution to the registered capital of Project Co and any shareholders' loans made or to be made to Project Co and/or JGEL for the purpose of the Acquisition and Development to be normal commercial, fair and reasonable and in the interests of the respective shareholders of CKH and HWL.

Connected transactions

HWL is a substantial shareholder of certain subsidiaries of CKH and hence is a connected person of CKH. CKH is a substantial shareholder of HWL and hence is a connected person of HWL. Accordingly, the financial assistance to be provided by way of contribution to the registered capital of Project Co and any shareholders' loans made or to be made to Project Co and/or JGEL for the purpose of the Acquisition and Development constitute or will 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 such funding contribution of each of CKH and HWL is or are more than 0.1% but less than 2.5%, the provision of 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-li, 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 Director 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 Director to The Hon. Sir Michael David Kadoorie*), Mr. OR Ching Fai, Raymond and Mr. WONG Chung Hin 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 the land use right of the Land and the development of the Land into residential properties;
“Board”	board of directors;
“Changzhou Land Bureau”	常州市國土資源局 (Changzhou Land Resources Bureau*), a government department in Changzhou, the 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;
“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;
“JGEL”	Joint Group Enterprises Limited 聯集企業有限公司, a company incorporated in Hong Kong on 30 March 2005 as an investment holding vehicle, in which each of CKH and HWL has an indirect 50% equity interest;
“Land”	the land known as Lot No. 20080203 with a gross area of approximately 80,600 square metres and located at 中國常州市紅梅公園東側及武青路北側 (east of Hongmei Park* and north of Wuqing Road*, Changzhou, the PRC), the subject matter of the Land Use Right Transfer Contract;
“Land Use Right Transfer Contract”	the contract entered into between JGEL and the Changzhou Land Bureau on 19 February 2008 for the Acquisition and Development;
“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”	an enterprise to be established under the laws of the PRC and wholly foreign-owned by JGEL for the Acquisition and Development and proposed to be named as 和記黃埔地產(常州)有限公司 (Hutchison Whampoa Properties (Changzhou) Limited);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;

“RMB” Renminbi, the lawful currency of the PRC; and

“%” per cent.

The exchange rate used for reference purpose only in this announcement is RMB1.00 to HK\$1.089.

** 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, 19 February 2008

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.