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HUTCHISON WHAMPOA LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 013)

CONNECTED TRANSACTIONS

The Directors announce that on 27 May 2004, documents were executed pursuant to which, among other things

- (i) the Company agreed to acquire, or procure the acquisition of, and DoCoMo agreed to sell to the Company (or its nominee(s)), the Sale Shares on the Completion Date at an aggregate cash consideration of the US Dollar equivalent of £120 million (or HK\$1,680 million), payable in instalments of £80 million (or HK\$1,120 million) by no later than 30 September 2004, £20 million (or HK\$280 million) by no later than 31 January 2006 and £20 million (or HK\$280 million) by no later than 15 December 2006;
- (ii) Hutchison Europe, a wholly-owned subsidiary of the Company, acquired from DoCoMo the DoCoMo Shareholder's Loan for the sum of the US Dollar equivalent of £200 million (or HK\$2,800 million) plus interest of £6,438,454.86 (or approximately HK\$90.1 million);
- (iii) the Company is granted an option to apply all or some of the instalments of the purchase price for the Sale Shares in the purchase of HTIL Shares, subject to listing of the HTIL Shares on the Stock Exchange, at the IPO Price for the HTIL Shares in respect of the first instalment and at the trading volume-weighted monthly average price of the HTIL Shares during the month preceding the date on which such shares are purchased in respect of subsequent instalments; and
- (iv) DoCoMo is granted an option to require the Company to purchase or procure the purchase of all the HTIL Shares acquired pursuant to the exercise of the Company's Option having a value of £120 million (or HK\$1,680 million) plus interest and transaction costs at the then market value of the HTIL Shares.

Upon, and subject to, completion of the sale and purchase of the Sale Shares, the Company's shareholding in UK HoldCo will increase from 65% to 85% and upon scheduled completion of the KPN Sale and Purchase Agreement announced on 7 November 2003, UK HoldCo will become a wholly-owned subsidiary of the Company.

DoCoMo is a connected person of the Company by virtue of it being (i) a substantial shareholder of UK HoldCo, currently an indirect non wholly-owned subsidiary of the Company; and (ii) a 24.1% shareholder of HTCL and H3GHK, both of which are indirect non wholly-owned subsidiaries of the Company. The transactions under the Documents constitute connected transactions for the Company under Listing Rules 14A.13(1)(a) and 14A.13(5). As the transactions contemplated in the Documents are on normal commercial terms where each of the percentage ratios (other than the profits ratio) is less than 2.5%, they are according to Listing Rule 14A.32(1) only subject to the reporting and announcement requirements set out in Listing Rules 14A.45 to 14A.47 and are exempt from the independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

SALE AND PURCHASE AGREEMENT

Date: 27 May 2004

Parties:
Purchaser: the Company
Vendor: DoCoMo

Sale and purchase of the Sale Shares

Sale Shares: The entire issued share capital of BDL whose principal assets are 889,097,351 ordinary shares of £1 each in UK HoldCo, representing 20% of the issued share capital of UK HoldCo.

Consideration: The aggregate purchase price for the Sale Shares is the US Dollar equivalent of £120 million (or HK\$1,680 million), payable in three instalments, as to £80 million (or HK\$1,120 million) by no later than 30 September 2004, and as to the subsequent instalments of £20 million (or HK\$280 million) each by no later than 31 January 2006 and 15 December 2006. Unless and except to the extent the Company's Option (described below) is exercised, such purchase price will be paid in cash. If the Company fails to pay, or procure the payment of, an instalment of the purchase price on, or within 21 Business Days of, the relevant due date, then DoCoMo shall have the right at its option to put the Sale Shares to the Company (or its nominee(s)) for the then outstanding balance of the purchase price plus accrued interest thereon up to the date of payment. The put option is exercisable during a three month period commencing six months after the date on which the relevant payment was done but not paid.

The Company will pay interest to accrue on the outstanding amount of the purchase price payable under the Sale and Purchase Agreement.

The parties agreed to apply the same valuation for UK HoldCo as that used in the last sale and purchase transaction entered into involving UK HoldCo with KPN as the vendor pursuant to the KPN Sale and Purchase Agreement. The original purchase cost of the Sale Shares to DoCoMo was stated in the Company's announcement dated 12 July 2000.

The consideration payable under the Sale and Purchase Agreement will be funded by the Company's internal resources.

Signing and Completion of Sale and Purchase Agreement: Upon execution of the Sale and Purchase Agreement, which is not subject to any conditions precedent, (i) the Shareholders' Agreement and all rights, liabilities and all obligations of the Company and DoCoMo respectively thereunder were terminated; (ii) all the DoCoMo Directors resigned from the board of directors of UK HoldCo and UK OpCo respectively; (iii) DoCoMo will continue to receive dividends that will be declared and payable by UK HoldCo with reference to a record date which falls before the Completion Date; and (iv) neither the Company nor DoCoMo will exercise any voting rights in respect of the Sale Shares. Completion of the transfer of the Sale Shares will take place on the Completion Date, or, at the Company's option, on any earlier date on delivery of prior written notice to DoCoMo. Following completion, the Company's indirect shareholding in UK HoldCo will increase from 65% to 85%, and subject also to scheduled completion of the sale and purchase of the KPN Sale and Purchase Agreement, UK HoldCo will become a wholly-owned subsidiary of the Company.

The total assets value of the Sale Shares and the net profits as shown in the management accounts of BDL as at 31 December 2003 was £204 million (or HK\$2,856 million) and nil respectively.

Grant of the Company's Option

Company's Option: The Company is granted, for no separate consideration, an option exercisable on or before 15 December 2006 to apply all or some of the instalments of the purchase price for the Sale Shares payable to DoCoMo in the purchase of HTIL Shares from the Company (or its nominee) for the account of DoCoMo.

Option exercise price: Upon exercise of the Company's Option in respect of the first instalment of the purchase price, up to such number of HTIL Shares as will have an aggregate value determined at IPO Price of the HTIL Shares equal (or as nearly as possible equal) to £80 million will be sold to DoCoMo. Upon the exercise of the Company's Option in respect of each of the second and third instalments of the purchase price, such number of HTIL Shares as will have an aggregate value determined at the trading volume-weighted monthly average price of the HTIL Shares during the month preceding the date on which such shares are purchased equal (or as nearly as possible equal) to £20 million (or HK\$280 million) will be sold to DoCoMo.

Conditions to completion of the Company's Option: Completion of the exercise of the Company's Option is subject to (i) the grant of listing of the HTIL Shares on the Stock Exchange no later than 31 December 2004; and (ii) all necessary approvals and waivers from applicable regulatory bodies or otherwise having been obtained and, (iii) in the case of the Company's Option in respect of payment of the first instalment of purchase price, payment of such instalment will have been made by no later than 30 September 2004. Non-fulfilment of these conditions will not affect the parties' obligation to sell and purchase the Sale Shares.

Lock-up of HTIL Shares: HTIL Shares acquired by DoCoMo pursuant to the exercise of the Company's Option in respect of the first instalment of the purchase price will be subject to a lock-up arrangement, prohibiting DoCoMo from selling such shares without the consent of the Company for a period ending on 31 January 2006 save to the Company (or its nominee(s)) pursuant to the exercise of DoCoMo's Option.

Grant of DoCoMo's Option

DoCoMo's Option and exercise price: DoCoMo is granted, for no separate consideration, an option, exercisable up to 15 January 2007 and only after the Company's Option has been exercised, to require the Company to purchase or procure the purchase of all the HTIL Shares acquired pursuant to the exercise of the Company's Option and not otherwise disposed of by DoCoMo as permitted under the Sale and Purchase Agreement (i) on the earlier of the Completion Date and 15 December 2006, being the final instalment payment date; (ii) at any time from 31 January 2006 if the aggregate value of all the HTIL Shares acquired by DoCoMo pursuant to the exercise of the Company's Option determined by reference to their then market price plus the proceeds of the sale of any of the HTIL Shares pursuant to an exercise of DoCoMo's Option plus all cash payments made to DoCoMo under the Sale and Purchase Agreement should exceed £120 million (or HK\$1,680 million); and (iii) at any time if the aggregate value of all the HTIL Shares acquired pursuant to the exercise of the Company's Option determined by reference to their then market price should fall below 70% of DoCoMo's acquisition price. The purchase price, in the case of (i) and (ii) is the price offered to DoCoMo for the relevant HTIL Shares by a bona fide third party purchaser or, if none, at 95% of their then market price and in the case of (iii) is the then market price of the HTIL Shares.

Other payment obligation: If, upon the exercise of the DoCoMo's Option, the aggregate of the sales proceeds from such sales plus all cash payments made by the Company to DoCoMo under the Sale and Purchase Agreement that are not applied by DoCoMo in the purchase of HTIL Shares plus the value of any HTIL Shares retained by DoCoMo does not exceed £120 million (or HK\$1,680 million) plus interest and transaction costs, then the Company shall pay to DoCoMo in cash an amount equal to that difference.

DOCOMO LOAN NOVATION DEED

Date: 27 May 2004
Parties: the Company
Hutchison Europe
DoCoMo
UK HoldCo

Purpose: Pursuant to this deed, DoCoMo novates to Hutchison Europe all of DoCoMo's rights and obligations under the DoCoMo Loan Agreement for the principal amount of the DoCoMo Shareholder's Loan of £200 million (or HK\$2,800 million) together with interest in the sum of £6,438,454.86 (or approximately HK\$90.1 million) paid in cash in its US Dollar equivalent upon the signing of this deed. The consideration payable under this deed is funded by the Company's internal resources.

Novation Completion: This deed takes effect upon its execution by the parties.

REASONS FOR ENTERING INTO THE CONNECTED TRANSACTIONS

The transactions contemplated by the Sale and Purchase Agreement and the other Document provide the Company with a good opportunity to increase its interests in UK HoldCo by 20%, and the Directors, including its independent non executive Directors, consider the making of such investment on the terms of the Sale and Purchase Agreement and the other Document to be a good and sound investment and accordingly in the interests of the Company and its shareholders.

The grant of the Company's Option and the DoCoMo's Option creates an opportunity for the Company to retain DoCoMo as a partner in the HTIL group, the Company's subsidiary which, as stated in the Company's announcement dated 29 March 2004, has applied to list its shares on the Main Board of the Stock Exchange.

The Directors, including the independent non-executive Directors, consider that the Documents are on normal commercial terms, which have been arrived at after arm's length negotiations between the parties and are fair and reasonable insofar as the shareholders of the Company are concerned.

GENERAL

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

UK HoldCo is an indirect non wholly-owned subsidiary of the Company and is the immediate holding company of UK OpCo, which holds a third generation telecommunications licence in the UK and carries on the business of 3G mobile multimedia services in the UK.

BDL is an investment holding company.

DoCoMo is a connected person of the Company by virtue of it being (i) a substantial shareholder of UK HoldCo, currently an indirect non wholly-owned subsidiary of the Company; and (ii) a 24.1% shareholder of HTCL and H3GHK, both of which are indirect non wholly-owned subsidiaries of the Company. The transactions under the Documents constitute connected transactions for the Company under Listing Rules 14A.13(1)(a) and 14A.13(5). As the transactions contemplated in the Documents are on normal commercial terms where each of the percentage ratios (other than the profits ratio) is less than 2.5%, they are according to Listing Rule 14A.32(1) only subject to the reporting and announcement requirements set out in Listing Rules 14A.45 to 14A.47 and are exempt from the independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

The Company will comply with the connected transaction requirements of Chapter 14A of the Listing Rules in respect of the Company's Option and the DoCoMo's Option when it decides to exercise the Company's Option, not to exercise the Company's Option or transfer the Company's Option to a third party (other than the Company's wholly owned subsidiaries).

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 (*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
Mr. George Colin MAGNUS
Mr. KAM Hing Lam

Non-executive Directors:

Mr. Simon MURRAY
Mr. William SHURNIAK

Independent Non-executive Directors:

Mr. Michael David KADOORIE
Mr. William Elkin MOCATTA
(*Alternate to Mr. Michael David Kadoorie*)
Mr. OR Ching Fai, Raymond
Mr. Peter Alan Lee VINE
Mr. WONG Chung Hin

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

"BDL"	Brilliant Design Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of DoCoMo, whose principal assets are the 889,097,351 ordinary shares of £1 each in the issued share capital of UK HoldCo
"Business Day"	a day, other than Saturday or Sunday, on which commercial banks are open for business in Hong Kong, Tokyo and New York
"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
"Company's Option"	the option granted to the Company to apply all or some of the instalments of the purchase price for the Sale Shares payable to DoCoMo in the purchase of HTIL Shares from the Company (or its nominee) for the account of DoCoMo subject to and in accordance with the terms of the Sale and Purchase Agreement
"Completion Date"	15 February 2007, or an earlier date, at the option of the Company
"Directors"	the directors of the Company
"DoCoMo"	NTT DoCoMo, Inc., a company incorporated in Japan
"DoCoMo Directors"	the three directors nominated to the boards of UK HoldCo and UK OpCo respectively by DoCoMo and their respective alternate directors
"DoCoMo Loan Agreement"	the agreement between DoCoMo, as lender, and UK HoldCo, as borrower, dated 28 April 2003 pursuant to which DoCoMo advanced to UK HoldCo the DoCoMo Shareholder's Loan
"DoCoMo Loan Novation Deed"	the deed dated 27 May 2004 entered into between the Company, Hutchison Europe, DoCoMo and UK HoldCo for the novation of DoCoMo's rights and obligations under the DoCoMo Loan Agreement
"DoCoMo's Option"	the option granted to DoCoMo to require the Company to purchase or procure the purchase of all the HTIL Shares acquired by DoCoMo pursuant to the exercise of the Company's Option subject to and in accordance with the terms and conditions of the Sale and Purchase Agreement
"DoCoMo Shareholder's Loan"	the interest bearing shareholder's loan in the principal amount of £200 million (or HK\$2,800 million) advanced by DoCoMo to UK HoldCo in May 2003 pursuant to the DoCoMo Loan Agreement
"Documents"	the Sale and Purchase Agreement and the DoCoMo Loan Novation Deed both dated 27 May 2004
"Group"	the Company and its subsidiaries
"H3GHK"	Hutchison 3G HK Holdings Limited, a subsidiary of the Company owned indirectly as to 70.9% by the Company, 24.1% by DoCoMo and 5% by an independent third party
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"HTCL"	Hutchison Telephone Company Limited, a subsidiary of the Company owned indirectly as to 70.9% by the Company, 24.1% by DoCoMo and 5% by an independent third party
"HTIL"	Hutchison Telecommunications International Limited, a company incorporated under the laws of the Cayman Islands and a subsidiary of the Company, which has submitted an application to list its shares on the Main Board of the Stock Exchange
"HTIL Shares"	shares of par value HK\$0.25 each in the share capital of HTIL
"Hutchison Europe"	Hutchison Europe Telecommunications S.à r.l., a company incorporated in Luxemburg and a wholly-owned subsidiary of the Company
"IPO Price"	the offer price for the HTIL Shares determined at the proposed initial public offering of the HTIL Shares, the application for the listing of and permission to deal in which on the Main Board of the Stock Exchange was made by HTIL on 29 March 2004
"KPN"	KPN Mobile N.V., a company incorporated in the Netherlands
"KPN Sale and Purchase Agreement"	the agreement dated 7 November 2003 made between KPN and the Company in respect of the sale by KPN of 15% shareholding interest in UK HoldCo for a consideration of £90 million to be completed on 31 December 2007, or an earlier date, at the option of the Company, details of which transaction are more particularly described in the Company's announcement dated 7 November 2003
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Sale and Purchase Agreement"	the agreement dated 27 May 2004 entered into between the Company and DoCoMo for, among others, the sale and purchase of the Sale Shares and the grant of the Company's Option and DoCoMo's Option
"Sale Shares"	the entire issued share capital of BDL whose principal assets are 889,097,351 ordinary shares of £1 each representing 20% of the issued share capital of UK HoldCo
"Shareholders' Agreement"	the shareholders' agreement relating to UK HoldCo entered into on 12 July 2000 between the Company and DoCoMo
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder"	shall have the meaning ascribed to it under the Listing Rules
"UK"	United Kingdom
"UK HoldCo"	Hutchison 3G UK Holdings Limited, a company registered in England and Wales and as at the date hereof indirectly owned as to 65% by the Company, indirectly owned as to 15% by KPN and indirectly owned as to 20% by DoCoMo
"UK OpCo"	Hutchison 3G UK Limited, a company registered in England and Wales and a wholly-owned subsidiary of UK HoldCo
"US Dollar(s)"	the lawful currency of the United States of America for the time being
"£"	the lawful currency of Great Britain for the time being

The exchange rate used for reference purpose in this announcement is HK\$14 to £1.

By Order of the Board

Edith Shih
Company Secretary

Hong Kong, 27 May 2004

Hutchison Whampoa Limited



*Please also refer to the published version of this announcement in
The Standard and Sing Tao Daily.*