

# HUTCHISON WHAMPOA LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 013)

## CONNECTED TRANSACTION

The Board of HWL wishes to announce that Rhine Office and Vember Lord, both indirect wholly owned subsidiaries of the Company, have respectively entered into Placing Agreement with HSBC and UBS for acquisition of new H Shares in China COSCO, a company proposed to be listed on the Main Board of the Stock Exchange.

Pursuant to the Placing Agreement, each of Rhine Office and Vember Lord agrees to acquire such number of new H Shares offered pursuant to the Placing as shall be equal to the maximum number of new H Shares that may be acquired with an amount of US\$75 million at the Offer Price, rounded down to the nearest board lot. The consideration to be funded from internal resources is payable in full on the settlement date as notified to Rhine Office and Vember Lord, which shall in no event be later than 30 June 2005.

COSCO Pacific is a substantial shareholder of a subsidiary of HWL and is an indirect subsidiary of China COSCO. Hence China COSCO is a connected person of HWL within the meaning of the Listing Rules. The Acquisition constitutes a connected transaction for HWL under Listing Rule 14A.13(6). As the relevant percentage ratios represented by the total consideration payable are more than 0.1% but less than 2.5%, such acquisition of new H Shares in China COSCO is according to Listing Rule 14A.32 exempt from the independent shareholders' approval requirements and is subject to the reporting and announcement requirements set out in Listing Rules 14A.45 to 14A.47.

### Acquisition of new H Shares in China COSCO

Rhine Office Placing Agreement

Parties: (1) Rhine Office  
(2) HSBC  
(3) UBS

Date: 10 June 2005

Vember Lord Placing Agreement

Parties: (1) Vember Lord  
(2) HSBC  
(3) UBS

Date: 10 June 2005

The Board of HWL wishes to announce that Rhine Office and Vember Lord, both indirect wholly owned subsidiaries of the Company, have respectively entered into Placing Agreement with HSBC and UBS, the Joint Global Co-ordinators for the Global Offering, for acquisition of new H Shares in China COSCO, a company proposed to be listed on the Stock Exchange.

Pursuant to the Placing Agreement, each of Rhine Office and Vember Lord agrees to acquire such number of new H Shares offered pursuant to the Placing as shall be equal to the maximum number of new Placing Shares that may be acquired with an amount of US\$75 million at the Offer Price, rounded down to the nearest board lot. The consideration to be funded from internal resources is payable in full on the settlement date as notified to Rhine Office and Vember Lord, which shall in no event be later than 30 June 2005.

Based on the information provided to the Company, Rhine Office and Vember Lord are expected to acquire approximately 3% to 4% of the entire issued share capital of China COSCO immediately after the Global Offering (assuming the over-allotment option is not exercised).

### Reason for the transaction

The Acquisition is consistent with one of the core businesses of the HWL Group.

The Board of HWL, including the respective Independent Non-executive Directors of HWL, considers the terms for the Acquisition to be in the interests of the Company and its shareholders, on normal commercial terms and fair and reasonable so far as the Company and its shareholders are concerned.

### Connected transactions

COSCO Pacific is a substantial shareholder of a subsidiary of HWL and is an indirect subsidiary of China COSCO. Hence China COSCO is a connected person of HWL within the meaning of the Listing Rules.

The Acquisition constitutes a connected transaction for the Company under Listing Rule 14A.13(6). As the relevant percentage ratios represented by the total consideration payable are more than 0.1% but less than 2.5%, such Acquisition is according to Listing Rule 14A.32 exempt from the independent shareholders' approval requirements and is subject to the reporting and announcement requirements set out in Listing Rules 14A.45 to 14A.47.

### General

The HWL 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.

China COSCO's businesses include the provision of a wide range of container shipping, container terminal, container leasing and freight forwarding and shipping agency services across the container shipping value chain.

Based on the information provided to the Company, for the financial years ended 31 December 2003 and 31 December 2004, China COSCO's profits before taxation were RMB2,642,073,000 (approximately HK\$2,484 million) and RMB5,411,201,000 (approximately HK\$5,087 million) and profits after taxation and minority interest were RMB1,742,228,000 (approximately HK\$1,638 million) and RMB4,157,960,000 (approximately HK\$3,908 million). The net asset value of China COSCO as at 31 December 2004 was RMB7,449,204,000 (approximately HK\$7,002 million).

As at the date of this announcement, the directors of the Company 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. George Colin MAGNUS  
Mr. KAM Hing Lam

#### Non-executive Director:

Mr. William SHURNIAK

#### Independent Non-executive Directors:

Mr. Michael David KADOORIE  
Mr. Holger KLUGE  
Mr. William Elkin MOCATTA  
(*Alternate to Mr. 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, unless the context otherwise requires, the following expressions have the following meanings:

"Acquisition"	acquisition of new H Shares in China COSCO pursuant to the Placing Agreements;
"Board"	board of directors;
"China COSCO"	China COSCO Holdings Company Limited, a joint stock limited company established in the PRC and proposed to be listed on the Main Board of the Stock Exchange;
"COSCO Pacific"	COSCO Pacific Limited, a company whose shares are listed on the Stock Exchange, and an indirect subsidiary of China COSCO;
"Global Offering"	global offering comprising the Placing and public offer of H Shares of China COSCO;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"HSBC"	The Hongkong and Shanghai Banking Corporation Limited, one of the Joint Global Co-ordinators of the Global Offering;
"HWL" or "the Company"	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;
"Listing Rules"	Rules Governing the Listing of Securities on the Main Board of the Stock Exchange;
"Offer Price"	the final offer price for each H Share of China COSCO offered pursuant to the Global Offering, such price to be agreed upon by inter alia, China COSCO, HSBC and UBS;
"Placing"	placing of H Shares of China COSCO, as part of the Global Offering;
"Placing Agreements"	Rhine Office Placing Agreement and Vember Lord Placing Agreement;
"PRC"	the People's Republic of China;
"Rhine Office"	Rhine Office Investments Limited, an indirect wholly owned subsidiary of the Company;
"Rhine Office Placing Agreement"	placing agreement entered into between Rhine Office, HSBC and UBS on 10 June 2005 in relation to the Placing;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"UBS"	UBS AG acting through its business group UBS Investment Bank, one of the Joint Global Co-ordinators of the Global Offering;
"Vember Lord"	Vember Lord Limited, an indirect wholly owned subsidiary of the Company;
"Vember Lord Placing Agreement"	placing agreement entered into between Vember Lord, HSBC and UBS on 10 June 2005 in relation to the Placing; and
"US\$"	United States Dollars, the lawful currency of the United States of America.

The exchange rates used for reference purpose in this announcement are HK\$7.80 to US\$1.00 and RMB1.00 to HK\$0.94.

By Order of the Board

Edith Shih

Company Secretary

Hong Kong, 10 June 2005

Hutchison Whampoa Limited



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