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HUTCHISON WHAMPOA LIMITED
和記黃埔有限公司
(incorporated in Hong Kong with limited liability)
(Stock Code: 013)



Hutchison Telecom

HUTCHISON TELECOMMUNICATIONS
INTERNATIONAL LIMITED
和記電訊國際有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 2332)

JOINT ANNOUNCEMENT
CONNECTED TRANSACTIONS

The HWL Board and the HTIL Board announce that on 17 December 2005, JKF and UMT entered into the Loan Agreement for a term loan facility of up to INR5,100 million (or approximately US\$113.2 million or HK\$877.5 million) on a joint and several basis entitling the Lender to request that JKF and/or UMT repay the Lender an amount equivalent to the total outstanding indebtedness under the Term Loan Facility.

On 19 December 2005, HTIL entered into the SBLC Credit Agreement to procure the issue of a short term one year SBLC with a face value of up to US\$125 million (or approximately HK\$969 million) in support of the obligations of JKF and UMT in respect of the Term Loan Facility.

Each of JKF and UMT is an indirect non wholly owned subsidiary of both HWL and HTIL and a connected person of HWL and HTIL by virtue of it being an associate of the Kotak Mahindra Group, which is also a substantial shareholder of other Indian subsidiaries of both HWL and HTIL.

The entering into of the Loan Agreement by JKF and UMT on a joint and several basis and the procurement of the SBLC by HTIL each constitutes a connected transaction for both HWL and HTIL under Listing Rule 14A.13(2)(a)(i). As the Loan Agreement and the provision of the SBLC are each on normal commercial terms and the relevant percentage ratios for both HWL and HTIL are more than 0.1% but less than 2.5%, the provision of such financial assistance is according to Listing Rule 14A.66(2)(a) only subject to the reporting and announcement requirements set out in Listing Rules 14A.45 to 14A.47 and is exempt from the independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

On 17 December 2005, JKF and UMT entered into the Loan Agreement for a term loan facility of up to INR5,100 million (or approximately US\$113.2 million or HK\$877.5 million) on a joint and several basis entitling the Lender to request that JKF and/or UMT repay the Lender an amount equivalent to the total outstanding indebtedness under the Term Loan Facility.

On 19 December 2005, HTIL entered into the SBLC Credit Agreement to procure the issue of a short term one year SBLC of up to US\$125 million (or approximately HK\$969 million) in support of the obligations of JKF and UMT in respect of the Term Loan Facility.

LOAN AGREEMENT

Date : 17 December 2005

The Parties : (1) JKF and UMT as borrowers (on a joint and several basis)
(2) the Lender

Term Loan Facility : A term loan facility of up to INR5,100 million (or approximately US\$113.2 million or HK\$877.5 million) subject to and in accordance with the terms and conditions of the Loan Agreement

Terms and conditions : on normal commercial terms

To the best of the knowledge of the HWL Directors, information and belief and having made all reasonable enquiries, the Lender and its ultimate beneficial controlling owners are third parties independent of HWL and connected persons of HWL.

To the best of the knowledge of the HTIL Directors, information and belief and having made all reasonable enquiries, the Lender and its ultimate beneficial controlling owners are third parties independent of HTIL and connected persons of HTIL.

SBLC CREDIT AGREEMENT

Date : 19 December 2005

Parties : (1) HTIL as SBLC applicant
(2) SBLC Issuer

Facility : US\$125 million (or approximately HK\$969 million) as security for the obligations of JKF and UMT in respect of the Term Loan Facility

Terms and conditions : on normal commercial terms

To the best of the knowledge of the HWL Directors, information and belief and having made all reasonable enquiries, the SBLC Issuer and its ultimate beneficial controlling owners are third parties independent of HWL and connected persons of HWL.

To the best of the knowledge of the HTIL Directors, information and belief and having made all reasonable enquiries, the SBLC Issuer and its ultimate beneficial controlling owners are third parties independent of HTIL and connected persons of HTIL.

HTIL is entitled to receive from JKF and UMT a credit support fee at a normal commercial rate for procuring the issue of the SBLC.

REASONS FOR ENTERING INTO THE CONNECTED TRANSACTIONS

JKF and UMT hold part of the HWL Group and HTIL Group's economic interest in Hutchison Essar Limited ("HEL"), the HWL Group and HTIL Group's operating company in India that also holds the shares in the HWL Group and HTIL Group's other five operating companies in India. The HWL Group and HTIL Group bear a significant degree of economic risk and reward in relation to HEL and have the benefit of call options over all of the shares in JKF and UMT that are not presently held by the HWL Group and HTIL Group. A substantial part of the funding to be provided under the Term Loan Facility is to enable JKF and UMT to acquire shares to be issued by HEL pursuant to a rights issue. This equity funding will be used to continue the expansion of the HWL Group's and HTIL Group's business in India and ensure that the HWL Group and HTIL Group maintain their present level of economic interest in HEL interest held through minority stakes in HEL. The HWL Board and the HTIL Board consider it in the interests of HTIL to provide financial assistance to JKF and UMT in order to preserve the value of the HWL Group and HTIL Group's interest in HEL.

JKF and UMT have agreed to be jointly and severally liable in respect of the Term Loan Facility in order to maximise their flexibility in utilising the Term Loan Facility for funding and operational purposes.

The HWL Board, including the Independent Non-executive HWL Directors, consider that the Loan Agreement, the SBLC Credit Agreement and the provisions of financial assistance as mentioned hereinabove are on normal commercial terms, which were arrived at after arm's length negotiations between the parties, and are fair and reasonable insofar as the shareholders of HWL are concerned.

The HTIL Board, including the Independent Non-executive HTIL Directors, consider that the Loan Agreement, the SBLC Credit Agreement and the provisions of financial assistance as mentioned hereinabove are on normal commercial terms, which were arrived at after arm's length negotiations between the parties, and are fair and reasonable insofar as the shareholders of HTIL are concerned.

GENERAL

The HWL Group operates and invests in five core businesses: ports and related services; property and hotels; retail and manufacturing; energy and infrastructure, finance and investments; and telecommunications. The HTIL Group is a global provider of telecommunications services.

Each of JKF and UMT is a holding company in respect of part of the HWL Group and HTIL Group's interest in telecommunications operators in India. Each of them is an indirect non wholly owned subsidiary of both HWL and HTIL and a connected person of HWL and HTIL by virtue of it being an associate of the Kotak Mahindra Group, which is also a substantial shareholder of other Indian subsidiaries of both HWL and HTIL.

The entering into of the Loan Agreement by JKF and UMT on a joint and several basis and the procurement of the SBLC each constitutes a connected transaction for HWL and HTIL under Listing Rule 14A.13(2)(a)(i). As the Loan Agreement and the provision of the SBLC are each on normal commercial terms and the relevant percentage ratios for both HWL and HTIL are more than 0.1% but less than 2.5%, the provision of such financial assistance is according to Listing Rule 14A.66(2)(a) only subject to the reporting and announcement requirements set out in Listing Rules 14A.45 to 14A.47 and is exempt from the independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

As at the date of this announcement, the HWL Directors and HTIL Directors are:

HWL:

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 SHURINAK

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*)

HTIL:

Executive Directors:
Mr. Dennis Pok Man LUI
Mr. Tim PENNINGTON
Mr. CHAN Ting Yu
(*Alternate to Mr. Dennis Pok Man Lui*)
Mr. WOO Chiu Man, Cliff
(*Alternate to Mr. Tim Pennington*)

Non-executive Directors:

Mr. FOK Kin-ning, Canning
Mrs. CHOW WOO Mo Fong, Susan
(*Alternate to Mr. Fok Kin-ning, Canning*)
Mr. Frank John SIXT
Ms. NARDI, Kar Wai Agnes
(*Alternate to Mr. Frank John Sixt*)
Mr. Naguib SAWIRIS
Mr. Aldo MAREUSE
Mr. Martin MICHELMAYR
(*Alternate to Mr. Naguib Sawiris*)
Mr. Ragy SOLIMAN
(*Alternate to Mr. Aldo Mareuse*)

Independent Non-executive Directors:

Mr. KWAN Kai Cheong
Mr. John W. STANTON
Mr. Kevin WESTLEY

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

"associate" shall have the meaning ascribed to it in the Listing Rules

"connected person" shall have the meaning ascribed to that expression in the Listing Rules of the Hong Kong Special Administrative Region of the People's Republic of China

"Hong Kong" Hutchison Telecommunications International Limited, a company incorporated in the Cayman Islands, whose securities are listed on the Main Board of the Stock Exchange (Stock Code: 2332)

"HTIL" the board of HTIL Directors

"HTIL Board" directors of HTIL

"HTIL Directors" HTIL and its subsidiaries

"HTIL Group" Hutchison Whampoa Limited, a company incorporated in Hong Kong, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 013)

"HWL" the board of HWL Directors

"HWL Board" directors of HWL

"HWL Directors" HWL and its subsidiaries

"HWL Group" JayKay Finholding (India) Private Limited, an indirect non wholly owned subsidiary of HWL and HTIL and a connected person of HWL and HTIL by virtue of it being an associate of the Kotak Mahindra Group

"JKF" Kotak Mahindra Capital Co., a company incorporated in India, and its subsidiaries

"Kotak Mahindra Group" the lender under the Term Loan Facility, being a financial institution independent of HWL and of HTIL

"Lender" Rules Governing the Listing of Securities on the Main Board of the Stock Exchange

"Listing Rules" the loan agreement dated 17 December 2005 entered into between JKF and UMT as borrowers and the Lender in respect of the Term Loan Facility

"Loan Agreement" shall have the same meaning ascribed to that expression in the Listing Rules

"percentage ratios" the credit agreement dated 19 December 2005 and made between HTIL and the SBLC Issuer in relation to the SBLC

"SBLC Credit Agreement" the issuer of the SBLC, being a financial institution independent of HWL and of HTIL

"SBLC Issuer" a short term one year standby letter of credit in the amount of US\$125 million (approximately HK\$969 million) issued by the SBLC Issuer on 19 December 2005 pursuant to the terms of the SBLC Credit Agreement

"SBLC" The Stock Exchange of Hong Kong Limited

"Stock Exchange" has the meaning ascribed to it in Listing Rule 1.01

"subsidiary" the term loan facility in the principal amount of INR5,100 million (or approximately US\$113.2 million or HK\$877.5 million) provided by the Lender to JKF and UMT pursuant to the terms of the Loan Agreement

"Term Loan Facility" Usha Martin Telematics Limited, a company incorporated in India and a non wholly owned subsidiary of HWL and HTIL and a connected person by virtue of it being associate of the Kotak Mahindra Group

"UMT" Hong Kong Dollars, the lawful currency of Hong Kong

"HK\$" Indian Rupee, the lawful currency of India

"INR" United States Dollars, the lawful currency of the United States of America

"US\$" For the purpose of this announcement and for reference only, exchange rates of HK\$7.7522 to US\$1.00 and HK\$1.00 to INR\$5.80 are adopted.

By Order of the Board
Hutchison Whampoa Limited
Edith Shih
Company Secretary

By Order of the Board
Hutchison Telecommunications
International Limited
Edith Shih
Company Secretary

Hong Kong, 21 December 2005

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