



CHEUNG KONG (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 001)

CONNECTED TRANSACTION

On 6th February, 2006, the CKH Group provided a guarantee on a several basis for JVCo in respect of 50% of the obligations under a loan facility made available by an independent financial institution. The guarantee will last for a period equivalent to the term of the loan facility plus 18 months.

The financial assistance provided by the CKH Group to JVCo by way of the provision of the guarantee in respect of the loan facility to JVCo constitutes a connected transaction for CKH under Listing Rule 14A.13(2). As the relevant percentage ratios represented by such amount of guarantee exceed 0.1% but are less than 2.5% as determined in accordance with Listing Rule 14A.66(2), the provision of financial assistance is exempt from the independent shareholders' approval requirements but is subject to the reporting and announcement requirements set out in Listing Rules 14A.45 to 14A.47.

PROVISION OF FINANCIAL ASSISTANCE

On 6th February, 2006, the CKH Group provided a guarantee on a several basis for JVCo in respect of 50% of the obligations under a term loan facility of HK\$660 million in principal amount made available by an independent financial institution. The guarantee will last for a period equivalent to the term of the loan facility plus 18 months.

The financial assistance by way of guarantee was provided by indirect subsidiaries of CKH and HWL severally on a 50:50 basis.

In respect of the guarantee provided, JVCo has agreed to pay to each of the indirect subsidiaries of CKH and HWL a guarantee fee of 0.25% semi-annually on 50% of the higher of the amount of the loan facility and the principal amount then outstanding under the loan facility.

REASONS FOR THE TRANSACTION

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 and manufacturing; energy, infrastructure, finance and investments; and telecommunications.

JVCo is principally engaged in the business of property development and investment in the PRC and the investment in the Project is consistent with one of the core business strategies for both CKH and HWL. The loan facility is to finance the development costs of the Project undertaken by JVCo, the repayment of shareholders' loan and the issuance of bank guarantees in respect of construction payments relating to the Project.

CONNECTED TRANSACTION

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. JVCo is an associate of HWL within the meaning of the Listing Rules and thus a connected person of CKH.

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GENERAL

The Board of Directors of CKH, including its Independent Non-executive Directors, considers that the terms for the provision of the guarantee in respect of the loan facility to JVCo to be in the interests of CKH and its shareholders, on normal commercial terms and fair and reasonable so far as CKH and its shareholders are concerned.

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, Mr. KWAN Chiu Yin, Robert and Mr. CHEONG Ying Chew, Henry as Independent Non-executive Directors.

DEFINITIONS

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

"associate"	shall have the meaning ascribed to it in the Listing Rules;
"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 it 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;
"JVCo"	Shenzhen Hutchison Whampoa CATIC Properties Limited, a sino-foreign co-operation joint venture held indirectly through a 50/50 joint venture company of CKH and HWL;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"PRC"	the People's Republic of China;
"Project"	Shenzhen Avic Plaza, Shenzhen Futian Lot No. B210-11;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"substantial shareholder"	shall have the meaning ascribed to it in the Listing Rules; and
"HK\$"	Hong Kong Dollars, the lawful currency of Hong Kong.

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

Hong Kong, 6th February, 2006

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.