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HUTCHISON WHAMPOA LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 013)

POSSIBLE DISCLOSEABLE TRANSACTION PROPOSED SEPARATE LISTING OF 3 ITALIA S.p.A (incorporated in Italy with limited liability) ON THE ITALIAN STOCK EXCHANGE

ANNOUNCEMENT

The Board is pleased to announce that an application to Consob and Borsa Italiana respectively for approval of the Global Offering and the listing of the 3 Italia Shares in issue and to be issued under the Global Offering on the MTA of the Italian Stock Exchange was submitted by 3 Italia on 20 September 2005. As required under Practice Note 15 of the Listing Rules, the Company has also applied to the Hong Kong Stock Exchange for approval of the Proposed Separate Listing.

The Proposed Separate Listing will involve the separate listing of the 3 Italia Shares on the MTA of the Italian Stock Exchange. 3 Italia has no present intention to seek a listing of the 3 Italia Shares on the Hong Kong Stock Exchange.

Telecommunications is one of the five core businesses of the Group. The Board believes that the Global Offering will be commercially beneficial for 3 Italia, will enable investors to appraise and assess the performance and potential of the 3 Italia Group separate and distinct from that of the Company and will also be highly beneficial to the Company as it will set a clear and positive market benchmark for measuring the value of all 3G businesses of the Group. Immediately following the Global Offering, the Company will remain as the majority and controlling shareholder of 3 Italia, thereby allowing existing Shareholders to continue to benefit from the expected ongoing development of the 3 Italia Group business following the Global Offering.

3 Italia is a major subsidiary (as defined in the Listing Rules) of the Company, and the Proposed Separate Listing is expected to constitute a material dilution (also as defined in the Listing Rules) of the Company's interest, which will require approval of the Shareholders. A circular providing, among other things, full details of the Proposed Separate Listing and its effects on the Company, the advice of an independent financial adviser, and convening an extraordinary general meeting of the Company to approve the Proposed Separate Listing will be circulated to the Shareholders in due course.

It is intended that an assured entitlement to the 3 Italia Shares by way of a preferential application for the Offer Shares under the Global Offering will be offered to the qualifying Shareholders on terms yet to be finalised, if the Board decides to proceed with the Proposed Separate Listing.

No final decision has yet been made as to whether and when the Proposed Separate Listing and the Global Offering will be launched. There can be no assurance that the necessary regulatory approvals, including approval by the Hong Kong Stock Exchange of the Proposed Separate Listing, the approval by Consob and Borsa Italiana respectively of the Global Offering or the listing of the 3 Italia Shares on the MTA of the Italian Stock Exchange will be granted. Further announcements will be made in relation to the Proposed Separate Listing by the Company, if and when appropriate.

As the Proposed Separate Listing and the Global Offering are subject to, among others, the approval of the Hong Kong Stock Exchange, Consob and Borsa Italiana and the final decision of the Board, 3 Italia Board and the Shareholders, Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company.

This announcement is made pursuant to Listing Rule 13.09(1).

INTRODUCTION

The Board is pleased to announce that an application to Consob and Borsa Italiana respectively for approval of the Global Offering and the listing of the 3 Italia Shares in issue and to be issued under the Global Offering on the MTA of the Italian Stock Exchange was submitted by 3 Italia on 20 September 2005. As required under Practice Note 15 of the Listing Rules, the Company has also applied to the Hong Kong Stock Exchange for approval of the Proposed Separate Listing.

BACKGROUND

3 Italia, currently an approximately 91%-held subsidiary of the Company incorporated in Italy on 17 November 1999, is the holding company in the 3 Italia Group. The 3 Italia Group operates in Italy by offering to its customers mobile telecommunications, mobile media and mobile Internet and data services identified by the trademark "3". In October 2000, 3 Italia, through its wholly owned operating subsidiary, H3G S.p.A., became one of five successful bidders at the auction for UMTS licences in Italy. In March 2003, the 3 Italia Group was the first in Europe to offer UMTS services when it commenced offering services (in the form of video communication services, access to the contents of "3" Portal and mobile Internet and data access), for the consumer market, with a UMTS network coverage of approximately 47% of the population of Italy. At the end of 2004, the 3 Italia Group had achieved approximately 2.8 million customers and had coverage of approximately 74% of the population of Italy and a distribution network made up of approximately 4,400 points of sale. As of 24 August 2005, the 3 Italia Group had approximately 4.522 million customers. 3 Italia also achieved positive EBITDA, after all customer acquisition costs, on a monthly basis, for the month of August 2005.

As for the rest of the telecommunications businesses of the Group, it is intended that the Company will retain its 3G and other mobile telecommunications interests in Australia through its approximately 57.8%-held subsidiary, HTAL, its 3G mobile telecommunications interests in the rest of Western Europe (outside Italy, Portugal, Spain, the Vatican City and San Marino) and its fixed and mobile telecommunications interests in the rest of the world through its approximately 69.1%-held subsidiary, HTIL. The HTIL Group currently operates mobile and fixed telecommunications services in Hong Kong and mobile services also in Macau, India, Israel, Thailand, Sri Lanka and Ghana, and intends to commence service in Vietnam and Indonesia. The Company has also retained its indirect mobile telecommunications-related interests in Argentina but an option has been granted to HTIL to acquire the same at cost plus interest.

To clearly delineate the Group's telecommunications businesses, it is proposed that a tri-partite non-competition agreement be entered into among the Company, 3 Italia and HTIL. The 3 Italia Group will have rights, to the exclusion of the rest of the Group (including the HTIL Group but excluding the 3 Italia Group), to undertake certain defined telecommunications and related businesses ("Defined Businesses") in (i) Italy (where only the 3 Italia Group currently operates), and (ii) Portugal, Spain, Vatican City and San Marino (together being referred to as the "3 Italia Territories"), where neither the Group (including the HTIL Group) nor 3 Italia Group has any telecommunications operations. The Group (excluding the HTIL Group and the 3 Italia Group) will have rights, to the exclusion of the 3 Italia Group and the HTIL Group, to (i) undertake the Defined Businesses in the rest of Western Europe (defined as the European Union member states prior to the 2004 enlargement), Australia, Canada, the Channel Islands, Greenland, Monaco, New Zealand, Norway, Switzerland and the United States (the "HWL Remaining Territories") and (ii) to pursue opportunities to conduct Defined Businesses in the 3 Italia Territories if and to the extent the 3 Italia Group has determined not to pursue the same. The HTIL Group will continue to have rights, to the exclusion of the rest of the Group (including the 3 Italia Group but excluding the HTIL Group), to undertake the Defined Businesses in the rest of the world outside the 3 Italia Territories and the HWL Remaining Territories (together the "HTIL Territories"). There will be certain exceptions to these restrictions, permitting, among other things, certain limited business activities and portfolio investments. Certain of these restrictions will terminate, depending upon whether the Company ceases to control more than 30% of 3 Italia's or HTIL's issued share capital.

INFORMATION ON THE PROPOSED SEPARATE LISTING AND THE GLOBAL OFFERING

It is currently proposed that:

- (1) the Proposed Separate Listing will involve the separate listing of the 3 Italia Shares on the MTA of the Italian Stock Exchange. 3 Italia has no present intention to seek a listing of the 3 Italia Shares on the Hong Kong Stock Exchange;
- (2) the Offer Shares will be offered to the public in Italy for subscription and for placing with certain professional, institutional and other investors in Italy and in certain jurisdictions abroad. 3 Italia is being advised in connection with the Global Offering by the following group of five international banks and two Italian banks who have also been conditionally designated as joint

global co-ordinators for the Global Offering: Goldman Sachs International, HSBC Bank plc, JP Morgan, Merrill Lynch International, Morgan Stanley, Banca IMI and Banca Caboto (Gruppo Intesa). 3 Italia has also retained Lazard as its financial adviser for the Global Offering. Immediately following the Global Offering, the Company will remain the majority and controlling shareholder of 3 Italia;

- (3) the net proceeds of the Global Offering will be for the sole account of 3 Italia and a significant percentage of these are expected to be applied towards retiring the indebtedness of the 3 Italia Group; and
- (4) the Global Offering will include the provision to the qualifying Shareholders of assured entitlements to 3 Italia Shares by way of preferred application in the Global Offering on terms yet to be finalised.

The Global Offering and Proposed Separate Listing will be conditional on, among others, the following:

- (1) the Shareholders passing an ordinary resolution at an extraordinary general meeting of the Company to approve the Proposed Separate Listing;
- (2) all relevant notifications, consents and regulatory approvals (including approval of the Hong Kong Stock Exchange, Consob and Borsa Italiana) required for the implementation of the Proposed Separate Listing and the Global Offering having been obtained, made and/or waived; and
- (3) the obligations of the underwriters under the underwriting agreements to be entered into between, among others, 3 Italia and the underwriters in respect of the Global Offering becoming unconditional (including, if relevant, as a result of the waiver of any condition(s) by or on behalf of the underwriters) and the underwriting agreements not being terminated in accordance with their terms or otherwise, on or before the dates and times to be specified therein.

If such conditions are not satisfied or if the Board or the 3 Italia Board decides not to proceed, the Global Offering and the Proposed Separate Listing will not proceed and the Hong Kong Stock Exchange will be notified accordingly and a further announcement will be published by the Company.

BENEFITS OF THE PROPOSED SEPARATE LISTING AND THE GLOBAL OFFERING

Telecommunications is one of the five core businesses of the Group. The Board believes that the Global Offering will be commercially beneficial for 3 Italia and will also be highly beneficial to the Company as it will, among other things, reduce debts and set a clear and positive market benchmark for measuring the value of all 3G businesses of the Group. The Board also considers the Proposed Separate Listing will further enable the 3 Italia Group to dedicate management focus on specific opportunities arising in developing mobile telecommunications markets in the 3 Italia Territories, attract new investors who are seeking investments in a pure telecommunications company with business in the 3 Italia Territories by providing greater transparency, and provide greater clarity of credit profile for financial institutions who wish to lend against the credit of a pure telecommunications company with business in the 3 Italia Territories. The Board further believes that a separate listing of 3 Italia Shares will enable investors to appraise and assess the performance and potential of the 3 Italia Group separate and distinct from that of the Company. Immediately following the Global Offering, as the Company will remain as the majority and controlling shareholder of 3 Italia, Shareholders will continue to benefit from the expected strong ongoing development of the 3 Italia Group following the Global Offering.

POSSIBLE DISCLOSEABLE TRANSACTION FOR THE COMPANY AND APPROVAL REQUIRED FROM SHAREHOLDERS OF THE COMPANY

As stated above, 3 Italia is a major subsidiary (as defined in the Listing Rules) of the Company, and the Proposed Separate Listing is expected to constitute a material dilution (also as defined in the Listing Rules) of the Company's interest, which will require approval of the Shareholders. The Proposed Separate Listing, if materialised, will constitute a discloseable transaction for the Company. A circular providing, among other things, full details of the Proposed Separate Listing and its effects on the Company, the advice of an independent financial adviser, and convening an extraordinary general meeting of the Company to approve the Proposed Separate Listing will be circulated to the Shareholders.

GENERAL

Shareholders should note that the decisions of the Board and the 3 Italia Board to proceed with the Proposed Separate Listing and the Global Offering respectively are dependent, among other things, on market conditions during the period leading up to the Global Offering. Further, there can be no assurance that approval by the Hong Kong Stock Exchange of the Proposed Separate

Listing or by Consob and Borsa Italiana respectively of the Global Offering or the listing of the 3 Italia Shares in issue and to be issued under the Global Offering on the MTA of the Italian Stock Exchange will be granted. The Company will make further announcements in relation to the Proposed Separate Listing and Global Offering, if and when appropriate.

As the Proposed Separate Listing and the Global Offering are subject to, among others, the approval of the Hong Kong Stock Exchange, Consob and Borsa Italiana and the final decision of the Board, 3G Italia Board and the Shareholders, Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company.

THE DIRECTORS

As at the date of this announcement, the Directors are: 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 and Mr. KAM Hing Lam as Executive Directors; Mr. William SHURNIAK as Non-Executive Director; 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 and Mr. WONG Chung Hin (*also Alternate to Mr. Simon Murray*) as Independent Non-Executive Directors.

DEFINITIONS

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

"3 Italia"	3 Italia S.p.A. (formerly known as Hutchison 3G Italia S.p.A.), currently an approximately 91%-held subsidiary of the Company and which was incorporated in Italy on 17 November 1999;
"3 Italia Board"	the board of directors of 3 Italia;
"3 Italia Group"	3 Italia and its wholly owned and sole subsidiary, H3G S.p.A.;
"3 Italia Share(s)"	ordinary share(s) in the share capital of 3 Italia;
"3 Italia Territories"	shall have the meaning ascribed to it in the section entitled "Background" above;
"Board"	the board of Directors;
"Borsa Italiana"	Borsa Italiana S.p.A., the Italian Stock Exchange, the Italian regulator for approving the listing of the 3 Italia Shares on the MTA of the Italian Stock Exchange;
"Company"	Hutchison Whampoa Limited, a company incorporated in Hong Kong and the shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 13);
"Consob"	<i>Commissione Nazionale per le Società e la Borsa</i> (the National Companies and Stock Exchange Commission), the Italian securities regulator for approving the Global Offering;
"Defined Businesses"	shall have the meaning ascribed to it in the section entitled "Background" above;
"Directors"	directors of the Company;
"EBITDA"	earnings before interest, taxation, depreciation and amortisation;
"Global Offering"	the offer of new 3 Italia Shares to the public in Italy and placing of new 3 Italia Shares with professional, institutional and other investors in Italy and other jurisdictions abroad by way of subscription;
"Group"	the Company and its subsidiaries;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"HTAL"	Hutchison Telecommunications (Australia) Limited, an approximately 57.8%-held subsidiary of the Company, incorporated in New South Wales, Australia and whose shares are listed on the Australian Stock Exchange (Stock Code: HTA);
"HTIL"	Hutchison Telecommunications International Limited, an approximately 69.1%-held subsidiary of the Company, incorporated in the Cayman Islands and whose shares are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 2332) and American Depository shares are listed on New York Stock Exchange, Inc. (Ticker: HTX);
"HTIL Group"	HTIL and its subsidiaries;
"HTIL Territories"	shall have the meaning ascribed to it in the section entitled "Background" above;
"HWL Remaining Territories"	shall have the meaning ascribed to it in the section entitled "Background" above;
"IMT-2000"	a global standard for 3G wireless communications defined by a set of interdependent ITU Recommendations;
"ITU"	International Telecommunications Union, an organisation of the United Nations that oversees cellular standards around the world;
"Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange;
"MTA"	Mercato Telematico Azionario, the electronic equity market organised and managed by Borsa Italiana;
"Offer Shares"	the new 3 Italia Shares to be subscribed under the Global Offering, if made;
"Proposed Separate Listing"	the separate listing of the 3 Italia Shares on the MTA of the Italian Stock Exchange which will constitute a "spin off" by the Company within the meaning of that expression in Practice Note 15 of the Listing Rules;
"Shareholder(s)"	the holders of ordinary shares in the issued share capital of the Company;
"UMTS" or "3G"	a digital mobile communications technology which uses a technology known as W-CDMA to deliver high-speed mobile communications. It is recognised by the ITU as being capable of data transmission speeds of 144kbps or higher and included in the ITU's IMT-2000 standard; and
"W-CDMA"	Wideband Code Division Multiple Access, a 3G wireless standard adopted by the ITU under the name IMT-2000.

By Order of the Board

Edith Shih
Company Secretary

Hong Kong, 20 September 2005

Hutchison Whampoa Limited

