

## HUTCHISON WHAMPOA LIMITED

(Incorporated in Hong Kong with limited liability)

### CONNECTED TRANSACTION

#### Proposed acquisition of interests in Hutchison 3G HK Holdings Limited and Hutchison Telephone Company Limited

On 30 September 2002, the Agreement was entered into by the Company, DoCoMo, NEC, Hutchison 2G HK, Hutchison 3G HK, and Subco (a wholly owned subsidiary of the Company) pursuant to which (i) Subco agrees to subscribe for New Shares representing approximately 5 per cent of the enlarged issued share capital of each of Hutchison 2G HK and Hutchison 3G HK; and (ii) the Company agrees to procure the sale of the entire issued share capital of Subco to NEC, subject to the other terms and conditions contained in the Agreement.

Both Hutchison 2G HK and Hutchison 3G HK, the subject companies, are currently held indirectly as to about 74.63 per cent by the Company and indirectly as to about 25.37 per cent by DoCoMo. Immediately after Completion, each of Hutchison 2G HK and Hutchison 3G HK will be owned indirectly as to approximately 71 per cent by the Company, 24 per cent by DoCoMo and 5 per cent by NEC.

The consideration will be paid in full by way of cash upon Completion, which is conditional upon the Conditions having been fulfilled. The terms of the Agreement were arrived at after arm's length negotiations between the parties thereto and are on normal commercial terms. NEC is not connected with and is independent of the directors, chief executive or substantial shareholders of the Company, its subsidiaries or their respective associates.

As Subco is a wholly owned subsidiary of the Company prior to Completion, the Subscription constitutes a connected transaction for the Company under the Listing Rules. Pursuant to Rule 14.25(1) of the Listing Rules, brief details of the Subscription are required to be disclosed in this announcement, and details of the Subscription will be included in the Company's next published annual report and accounts in accordance with Rule 14.25(1)(A) to (D) of the Listing Rules.

#### THE AGREEMENT

##### Date

30 September 2002

##### Parties

Existing Indirect Shareholders : The Company and DoCoMo  
Subject Companies : Hutchison 3G HK and Hutchison 2G HK  
Subscriber : Subco  
New Investor : NEC

##### Subscription and Subco Sale

Subco has agreed to subscribe for the New Shares and the Company has agreed to procure the sale of the Subco Shares subject to the terms and conditions of the Agreement. The Subco Sale is to occur immediately after the Subscription at Completion.

##### Consideration

The amount of total consideration payable for the subscription of the New Shares is the same as that payable by NEC for the acquisition of the Subco Shares which is US\$73.1 million. Such consideration is payable in full by way of cash on Completion.

##### Conditions of the Agreement

Completion of the Agreement is conditional upon fulfilment of the following Conditions:

- all requisite consents and approvals under certain loan facility documents entered into by Hutchison 2G HK or Hutchison 3G HK for entering into the Agreement and carrying out the transactions contemplated thereby having been obtained; and
- all requisite consents and approvals from the Telecommunications Authority of Hong Kong or Office for the Development of Telecommunications and Information Technology of Macau under the relevant telecommunication licences granted to Hutchison 3G HK, Hutchison 2G HK or their respective subsidiaries for entering into the Agreement and carrying out the transactions contemplated thereby having been obtained.

##### Completion of the Agreement

Completion will take place on the seventh business day after the date on which all the Conditions have been fulfilled, on or before 30 November 2002 or such later date as the parties may agree in writing from time to time. Under the Agreement and subject to fulfilment of the Conditions, each of the Company and DoCoMo waives all its pre-emptive and similar rights so as to permit the issue of the New Shares and consents to Subco proceeding with the Subscription.

#### REASONS FOR THE SUBSCRIPTION AND SUBCO SALE

Hutchison 2G HK and one of its subsidiaries are licensed providers of cellular mobile telephone services in Hong Kong and Macau. Hutchison 3G HK, through a subsidiary, is a licensed operator of UMTS or other third generation mobile services and/or networks in Hong Kong.

Immediately following completion of the Subscription and the Subco Sale, NEC will, through owning Subco, become an indirect holder of approximately 5 per cent of issued shares in each of Hutchison 2G HK and Hutchison 3G HK. The directors of the Company are pleased to bring on board a strategic investor with whom the Hutchison Group has over the years established a long term business relationship especially in the supply of telecommunications wireless equipment and other similar products to the Hutchison Group for global use and of 3G infrastructure systems worldwide.

NEC is not connected with and is independent of the directors, chief executive or substantial shareholders of the Company, its subsidiaries or their respective associates.

The terms of the Agreement were arrived at after arm's length negotiations between the parties thereto and are on normal commercial terms. The directors of the Company, including the independent non executive directors, consider the Subscription (and the Subco Sale) to be in the interests of the Company and its shareholders and the terms of the Subscription (and the Subco Sale) to be fair and reasonable so far as the Company and its shareholders are concerned.

#### CONNECTED TRANSACTION

Both Hutchison 2G HK and Hutchison 3G HK are currently held indirectly as to approximately 74.63 per cent by the Company and 25.37 per cent by DoCoMo. Immediately after Completion, Hutchison 2G HK and Hutchison 3G HK will be owned indirectly as to approximately 71 per cent by the Company, 24 per cent by DoCoMo and 5 per cent by NEC. Prior to Completion, Subco is a wholly owned subsidiary of the Company, and the Subscription, as a transaction between a wholly owned subsidiary and a non wholly owned subsidiary of the Company, constitutes a connected transaction for the Company under the Listing Rules.

Pursuant to Rule 14.25(1) of the Listing Rules, brief details of the Subscription are required to be disclosed in this announcement, and details of the Subscription will be included in the Company's next published annual report and accounts in accordance with Rule 14.25(1)(A) to (D) of the Listing Rules.

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

"Agreement"	the agreement dated 30 September 2002 between the Company, DoCoMo, NEC, Hutchison 2G HK, Hutchison 3G HK and Subco in respect of the Subscription and Subco Sale
"associate"	shall have the meaning ascribed thereto in the Listing Rules
"Company"	Hutchison Whampoa Limited, a limited liability company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange
"Completion"	completion of the Agreement
"Conditions"	conditions precedent to Completion on terms set out in the Agreement
"DoCoMo"	NTT DoCoMo, Inc., a limited liability company incorporated in Japan, the shares of which are listed on the Tokyo Stock Exchange, the London Stock Exchange and the New York Stock Exchange
"Hutchison Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hutchison 2G HK"	Hutchison Telephone Company Limited, a limited liability company incorporated in Hong Kong and an indirect 74.63 per cent owned subsidiary of the Company before Completion
"Hutchison 3G HK"	Hutchison 3G HK Holdings Limited, a limited liability company incorporated in the British Virgin Islands, and an indirect 74.63 per cent owned subsidiary of the Company before Completion
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange
"NEC"	NEC Corporation, a limited liability company incorporated in Japan, whose shares are listed on the Tokyo Stock Exchange
"NEC Group"	NEC and its subsidiaries
"New Shares"	6,291 new shares of HK\$10 each in the share capital of each of Hutchison 2G HK and Hutchison 3G HK, representing about 5 per cent of each of their enlarged issued share capital
"PRC"	the People's Republic of China
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subco"	Pilot Gateway Limited, a limited liability company incorporated under the laws of the British Virgin Islands, a wholly owned subsidiary of the Company prior to Completion
"Subco Sale"	the proposed sale of Subco Shares to NEC subject to the terms and conditions of the Agreement
"Subco Shares"	the two shares of US\$1.00 each in the share capital of Subco representing the entire issued share capital of Subco at Completion
"Subscription"	the proposed subscription of New Shares by Subco subject to the terms and conditions of the Agreement
"UMTS"	Universal Mobile Telecommunications Services
"US\$"	United States Dollars, the lawful currency of the United States of America

By Order of the Board

##### Edith Shih

Company Secretary

Hong Kong, 30 September 2002

Hutchison Whampoa Limited

