



CHEUNG KONG (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 001)



HUTCHISON WHAMPOA LIMITED

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

JOINT ANNOUNCEMENT CONNECTED TRANSACTION

The respective Boards of CKH and HWL wish to announce that on 14th July, 2005, Choicewide, an entity indirectly owned as to 50% by each of CKH and HWL, jointly with the Tendering Parties, have been awarded by Urban Redevelopment Authority of Singapore a tender for Marina Bay Land for the development of a business and financial centre and a single integrated development for public attraction uses. Choicewide, being one of the parties to a joint tender, is interested in one-third of the Acquisition and Development.

Pursuant to the joint tender submitted by Choicewide and the Tendering Parties, Choicewide and the Tendering Parties agreed, (i) to acquire all or part of land parcel A of the Marina Bay Land at a total consideration of up to S\$1,796,238,000 (approximately HK\$8,263 million) (subject to adjustment in case of the exercise of the Parcel A Option) to be paid by instalments; and (ii) subject to the exercise of the Parcel B Option, to acquire land parcel B of the Marina Bay Land at a total consideration of S\$164,040,000 (approximately HK\$755 million) (subject to adjustment). Choicewide shall be responsible for one-third of each of the purchase price of the Acquisition and Development, the option fees in respect of the Parcel A Option and the Parcel B Option in the maximum respective sums of S\$138,613,800 (approximately HK\$638 million) and S\$2,460,600 (approximately HK\$11 million) should the options be exercised, and the applicable taxes (including stamp duty and goods and services tax), fees and costs (including the Parcel A Electric Substation Costs, and should the Parcel B Option be exercised, the Parcel B Electric Substation Costs) relating to the Acquisition and Development.

JVCo, a new joint venture entity to be owned by Choicewide and the Tendering Parties, will be established for the sole purpose of owning and developing phase 1 of land parcel A of the Marina Bay Land. Each of Choicewide and the Tendering Parties will subscribe for shares in the JVCo so that each party shall hold in equal proportion the entire issued share capital of the JVCo.

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. CKH is a substantial shareholder of HWL and hence is a connected person of HWL within the meaning of the Listing Rules. The financial assistance provided or to be provided by each of CKH and HWL to Choicewide by way of contribution to the consideration for the acquisition of the Marina Bay Land and any payment in proportion to their 50/50 interest in Choicewide for the development of a business and financial centre and/or a single integrated development for public attraction uses thereon constitute or will constitute a connected transaction for each of CKH and HWL under Listing Rule 14A.13(2). As one or more of the relevant percentage ratios represented by such contribution amount for each of CKH and HWL are more than 0.1% but less than 2.5%, such contribution or provision of financial assistance is according to Listing Rule 14A.66(2) 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.

Contribution and Provision of Financial Assistance to Choicewide for the Acquisition and Development by JVCo

The respective Boards of CKH and HWL wish to announce that on 14th July, 2005, Choicewide, an entity indirectly owned as to 50% by each of CKH and HWL, jointly with the Tendering Parties, have been awarded by Urban Redevelopment Authority of Singapore a tender for Marina Bay Land for the development of a business and financial centre and a single integrated development for public attraction uses. Choicewide, being one of the parties to a joint tender, is interested in one-third of the Acquisition and Development.

Pursuant to the joint tender submitted by Choicewide and the Tendering Parties, Choicewide and the Tendering Parties agreed, (i) to acquire all or part of land parcel A of the Marina Bay Land at a total consideration of up to S\$1,796,238,000 (approximately HK\$8,263 million) (subject to adjustment in case of the exercise of the Parcel A Option) to be paid by instalments; and (ii) subject to the exercise of the Parcel B Option, to acquire land parcel B of the Marina Bay Land at a total consideration of S\$164,040,000 (approximately HK\$755 million) (subject to adjustment). Such consideration was arrived at after consideration of the market environment. Choicewide shall be responsible for one-third of each of the purchase price of the Acquisition and Development, the option fees in respect of the Parcel A Option and the Parcel B Option in the maximum respective sums of S\$138,613,800 (approximately HK\$638 million) and S\$2,460,600 (approximately HK\$11 million) should the options be exercised, and the applicable taxes (including stamp duty and goods and services tax), fees and costs (including the Parcel A Electric Substation Costs, and should the Parcel B Option be exercised, the Parcel B Electric Substation Costs) relating to the Acquisition and Development.

JVCo, a new joint venture entity to be owned by Choicewide and the Tendering Parties, will be established for the sole purpose of owning and developing phase 1 of land parcel A of the Marina Bay Land. Each of Choicewide and the Tendering Parties will subscribe for shares in the JVCo so that each party shall hold in equal proportion the entire issued share capital of the JVCo.

Reasons for the transaction

The addition of the Marina Bay Land to the landbank is consistent with one of the core business strategies for both CKH and HWL.

The respective Boards of CKH and HWL, including the respective Independent Non-executive Directors of CKH and HWL, consider the contribution and provision of financial assistance to Choicewide for the purpose of Acquisition and Development to be in the interests of CKH and HWL and their respective shareholders, on normal commercial terms and fair and reasonable so far as CKH and HWL and their respective shareholders are concerned.

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. CKH is a substantial shareholder of HWL and hence is a connected person of HWL within the meaning of the Listing Rules.

Any contribution to the consideration for the acquisition of the Marina Bay Land and any payment in proportion to their 50/50 interest in Choicewide for the development of a business and financial centre and/or a single integrated development for public attraction uses thereon is expected to be made equally by CKH Group and HWL Group in proportion to their respective equity interests in Choicewide using their respective internal resources. Such contribution and payments which lead to the financial assistance provided or to be provided by each of CKH and HWL to Choicewide constitute or will constitute a connected transaction for each of CKH and HWL under Listing Rule 14A.13(2). As one or more of the relevant percentage ratios represented by such contribution amount for each of CKH and HWL are more than 0.1% but less than 2.5%, such contribution or provision of financial assistance is according to Listing Rule 14A.66(2) 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 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.

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. George Colin MAGNUS (Deputy Chairman), Mr. KAM Hing Lam (Deputy Managing Director), Mr. CHUNG Sun Keung, Davy, Mr. IP Tak Chuen, Edmond, 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 and Mr. CHOW Kun Chee, Roland 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.

The directors of HWL as at the date of this announcement are Mr. LI Ka-shing (Chairman), Mr. LI Tzar Kuoi, Victor (Deputy Chairman), Mr. FOK Kin-ning, Canning (Group Managing Director), Mrs. CHOW WOO Mo Fong, Susan (Deputy Group Managing Director), Mr. Frank John SIXT (Group Finance Director), Mr. LAI Kai Ming, Dominic, Mr. George Colin MAGNUS and Mr. KAM Hing Lam as Executive Directors; Mr. William SHURNIAK as Non-executive Director; and 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 otherwise requires, the following expressions have the following meanings:

“Acquisition and Development”	taking of the 99-year lease of phase 1 of land parcel A of Marina Bay Land pursuant to a tender for the development of a business and financial centre with a right to exercise the Parcel A Option and the Parcel B Option;
“Bayfront”	Bayfront Development Pte Ltd, an indirectly wholly owned subsidiary of Keppel Land Limited, which is a company incorporated in Singapore;
“Board”	board of directors;
“Choicewide”	Choicewide Group Limited, a company incorporated in the British Virgin Islands, which is indirectly owned as to 50% by each of CKH and HWL;
“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;
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China;
“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”	a joint venture company to be incorporated in Singapore, to be held by Choicewide and each of the Tendering Parties in equal proportion for effecting the Acquisition and Development;
“Listing Rules”	Rules Governing the Listing of Securities on the Main Board of the Stock Exchange;
“Marina Bay Land”	certain parcels of land at Marina Boulevard/Central Boulevard, Singapore with the maximum total gross floor area of 478,000 square metres;
“Parcel A Electric Substation Costs”	cost for provision of a proposed electric substation in Downtown at Marina Bay, Singapore by the Government of Singapore and a third party in the sum of S\$7,200,000 (approximately HK\$33 million);
“Parcel A Option”	option to take up all phases subsequent to phase 1 of land parcel A of the Marina Bay Land to develop a business and financial centre;
“Parcel B Electric Substation Costs”	cost for provision of a proposed electric substation in Downtown at Marina Bay, Singapore by the Government of Singapore and a third party in the sum of S\$480,000 (approximately HK\$2 million);
“Parcel B Option”	option to take up land parcel B of the Marina Bay Land to develop a single integrated development for public attraction uses;
“Sageland”	Sageland Pte Ltd, an indirectly wholly owned subsidiary of Hongkong Land Holdings Limited, which is a company incorporated in Bermuda;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Tendering Parties”	Sageland and Bayfront;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong; and
“S\$”	Singapore Dollars, the lawful currency of Singapore.

The exchange rate used for reference purpose in this announcement is S\$1.00 to HK\$4.60.

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

By Order of the Board
HUTCHISON WHAMPOA LIMITED
Edith Shih
Company Secretary

Hong Kong, 15th July, 2005

Note: Other than Chairman and Managing Director, order by date of appointment, and in the case of Non-executive Director (“NED”)/Independent Non-executive Director (“INED”), order by date of appointment of NED/INED.