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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or otherwise transferred all your shares in **Cheung Kong Infrastructure Holdings Limited**, you should at once hand this circular to the purchaser(s) or to the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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CHEUNG KONG INFRASTRUCTURE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1038)

DISCLOSEABLE TRANSACTION

**ACQUISITION OF EQUITY INTEREST IN
NEW ZEALAND STEEL MINING LIMITED**

16th September, 2008

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DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Shares by the Purchaser from the Vendor pursuant to the Agreement
“Adjustment Date”	the date falling 10 Business Days after the day on which the statement determining the Working Capital is agreed by the relevant persons under the Agreement
“Agreement”	the agreement for the sale and purchase of the Sale Shares entered into amongst the Purchaser, the Company, the Vendor and the Vendor Guarantor on 26th August, 2008
“Board”	the board of Directors
“Business”	the business of iron sands mining and export operations carried on by NZ Steel Mining at Taharoa, Auckland
“Business Day”	any day other than Saturday, Sunday and statutory holidays observed in Auckland or Hong Kong
“Company”	Cheung Kong Infrastructure Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 1038)
“Completion Date”	the date falling 5 Business Days after the later of the date on which all the conditions precedent to completion of the Acquisition are satisfied or waived and the date on which completion of the Excluded Business Separation Agreement takes place, or such other date as the Purchaser and the Vendor may agree in writing
“Director(s)”	director(s) of the Company
“Excluded Business Separation Agreement”	the sale and purchase agreement in agreed form to be entered into by NZ Steel Mining in relation to the sale of certain business of NZ Steel Mining to be excluded from NZ Steel Mining for the purpose of the Acquisition
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Latest Practicable Date”	9th September, 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Letter of Credit”	an irrevocable standard letter of credit in favour of the Vendor issued by an acceptable bank as determined under the Agreement for, in aggregate, an amount that is equal to 10% of the consideration payable for the Sale Shares
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mining Lease Guarantee”	has the meaning as defined under the heading “Conditions Precedent” in the Letter from the Board of this circular
“Model Code”	the model code for securities transactions by Directors adopted by the Company
“NZ Steel Mining”	New Zealand Steel Mining Limited, a company incorporated in New Zealand
“Purchaser”	Ironsands Investments Limited, a company incorporated in New Zealand and an indirect wholly-owned subsidiary of the Company
“Sale Shares”	75,000,000 ordinary shares in the share capital of NZ Steel Mining
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholder(s)”	holders of shares in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Toward Industries Limited, a company incorporated in New Zealand
“Vendor Guarantor”	New Zealand Steel Limited, a company incorporated in New Zealand
“Working Capital”	the working capital of NZ Steel Mining as at the Completion Date as determined in accordance with the Agreement

DEFINITIONS

“Working Capital Adjustment”	if the Working Capital exceeds a certain targeted threshold on the Completion Date, the Purchaser shall pay the excess to the Vendor (with interest), but if the Working Capital falls short of such targeted threshold on the Completion Date, the Vendor shall pay the shortfall to the Purchaser (with interest)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“NZ\$”	New Zealand dollars, the lawful currency of New Zealand
“%”	per cent

Note: In this circular, amounts in NZ\$ are converted into HK\$ at the rate of NZ\$1 : HK\$5.57 for illustrative purposes only.

LETTER FROM THE BOARD



CHEUNG KONG INFRASTRUCTURE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1038)

Directors

Executive Directors

LI Tzar Kuoi, Victor *(Chairman)*

FOK Kin Ning, Canning

(Deputy Chairman)

CHOW WOO Mo Fong, Susan*

Frank John SIXT

TSO Kai Sum

KAM Hing Lam

(Group Managing Director)

IP Tak Chuen, Edmond

(Deputy Chairman)

Andrew John HUNTER

(Chief Operating Officer)

* also alternate to FOK Kin Ning, Canning and Frank John SIXT

Registered Office

Clarendon House
Church Street
Hamilton HM11
Bermuda

Independent Non-executive Directors

CHEONG Ying Chew, Henry

KWOK Eva Lee

SNG Sow-mei alias POON Sow Mei

Colin Stevens RUSSEL

LAN Hong Tsung, David

Alternative Directors

MAN Ka Keung, Simon

(alternate to IP Tak Chuen, Edmond)

Eirene YEUNG

(alternate to KAM Hing Lam)

Principal Place of Business

12th Floor
Cheung Kong Center
2 Queen's Road Central
Hong Kong

Non-executive Directors

LEE Pui Ling, Angelina

Barrie COOK

George Colin MAGNUS

Company Secretary

Eirene YEUNG

16th September, 2008

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION ACQUISITION OF EQUITY INTEREST IN NEW ZEALAND STEEL MINING LIMITED

INTRODUCTION

On 26th August, 2008 before the trading hours of the Stock Exchange, the Purchaser, being an indirect wholly-owned subsidiary of the Company, and the Company entered into the Agreement with the Vendor and the Vendor Guarantor, pursuant to which, among other things, (a) the Purchaser has conditionally agreed to purchase, and the Vendor has conditionally agreed to sell, the Sale Shares representing the entire issued share capital of NZ Steel Mining; (b) the Company agreed to guarantee the performance by the Purchaser of certain of its obligations under the Agreement; and (c) the Vendor Guarantor, being the holding company of the Vendor, agreed to guarantee the performance by the Vendor of its obligations under the Agreement.

LETTER FROM THE BOARD

THE AGREEMENT

Date

26th August, 2008

Parties

- (1) The Purchaser
- (2) The Company as the Purchaser's guarantor
- (3) The Vendor
- (4) The Vendor Guarantor

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and the Vendor Guarantor and their ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

The Directors also confirm to their best knowledge, information and belief, having made all reasonable enquiries, that there is no prior transaction with the Vendor, the Vendor Guarantor or their ultimate beneficial owners which requires aggregation under Rule 14.22 of the Listing Rules.

Subject of the Transaction

Pursuant to the Agreement, the Purchaser will acquire 75,000,000 ordinary shares in the capital of NZ Steel Mining. The Sale Shares represent the entire issued share capital of NZ Steel Mining.

Letter of Credit

Within 4 Business Days of the date of the Agreement, the Purchaser shall deliver the Letter of Credit to the solicitors of the Vendor who will hold the Letter of Credit in accordance with the Agreement. The Letter of Credit has been delivered on 27th August, 2008.

Pursuant to the Agreement, the undrawn Letter of Credit will be returned to the Purchaser upon, amongst other things, due payment of the consideration on the Completion Date or the Agreement becoming void as a result of the conditions not being satisfied or waived pursuant to the Agreement. However, the Letter of Credit will be released to the Vendor to be drawn on by the Vendor if (i) the Purchaser breaches a material provision of the Agreement in a material respect before the Completion Date and fails to remedy the breach within 10 Business Days after notification by the Vendor; or (ii) if the Agreement is terminated as a result of the Purchaser's failure to (a) make any payment under the Agreement; or (b) perform or observe the Agreement in a material respect, and fails to remedy such failure within 10 Business Days after notification by the Vendor.

Consideration

The consideration for the Sale Shares is NZ\$250 million (approximately HK\$1,393 million), as adjusted by the Working Capital Adjustment. The consideration shall be payable by the Purchaser to the Vendor in the following manner:

- (a) NZ\$250 million (approximately HK\$1,393 million) shall be payable on the Completion Date; and

LETTER FROM THE BOARD

(b) the Working Capital Adjustment amount shall be settled on the Adjustment Date.

The consideration for the Sale Shares was determined after arm's length negotiations between the parties on normal commercial terms, having taken into account the Company's valuation of NZ Steel Mining conducted by reference to historical financial performance of the Business, the business plan of the Business and the general industry outlook.

The Company intends to source the funding for payment of the consideration from internal resources.

Conditions Precedent

The Agreement is conditional on:

- (1) the Purchaser obtaining the consent of the Overseas Investment Office under the Overseas Investment Act 2005 in New Zealand;
- (2) the release of the Vendor Guarantor from all obligations relating to the guarantee dated 1st March, 1971 and entered into by the Vendor Guarantor in relation to the mining lease entered into between the landlord of the mining site and NZ Steel Mining on 1st March, 1971 as amended or varied as at the date of the Agreement (the "**Mining Lease Guarantee**");
- (3) satisfaction or waiver of the conditions contained in the Excluded Business Separation Agreement; and
- (4) the representations and warranties given by the Vendor under the Agreement being true and correct when made and remaining true and correct as at the Completion Date except where the failure to be so true and correct would not, individually or in the aggregate, have an extraordinary effect on NZ Steel Mining as agreed under the Agreement.

Each of the parties to the Agreement shall use reasonable endeavours to procure satisfaction of the conditions. The Purchaser, and if requested the Company or a person of at least the equivalent financial standing to the Vendor Guarantor, shall provide a guarantee on the same or substantially the same terms as the Mining Lease Guarantee for the purpose of procuring satisfaction of the condition set out in paragraph (2) above.

All the conditions to the Agreement must be satisfied or waived by 15th December, 2008 or such later date that the Vendor and the Purchaser may agree in writing. If any of the conditions are not satisfied or waived pursuant to the Agreement by such date, then the Agreement shall be voidable at the election of either the Vendor or the Purchaser by notice in writing to the other.

Completion

Completion of the Acquisition shall take place on the Completion Date, during which the Vendor and the Purchaser will, amongst other things, transfer the Sale Shares.

After completion of the Acquisition, the Purchaser will own 100% of the issued capital of NZ Steel Mining. NZ Steel Mining will become an indirect wholly-owned subsidiary of the Company and its accounts will be accordingly consolidated into the Group's financial statements.

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INFORMATION ON THE GROUP, THE VENDOR GUARANTOR AND THE VENDOR

The principal activities of the Group are development, investment and operation of infrastructure businesses in Hong Kong, the Mainland, Australia, New Zealand, the United Kingdom, Canada and the Philippines.

The Vendor is a wholly-owned subsidiary of the Vendor Guarantor which is in turn a wholly-owned subsidiary of BlueScope Steel Limited, a company listed on the Australian Securities Exchange.

The Vendor Guarantor was incorporated in 1965 and is operating as a fully integrated steelworks, producing flat steel products made solely from its feed stock. The Vendor Guarantor is now New Zealand's sole producer of flat rolled steel products for the building, construction, manufacturing and agricultural industries.

INFORMATION ON THE BUSINESS

At completion of the Acquisition, NZ Steel Mining primarily carries on the Business.

Based on the unaudited financial information of the Business prepared on a proforma basis, the total asset value of the Business as at 30th June, 2007 and 30th June, 2008 were approximately NZ\$12.5 million (approximately HK\$70 million) and approximately NZ\$14.5 million (approximately HK\$81 million) respectively. Further, based on the unaudited financial information of the Business prepared on a proforma basis, the net asset value of the Business as at 30th June, 2007 and 30th June, 2008 were approximately NZ\$6.5 million (approximately HK\$36 million) and approximately NZ\$6.8 million (approximately HK\$38 million) respectively.

The unaudited net profits before tax (both before and after interest) attributable to the Business prepared on a proforma basis for the year ended 30th June, 2007 and 30th June, 2008 were approximately NZ\$6.8 million (approximately HK\$38 million) and approximately NZ\$16.5 million (approximately HK\$92 million) respectively. Further, the unaudited net profits after tax (both before and after interest) attributable to the Business prepared on a proforma basis for the year ended 30th June, 2007 and 30th June, 2008 were approximately NZ\$4.6 million (approximately HK\$26 million) and approximately NZ\$11.5 million (approximately HK\$64 million) respectively.

REASON FOR THE ACQUISITION

The Company is a diversified infrastructure investment company with a focus on the development, investment and operation of infrastructure business in Hong Kong, the Mainland, Australia, New Zealand, the United Kingdom, Canada and the Philippines.

The Acquisition reflects the Company's strategy of investing and expanding in infrastructure opportunities in New Zealand, leveraging on the Group's strong financial position and solid experience in infrastructure.

The Directors believe that the terms of the Acquisition are fair and reasonable and in the interests of the Shareholders as a whole.

EFFECT OF THE ACQUISITION ON THE EARNINGS, ASSETS AND LIABILITIES OF THE GROUP

It is expected that the total consideration for the Acquisition will be funded from the Group's internal resources. It is intended that the Company will account for NZ Steel Mining as a subsidiary immediately after the Acquisition.

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Save for the above, the Acquisition has no significant impact on the assets and liabilities of the Company. The Acquisition is not expected to have any significant impact on the earnings of the Company in short term, but is expected to improve the profitability of the Company in the long run.

LISTING RULES IMPLICATIONS

The Acquisition constitutes a discloseable transaction of the Company under Rule 14.06 of the Listing Rules.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

Yours faithfully,
By Order of the Board
CHEUNG KONG INFRASTRUCTURE HOLDINGS LIMITED
LI TZAR KUOI, VICTOR
Chairman

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement in this circular misleading.

2. DISCLOSURE OF INTERESTS

(1) Directors' interests and short positions in shares, underlying shares and debentures

As at the Latest Practicable Date, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange, were as follows:

(i) Long Positions in Shares

Name of Company	Name of Director	Capacity	Number of Ordinary Shares				Total	Approximate % of Shareholding
			Personal Interests	Family Interests	Corporate Interests	Other Interests		
Company	Li Tzar Kuoi, Victor	Beneficiary of trusts	-	-	-	1,912,109,945 (Note 1)	1,912,109,945	84.82%
	Kam Hing Lam	Beneficial owner	100,000	-	-	-	100,000	0.004%
Hutchison Whampoa Limited	Li Tzar Kuoi, Victor	Interest of controlled corporations & beneficiary of trusts	-	-	1,086,770 (Note 3)	2,141,698,773 (Note 2)	2,142,785,543	50.26%
	Kam Hing Lam	Beneficial owner	60,000	-	-	-	60,000	0.001%
	Fok Kin Ning, Canning	Interest of controlled corporation	-	-	4,310,875 (Note 5)	-	4,310,875	0.10%
	Chow Woo Mo Fong, Susan	Beneficial owner	150,000	-	-	-	150,000	0.003%
	Frank John Sixt	Beneficial owner	50,000	-	-	-	50,000	0.001%
	Lan Hong Tsung, David	Beneficial owner	20,000	-	-	-	20,000	0.0004%
	Lee Pui Ling, Angelina	Beneficial owner	38,500	-	-	-	38,500	0.0009%
	George Colin Magnus	Beneficial owner, interest of child or spouse & founder & beneficiary of a discretionary trust	40,000	9,900	-	950,100 (Note 6)	1,000,000	0.02%
	Man Ka Keung, Simon	Beneficial owner & interest of child or spouse	2,770 (Note 7)	2,770 (Note 7)	-	-	2,770	0.00006%

(i) Long Positions in Shares (Cont'd)

Name of Company	Name of Director	Capacity	Number of Ordinary Shares				Total	Approximate % of Shareholding
			Personal Interests	Family Interests	Corporate Interests	Other Interests		
Hongkong Electric Holdings Limited	Li Tzar Kuoi, Victor	Interest of child or spouse & beneficiary of trusts	-	151,000	-	829,599,612 (Note 4)	829,750,612	38.87%
	Lee Pui Ling, Angelina	Beneficial owner	8,800	-	-	-	8,800	0.0004%
Hutchison Harbour Ring Limited	Li Tzar Kuoi, Victor	Beneficiary of trusts	-	-	-	6,399,728,952 (Note 8)	6,399,728,952	71.50%
	Fok Kin Ning, Canning	Interest of controlled corporation	-	-	5,000,000 (Note 5)	-	5,000,000	0.05%
Hutchison Telecommunications (Australia) Limited	Fok Kin Ning, Canning	Beneficial owner & interest of controlled corporation	4,100,000	-	1,000,000 (Note 5)	-	5,100,000	0.68%
	Frank John Sixt	Beneficial owner	1,000,000	-	-	-	1,000,000	0.13%
Hutchison Telecommunications International Limited	Li Tzar Kuoi, Victor	Interest of controlled corporations & beneficiary of trusts	-	-	2,519,250 (Note 3)	2,889,651,625 (Note 9)	2,892,170,875	60.13%
	Fok Kin Ning, Canning	Interest of controlled corporation	-	-	1,202,380 (Note 5)	-	1,202,380	0.025%
	Chow Woo Mo Fong, Susan	Beneficial owner	250,000	-	-	-	250,000	0.005%
	George Colin Magnus	Beneficial owner & interest of child or spouse	13,201	132	-	-	13,333	0.0003%

(ii) Long Positions in Underlying Shares

Name of Company	Name of Director	Capacity	Number of Underlying Shares				Total
			Personal Interests	Family Interests	Corporate Interests	Other Interests	
Company	Li Tzar Kuoi, Victor	Beneficiary of trusts	-	-	-	2 (Note 10)	2
Hutchison Telecommunications International Limited	Frank John Sixt	Beneficial owner	255,000 (Note 11)	-	-	-	255,000
Partner Communications Company Ltd.	Fok Kin Ning, Canning	Interest of controlled corporation	-	-	225,000 (Note 12)	-	225,000
	George Colin Magnus	Beneficial owner	25,000 (Note 13)	-	-	-	25,000

(iii) Long Positions in Debentures

Name of Company	Name of Director	Capacity	Amount of Debentures				Total
			Personal Interests	Family Interests	Corporate Interests	Other Interests	
Hutchison Whampoa International (01/11) Limited	Li Tzar Kuoi, Victor	Interest of controlled corporation	–	–	US\$12,000,000 7% Notes due 2011 (Note 3)	–	US\$12,000,000 7% Notes due 2011
Hutchison Whampoa International (03/13) Limited	Li Tzar Kuoi, Victor	Interest of controlled corporation	–	–	US\$21,000,000 6.5% Notes due 2013 (Note 3)	–	US\$21,000,000 6.5% Notes due 2013
	Fok Kin Ning, Canning	Interest of controlled corporation	–	–	US\$2,500,000 6.5% Notes due 2013 (Note 5)	–	US\$2,500,000 6.5% Notes due 2013
	Man Ka Keung, Simon	Beneficial owner & interest of child or spouse	US\$100,000 6.5% Notes due 2013 (Note 7)	US\$100,000 6.5% Notes due 2013 (Note 7)	–	–	US\$100,000 6.5% Notes due 2013
Hutchison Whampoa International (03/33) Limited	Li Tzar Kuoi, Victor	Interest of controlled corporation	–	–	US\$8,000,000 6.25% Notes due 2014 (Note 3)	–	US\$8,000,000 6.25% Notes due 2014
		Interest of controlled corporation	–	–	US\$15,000,000 7.45% Notes due 2033 (Note 3)	–	US\$15,000,000 7.45% Notes due 2033
	Fok Kin Ning, Canning	Interest of controlled corporation	–	–	US\$2,500,000 5.45% Notes due 2010 (Note 5)	–	US\$2,500,000 5.45% Notes due 2010
		Interest of controlled corporation	–	–	US\$2,500,000 6.25% Notes due 2014 (Note 5)	–	US\$2,500,000 6.25% Notes due 2014
		Interest of controlled corporation	–	–	US\$2,000,000 7.45% Notes due 2033 (Note 5)	–	US\$2,000,000 7.45% Notes due 2033
	Man Ka Keung, Simon	Beneficial owner & interest of child or spouse	US\$200,000 6.25% Notes due 2014 (Note 7)	US\$200,000 6.25% Notes due 2014 (Note 7)	–	–	US\$200,000 6.25% Notes due 2014

Notes:

1. The 1,912,109,945 shares in the Company comprise 1,906,681,945 shares held by a subsidiary of Hutchison Whampoa Limited (“HWL”) and 5,428,000 shares held by Li Ka-Shing Unity Trustee Company Limited (“TUT1”) as trustee of The Li Ka-Shing Unity Trust (“UT1”).

The discretionary beneficiaries of each of The Li Ka-Shing Unity Discretionary Trust (“DT1”) and another discretionary trust (“DT2”) are, inter alia, Mr. Li Tzar Kuoi, Victor, his wife and children, and Mr. Li Tzar Kai, Richard. Each of Li Ka-Shing Unity Trustee Corporation Limited (“TDT1”, which is the trustee of DT1) and Li Ka-Shing Unity Trustcorp Limited (“TDT2”, which is the trustee of DT2) holds units in UT1 but is not entitled to any interest or share in any particular property comprising the trust assets of the said unit trust. TUT1 as trustee of UT1 and its related companies in which TUT1 as trustee of UT1 is entitled to exercise or control the exercise of one-third or more of the voting power at their general meetings (“TUT1 related companies”) hold more than one-third of the issued share capital of Cheung Kong (Holdings) Limited (“CKH”). Certain subsidiaries of CKH in turn together hold more than one-third of the issued share capital of HWL.

The entire issued share capital of TUT1 and of the trustees of DT1 and DT2 are owned by Li Ka-Shing Unity Holdings Limited (“Unity Holdco”). Each of Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Unity Holdco. TUT1 is only interested in the shares of CKH by reason only of its obligation and power to hold interests in those shares in its ordinary course of business as trustee and, when performing its functions as trustee, exercises its power to hold interests in the shares of CKH independently without any reference to Unity Holdco or any of Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard as a holder of the shares of Unity Holdco as aforesaid.

By virtue of the above and as a discretionary beneficiary of each of DT1 and DT2 and as a director of CKH, Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to the shares of CKH held by TUT1 as trustee of UT1 and TUT1 related companies, the shares of HWL held by the subsidiaries of CKH and the shares of the Company held by each of the subsidiary of HWL and TUT1 as trustee of UT1 under the SFO as a Director of the Company. Although Mr. Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Unity Holdco and is a discretionary beneficiary of each of DT1 and DT2, he is not a director of CKH and has no duty of disclosure in relation to the shares of CKH held by TUT1 as trustee of UT1 and TUT1 related companies under the SFO.

2. The 2,141,698,773 shares in HWL comprise:
 - (a) 2,130,202,773 shares held by certain subsidiaries of CKH. By virtue of the interests in shares of CKH in relation to which Mr. Li Tzar Kuoi, Victor has a duty of disclosure under the SFO in the issued share capital of CKH as described in Note 1 above and as a Director of the Company, Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to the said shares of HWL under the SFO; and
 - (b) 11,496,000 shares held by Li Ka-Shing Castle Trustee Company Limited (“TUT3”) as trustee of The Li Ka-Shing Castle Trust (“UT3”). The discretionary beneficiaries of each of the two discretionary trusts (“DT3” and “DT4”) are, inter alia, Mr. Li Tzar Kuoi, Victor, his wife and children, and Mr. Li Tzar Kai, Richard. Each of the trustees of DT3 and DT4 holds units in UT3 but is not entitled to any interest or share in any particular property comprising the trust assets of the said unit trust.

Notes (Cont'd):

The entire issued share capital of TUT3 and the trustees of DT3 and DT4 are owned by Li Ka-Shing Castle Holdings Limited (“Castle Holdco”). Each of Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Castle Holdco. TUT3 is only interested in the shares of HWL by reason only of its obligation and power to hold interests in those shares in its ordinary course of business as trustee and, when performing its functions as trustee, exercises its power to hold interests in the shares of HWL independently without any reference to Castle Holdco or any of Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard as a holder of the shares of Castle Holdco as aforesaid.

By virtue of the above and as a discretionary beneficiary of each of DT3 and DT4 and as a director of HWL, Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to the said shares of HWL held by TUT3 as trustee of UT3 under the SFO as a Director of the Company. Although Mr. Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Castle Holdco and is a discretionary beneficiary of each of DT3 and DT4, he is not a Director of the Company and has no duty of disclosure in relation to the shares of HWL held by TUT3 as trustee of UT3 under the SFO.

3. Such interests are held by certain companies of which Mr. Li Tzar Kuoi, Victor is interested in the entire issued share capital.
4. By virtue of being a Director of the Company and his deemed interest in those shares of the Company as described in Note 1 above, Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to those shares of Hongkong Electric Holdings Limited held through the Company under the SFO.
5. These interests are held by a company which is equally owned by Mr. Fok Kin Ning, Canning and his wife.
6. Such interests are indirectly held by a trust of which Mr. George Colin Magnus is the settlor and a discretionary beneficiary.
7. Such interests are jointly held by Mr. Man Ka Keung, Simon and his wife.
8. Such shares of Hutchison Harbour Ring Limited (“HHR”) are held by certain wholly-owned subsidiaries of HWL.

By virtue of the interests in the shares of HWL in relation to which Mr. Li Tzar Kuoi, Victor has a duty of disclosure under the SFO in the issued share capital of HWL as described in Note 2 above and as a Director of the Company, Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to the said shares of HHR under the SFO.

9. Such shares of Hutchison Telecommunications International Limited (“HTIL”) comprise:
 - (a) 2,889,498,345 ordinary shares of which 52,092,587 ordinary shares and 2,837,405,758 ordinary shares are held by certain wholly-owned subsidiaries of CKH and HWL respectively. By virtue of the interests in the shares of CKH and HWL in relation to which Mr. Li Tzar Kuoi, Victor has a duty of disclosure under the SFO in the issued share capital of CKH and HWL as described in Notes 1 and 2 above and as a Director of the Company, Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to the said shares of HTIL under the SFO; and

Notes (Cont'd):

- (b) 153,280 ordinary shares held by TUT3 as trustee of UT3. Mr. Li Tzar Kuoi, Victor, as a Director of the Company, by virtue of being a discretionary beneficiary of each of DT3 and DT4 and his deemed interests in TUT3 as trustee of UT3 as described in Note 2(b) above, is taken to have a duty of disclosure in relation to the said shares of HTIL under the SFO.
10. Such underlying shares of the Company are held by an indirect wholly-owned subsidiary of CKH by virtue of the HK\$300,000,000 capital guaranteed notes due 2009.
- By virtue of the interests in the shares of CKH taken to have by Mr. Li Tzar Kuoi, Victor under the SFO as described in Note 1 above and as a Director of the Company. Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to the said interest in the underlying shares of the Company under the SFO.
11. Such underlying shares are derived from the 17,000 American Depositary Shares (each representing 15 ordinary shares) in HTIL beneficially owned by Mr. Frank John Sixt.
12. Such underlying shares are derived from the 225,000 American Depositary Shares (each representing one ordinary share) in Partner Communications Company Ltd. ("Partner Communications") held by a company which is equally owned by Mr. Fok Kin Ning, Canning and his wife.
13. Such underlying shares are derived from the 25,000 American Depositary Shares (each representing one ordinary share) in Partner Communications beneficially owned by Mr. George Colin Magnus.

Mr. Li Tzar Kuoi, Victor, by virtue of being a Director of the Company and his interests in the share capital of the Company as a discretionary beneficiary of certain discretionary trusts as described in Note 1 above, is deemed to be interested in those securities of subsidiaries and associated companies of the Company held through the Company and in those securities of the subsidiaries of HWL held through HWL under the SFO.

Save as disclosed above, none of the Directors or chief executives of the Company had, as at the Latest Practicable Date, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(2) Interests and short positions of Shareholders

So far as is known to any Director or chief executive of the Company, as at the Latest Practicable Date, Shareholders (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long Positions of Substantial Shareholders in the Shares and Underlying Shares of the Company

Name	Capacity	Number of Ordinary Shares	Number of Underlying Shares	Total	Approximate % of Shareholding
Hutchison Infrastructure Holdings Limited	Beneficial owner	1,906,681,945 (Note i)	–	1,906,681,945	84.58%
Hutchison International Limited	Interest of controlled corporation	1,906,681,945 (Note ii)	–	1,906,681,945	84.58%
Hutchison Whampoa Limited	Interest of controlled corporations	1,906,681,945 (Note ii)	–	1,906,681,945	84.58%
Cheung Kong (Holdings) Limited	Interest of controlled corporations	1,906,681,945 (Note iii)	2 (Note vi)	1,906,681,947	84.58%
Li Ka-Shing Unity Trustee Company Limited as trustee of The Li Ka-Shing Unity Trust	Trustee	1,912,109,945 (Note iv)	2 (Note vi)	1,912,109,947	84.82%
Li Ka-Shing Unity Trustee Corporation Limited as trustee of The Li Ka-Shing Unity Discretionary Trust	Trustee & beneficiary of a trust	1,912,109,945 (Note v)	2 (Note vi)	1,912,109,947	84.82%
Li Ka-Shing Unity Trustcorp Limited as trustee of another discretionary trust	Trustee & beneficiary of a trust	1,912,109,945 (Note v)	2 (Note vi)	1,912,109,947	84.82%
Li Ka-shing	Founder of discretionary trusts	1,912,109,945 (Note v)	2 (Note vi)	1,912,109,947	84.82%

Notes:

- i. 1,906,681,945 shares of the Company are held by Hutchison Infrastructure Holdings Limited, a subsidiary of HWL. Its interests are duplicated in the interests of HWL in the Company described in Note ii below.
- ii. HWL is deemed to be interested in the 1,906,681,945 shares of the Company referred to in Note i above as it holds more than one-third of the issued share capital of Hutchison International Limited, which holds more than one-third of the issued share capital of Hutchison Infrastructure Holdings Limited.
- iii. CKH is deemed to be interested in the 1,906,681,945 shares of the Company referred to in Note ii above as certain subsidiaries of CKH hold more than one-third of the issued share capital of HWL.
- iv. TUT1 as trustee of UT1 is deemed to be interested in those shares of the Company described in Note iii above as TUT1 as trustee of UT1 and TUT1 related companies hold more than one-third of the issued share capital of CKH and TUT1 as trustee of UT1 holds 5,428,000 shares of the Company.
- v. By virtue of the SFO, each of Mr. Li Ka-shing, being the settlor and may be regarded as a founder of each DT1 and DT2 for the purpose of the SFO, TDT1 as trustee of DT1 and TDT2 as trustee of DT2 is deemed to be interested in the same block of shares TUT1 as trustee of UT1 is deemed to be interested in as referred to in Note iv above as all issued and outstanding units in UT1 are held by TDT1 as trustee of DT1 and by TDT2 as trustee of DT2. More than one-third of the issued share capital of TUT1 and of the trustees of the said discretionary trusts are owned by Unity Holdco. Mr. Li Ka-shing owns one-third of the issued share capital of Unity Holdco.
- vi. Such underlying shares of the Company are held by an indirect wholly-owned subsidiary of CKH by virtue of the HK\$300,000,000 capital guaranteed notes due 2009.

By virtue of the SFO, each of Mr. Li Ka-shing, TDT1, TDT2 and TUT1 is deemed to be interested in the same block of interest in the said underlying shares of the Company held by CKH as described in Note v above.

So far as is known to any Director or chief executive of the Company, as at the Latest Practicable Date, the following shareholders were interested in 10% or more of the equity interests of the following subsidiaries of the Company:

Name of Subsidiary	Name of Shareholder	No. and Class of Shares Held	% of Shareholding	
			Directly	Indirectly
China Cement Company (International) Limited	Bell Investment Limited	300,000 Ordinary	30%	–
Guangdong GITIC Green Island Cement Co. Limited (廣信青州水泥有限公司)	Bell Investment Limited	N/A	–	28.5%
Tangshan Tangle Road Co., Ltd.	唐山市交通開發總公司 (Tangshan City Transportation Development Company*)	N/A	49%	–
Zhumadian Gangma Road Development Co., Ltd.	駐馬店市公路工程開發公司 (Zhumadian City Highway Construction Development Company*)	N/A	34%	–
Zhumadian Gangyi Road Development Co., Ltd.	駐馬店市公路工程開發公司 (Zhumadian City Highway Construction Development Company*)	N/A	34%	–

* Name translated for reference purposes only in this circular

Save as disclosed above, as at the Latest Practicable Date, the Company had not been notified by any persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group, or any options in respect of such capital.

3. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, the interests of Directors or their respective associates (as that term is defined in the Listing Rules) in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group (the "Competing Business") as required to be disclosed pursuant to the Listing Rules were as follows:

(a) Core Business Activities of the Group

- (1) Development, investment and operation of energy infrastructure;
- (2) Development, investment and operation of transportation infrastructure;
- (3) Development, investment and operation of water infrastructure;
- (4) Development, investment and operation and commercialisation of infrastructure related business;
- (5) Investment holding and project management;
- (6) Securities investment; and
- (7) Information technology, e-commerce and new technology.

(b) Interests in Competing Business

Name of Director	Name of Company	Nature of Interest	Competing Business (Note)
Li Tzar Kuoi, Victor	Cheung Kong (Holdings) Limited	Managing Director and Deputy Chairman	(5), (6) & (7)
	Hutchison Whampoa Limited	Deputy Chairman	(1), (5), (6) & (7)
	Hongkong Electric Holdings Limited	Executive Director	(1), (5), (6) & (7)
	CK Life Sciences Int'l., (Holdings) Inc.	Chairman	(6) & (7)
Kam Hing Lam	Cheung Kong (Holdings) Limited	Deputy Managing Director	(5), (6) & (7)
	Hutchison Whampoa Limited	Executive Director	(1), (5), (6) & (7)
	Hongkong Electric Holdings Limited	Executive Director	(1), (5), (6) & (7)
	CK Life Sciences Int'l., (Holdings) Inc.	President and Chief Executive Officer	(6) & (7)
	Spark Infrastructure Group	Non-executive Director	(1) & (5)
Ip Tak Chuen, Edmond	Cheung Kong (Holdings) Limited	Deputy Managing Director	(5), (6) & (7)
	CK Life Sciences Int'l., (Holdings) Inc.	Senior Vice President and Chief Investment Officer	(6) & (7)
	TOM Group Limited	Non-executive Director	(5), (6) & (7)
	CATIC International Holdings Limited	Non-executive Director	(5) & (6)
	Excel Technology International Holdings Limited	Non-executive Director	(5), (6) & (7)
	Shougang Concord International Enterprises Company Limited	Non-executive Director	(1), (5) & (6)
	The Ming An (Holdings) Company Limited	Non-executive Director	(5) & (6)
	ARA Asset Management Limited	Non-executive Director	(5) & (6)
Fok Kin Ning, Canning	Cheung Kong (Holdings) Limited	Non-executive Director	(5), (6) & (7)
	Hutchison Whampoa Limited	Group Managing Director	(1), (5), (6) & (7)
	Hongkong Electric Holdings Limited	Chairman	(1), (5), (6) & (7)
	Hutchison Harbour Ring Limited	Chairman	(7)
	Hutchison Telecommunications International Limited	Chairman	(7)
Andrew John Hunter	Hongkong Electric Holdings Limited	Executive Director	(1), (5), (6) & (7)
	Spark Infrastructure Group	Non-executive Director	(1) & (5)
Chow Woo Mo Fong, Susan	Hutchison Whampoa Limited	Deputy Group Managing Director	(1), (5), (6) & (7)
	Hongkong Electric Holdings Limited	Executive Director and Alternate Director	(1), (5), (6) & (7)
	TOM Group Limited	Non-executive Director	(5), (6) & (7)
	Hutchison Harbour Ring Limited	Executive Director	(7)
	Hutchison Telecommunications International Limited	Non-executive Director and Alternate Director	(7)

(b) Interests in Competing Business (Cont'd)

Name of Director	Name of Company	Nature of Interest	Competing Business (Note)
Frank John Sixt	Cheung Kong (Holdings) Limited	Non-executive Director	(5), (6) & (7)
	Hutchison Whampoa Limited	Group Finance Director	(1), (5), (6) & (7)
	Hongkong Electric Holdings Limited	Executive Director	(1), (5), (6) & (7)
	Hutchison Telecommunications International Limited	Non-executive Director	(7)
	TOM Group Limited	Chairman	(5), (6) & (7)
Tso Kai Sum	Hongkong Electric Holdings Limited	Group Managing Director	(1), (5), (6) & (7)
Lee Pui Ling, Angelina	TOM Group Limited	Non-executive Director	(5), (6) & (7)
George Colin Magnus	Cheung Kong (Holdings) Limited	Non-executive Director	(5), (6) & (7)
	Hutchison Whampoa Limited	Non-executive Director	(1), (5), (6) & (7)
	Hongkong Electric Holdings Limited	Non-executive Director	(1), (5), (6) & (7)

Note: Such businesses may be made through subsidiaries, associated companies or by way of other forms of investments.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors was interested in any business apart from the Group's business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

4. LITIGATION

So far as the Directors are aware, as at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was pending or threatened against the Company or any of its subsidiaries.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has any existing or proposed service contract with any member of the Group which will not expire or is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

6. GENERAL

- (a) The company secretary of the Company is Ms. Eirene Yeung. She is a solicitor of the High Court of the Hong Kong Special Administrative Region and of the Supreme Court of Judicature in England and Wales, and she holds a Master of Science degree in Finance, a Master's degree in Business Administration and a Bachelor's degree in Laws.
- (b) The qualified accountant of the Company is Mr. Chan Loi Shun, Dominic. He is a fellow of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants.

- (c) The registered office of the Company is at Clarendon House, Church Street, Hamilton HM11, Bermuda and the principal place of business of the Company is at 12th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong.
- (d) The principal share registrars and transfer office of the Company is Butterfield Fund Services (Bermuda) Limited, Rosebank Centre, 11 Bermudiana Road, Pembroke HM08, Bermuda. The branch share registrars and transfer office of the Company is Computershare Hong Kong Investor Services Limited, Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (e) The English text of this circular shall prevail over the Chinese text, in case of any inconsistency.

This circular ("Circular") (in both English and Chinese versions) has been posted on the Company's website at www.cki.com.hk.

Shareholders may at any time choose to change your choice of the language of the Company's corporate communications (including but not limited to annual reports, interim reports, notices of meetings, circulars and proxy forms) by notice in writing to the Company's Branch Share Registrars, Computershare Hong Kong Investor Services Limited at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.

Shareholders who have chosen to receive printed copy of the corporate communications in either English or Chinese version will receive both English and Chinese versions of this Circular since both languages are bound together into one booklet.