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CKI/HEI Electricity Distribution Pty Ltd, (the "Purchaser") a company ultimately owned as to 50% by each of Cheung Kong Infrastructure Holdings Limited ("CKI") and Hongkong Electric Holdings Limited ("HEH"), has entered into an agreement (the "Agreement") with PacifiCorp International Group Holdings Company and ScottishPower plc, for the purchase of one hundred percent (100%) of the shares in Pan-Pacific Global Corporation ("Pan-Pacific") and Eastern Investment Company ("Eastern Investment") which together indirectly own all of the electricity distribution and retail assets in Australia of Powercor Australia Limited ("Powercor Australia"). The total purchase price for the acquisition is A\$2,315 million (approximately HK\$10,650 million).

Subject to the satisfaction of certain conditions, the Purchaser may also acquire a 19.9% interest in the Hazelwood generator and dedicated coal mine in Victoria, Australia.

Powercor Australia is one of five (5) electricity distributors and retailers in the state of Victoria, Australia. It has the largest distribution network in Victoria.

CKI and HEH will each guarantee the Purchaser's obligations under the Agreement on a several basis and pro rata to their respective shareholding interests in the Purchaser and limited to an amount of A\$250 million (approximately HK\$1,150 million) each. It is expected that the purchase of the shares in Pan-Pacific and Eastern Investment will be completed before 15th September, 2000 and it is currently intended that funding for the acquisition will be initially provided by a combination of bank facilities to be guaranteed by CKI and HEH on a several basis and pro rata to their respective shareholding interests in the Purchaser.

Hong Kong, 3rd August, 2000

By order of the Board of
Directors of
**CHEUNG KONG INFRASTRUCTURE
HOLDINGS LIMITED**

Eirene Yeung
Company Secretary

By order of the Board of
Directors of
**HONGKONG ELECTRIC HOLDINGS
LIMITED**

Lillian Wong
Company Secretary