



CHEUNG KONG INFRASTRUCTURE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1038)

CONTINUING CONNECTED TRANSACTION

The Board announces that on 16th December, 2005, the Company has entered into the Tenancy Agreement with Turbo Top for the lease of the Premises.

Turbo Top is a connected person of the Company within the meaning of the Listing Rules by virtue of its being a wholly-owned subsidiary of HWL, which in turn is a substantial shareholder of the Company holding approximately 84.58% of the issued share capital of the Company. Accordingly, the Tenancy Agreement constitutes a continuing connected transaction for the Company under Listing Rule 14A.34. As one or more of the relevant percentage ratios represented by the annual cap (as set out herein) in respect of the Tenancy Agreement are more than 0.1% but less than 2.5%, the transaction is only subject to the reporting, announcement and annual review requirements under Listing Rules 14A.45 to 14A.47 and 14A.37 to 14A.41 and is exempt from the independent shareholders' approval requirements under the Listing Rules.

Tenancy Agreement

Parties: (1) The Company as tenant
(2) Turbo Top as landlord

Date: 16th December, 2005

Premises: Office Unit 1202, 12th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong with a lettable floor area of approximately 10,079 square feet

Term: Three years commencing from 1st September, 2005 to 31st August, 2008 (both days inclusive)

Rent: HK\$360,829.00 per month (exclusive of Government rates and other charges) payable monthly in advance

Service charges: HK\$77,608.30 per month (subject to adjustment by Turbo Top) payable monthly in advance

Annual cap

The aggregate rent and service charges payable under the Tenancy Agreement are subject to an annual cap of HK\$5,355,000.00 taking into account of the possible adjustment on the service charges.

Reasons for the transaction

The Company has been leasing the Premises from Turbo Top as the principal business office of the Group in Hong Kong and the relevant lease expired on 31st August, 2005. The Company considers it beneficial to enter into a new lease of the Premises as the principal business office of the Group in Hong Kong in view of the prime location of the Premises and its Grade-A building services, and the saving of relocation costs.

The terms of the Tenancy Agreement are negotiated on an arm's length basis between Turbo Top and the Company with reference to the fair market rent of the Premises based on the valuation report issued by an independent property valuer. The Directors of the Company, including the Independent Non-executive Directors, consider that the transaction is entered into in the ordinary and usual course of business of the Company and that the terms of the Tenancy Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Connected transaction

Turbo Top is a connected person of the Company within the meaning of the Listing Rules by virtue of its being a wholly-owned subsidiary of HWL, which in turn is a substantial shareholder holding approximately 84.58% of the issued share capital of the Company. Accordingly, the Tenancy Agreement constitutes a continuing connected transaction for the Company under Listing Rule 14A.34. As one or more of the relevant percentage ratios represented by the above annual cap in respect of the Tenancy Agreement are more than 0.1% but less than 2.5%, the transaction is only subject to the reporting, announcement and annual review requirements under Listing Rules 14A.45 to 14A.47 and 14A.37 to 14A.41 and is exempt from the independent shareholders' approval requirements under the Listing Rules.

General

The Company is a diversified infrastructure company with a focus in the development, investment and operation of infrastructure businesses currently in Hong Kong, Mainland China, Australia, the United Kingdom, Canada and the Philippines.

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.

Definitions

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

"Board"	the board of Directors of the Company;
"Company"	Cheung Kong Infrastructure Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1038);
"connected person"	shall have the meaning ascribed to it in the Listing Rules;
"Group"	the Company 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;
"Listing Rules"	Rules Governing the Listing of Securities on the Main Board of the Stock Exchange;
"Premises"	Office Unit 1202, 12th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong with a lettable floor area of approximately 10,079 square feet;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Tenancy Agreement"	the tenancy agreement dated 16th December, 2005 made between the Company and Turbo Top in respect of the Premises;
"Turbo Top"	Turbo Top Limited, a wholly-owned subsidiary of HWL; and
"HK\$"	Hong Kong Dollars, the lawful currency of Hong Kong.

By Order of the Board

CHEUNG KONG INFRASTRUCTURE HOLDINGS LIMITED

Eirene Yeung

Company Secretary

Hong Kong, 16th December, 2005

As at the date hereof, the Executive Directors of the Company are Mr. LI Tzar Kuoi, Victor (Chairman), Mr. KAM Hing Lam (Group Managing Director), Mr. IP Tak Chuen, Edmond (Deputy Chairman), Mr. FOK Kin Ning, Canning (Deputy Chairman), Mr. KWAN Bing Sing, Eric (Deputy Managing Director), Mrs. CHOW WOO Mo Fong, Susan, Mr. Frank John SIXT and Mr. TSO Kai Sum; and the Non-executive Directors are Mr. CHEONG Ying Chew, Henry (Independent Non-executive Director), Mrs. LEE Pui Ling, Angelina, Mr. Barrie COOK, Mrs. KWOK Eva Lee (Independent Non-executive Director), Mrs. SNG Sow-Mei (PHOON Sui Moy, alias POON Sow Mei) (Independent Non-executive Director), Mr. Colin Stevens RUSSEL (Independent Non-executive Director), Mr. LAN Hong Tsung, David (Independent Non-executive Director) and Mr. George Colin MAGNUS.