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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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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

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CHEUNG KONG INFRASTRUCTURE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1038)

**DISCLOSEABLE TRANSACTION
SUBSCRIPTION OF EQUITY AND LOAN INTEREST IN
GREENSANDS HOLDINGS LIMITED**

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context indicates otherwise:

“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)
“Completion”	completion of the Subscription in accordance with the terms of the Subscription Agreement
“Condition”	has the meaning as set out under the section entitled “Condition” in this circular
“connected persons”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“GEL”	Greensands Europe Limited, a company incorporated under the laws of England and registered in England and Wales and a wholly-owned subsidiary of GHL
“GHL”	Greensands Holdings Limited, a company incorporated under the laws of Jersey
“GHL Shares”	43,789,016 shares of GHL, representing 4.879% of the entire issued share capital of GHL immediately after completion of the Subscription
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	24th December, 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Model Code”	the model code for securities transactions by Directors adopted by the Company
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholder(s)”	shareholder(s) of the Company
“Shareholders’ Loans”	4.879% of the shareholders’ loans owed by GEL
“Southern Water”	Southern Water Capital Limited, a company incorporated under the laws of England and registered in England and Wales with registration no. 04608528
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the Subscription of the GHL Shares and the Shareholders’ Loans
“Subscription Agreement”	the subscription agreement dated 10th December, 2007 entered into by the Company
“Subscription Consideration”	the consideration payable by the Company through its indirect wholly-owned subsidiary to GHL and GEL for the Subscription pursuant to the Subscription Agreement
“UK GAAP”	generally accepted accounting principles in the United Kingdom
“£”	pounds sterling, the lawful currency of the United Kingdom
“%”	per cent.

Note: The figures in £ are converted into HK\$ at the rate of £1.00:HK\$15.82 throughout this circular for indication 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*)

Registered Office

Clarendon House

Church Street

Hamilton HM11

Bermuda

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

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

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

31st December, 2007

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION SUBSCRIPTION OF EQUITY AND LOAN INTEREST IN GREENSANDS HOLDINGS LIMITED

INTRODUCTION

The Board announced on 10th December, 2007 that on the same day, the Company entered into the Subscription Agreement with GHL and GEL whereby the Company agreed to acquire through its indirect wholly-owned subsidiary the GHL Shares and the Shareholders' Loans for a consideration of £62.6 million (approximately HK\$990.3 million).

LETTER FROM THE BOARD

The Subscription constitutes a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules, which is subject to notification and publication requirements. The purpose of this circular is to provide you with further information regarding the Subscription.

THE SUBSCRIPTION AGREEMENT

Date

10th December, 2007

Parties

- (1) The Company
- (2) GHL
- (3) GEL

The Directors confirm that to the best of their knowledge, information and belief having made all reasonable enquiries, each of GHL and GEL and their ultimate beneficial owners are third parties independent of the Company and its connected persons. The Directors also confirm that to the best of their knowledge, information and belief, there was no prior transaction between the Group and GHL or GEL that requires aggregation under Rules 14.22 and 14A.25 of the Listing Rules.

Subject of the Subscription

Pursuant to the Subscription Agreement, the Company has agreed to acquire through an indirect wholly-owned subsidiary the GHL Shares and the Shareholders' Loans subject to the Condition. Completion of the Subscription took place on 19th December, 2007 (London time).

Subscription Consideration

The Subscription Consideration, which has been paid in full by the Company through its indirect wholly-owned subsidiary to GHL and GEL in cash on Completion, is £62.6 million (approximately HK\$990.3 million).

The Subscription Consideration was funded through internal resource of the Company.

The Subscription Consideration was arrived at after taking into account the Company's internal valuation of the value of GHL and following arm's length negotiations between the Company and GHL on normal commercial terms.

LETTER FROM THE BOARD

Pursuant to the Subscription Agreement, the Company has procured its indirect wholly-owned subsidiary to execute a deed of accession in respect of the shareholders agreement of GHL. Pursuant to the deed of accession, the indirect wholly-owned subsidiary of the Company, as a new shareholder, will indemnify the existing investors and members of the GHL group for any reasonable costs incurred in connection with any investigation by the competition commission under section 32 of the Water Industry Act 1991 up to an amount not more than £1 million (approximately HK\$15.82 million).

Condition

Under the Subscription Agreement, the Subscription was conditional upon the amendment of the subscription and shareholders' agreement relating to GHL dated 4th October, 2007, as amended on 8th October, 2007.

If the Condition was not satisfied on or before 20th December, 2007 (London time) (or such later date as is agreed by the parties to the Subscription Agreement), the Subscription Agreement would lapse and the Subscription would not proceed.

The Condition has been satisfied and completion of the Subscription took place on 19th December, 2007 (London time).

INFORMATION ON GHL AND GEL

GH L is the holding company of Southern Water.

GEL is a wholly-owned subsidiary of GH L.

Southern Water is a regulated water and waste water company serving the southern part of England.

Based on the accounts of Southern Water as at 31st March, 2007, the net asset value of Southern Water was approximately £123.5 million (approximately HK\$1,953.8 million). The audited net profits before taxation and extraordinary items of Southern Water for the two years ended 31st March, 2006 and 31st March, 2007 were approximately £55.2 million (approximately HK\$873.3 million) and approximately £47.7 million (approximately HK\$754.6 million) respectively. The respective audited net profits after taxation and extraordinary items of Southern Water for the two years ended 31st March, 2006 and 31st March, 2007 were approximately £34.8 million (approximately HK\$550.5 million) and approximately £30.6 million (approximately HK\$484.1 million). The above accounts were prepared under the UK GAAP. The Company does not hold any shares in GH L prior to completion of the Subscription. It is intended that the Company will account for the GH L Shares and Shareholders' Loans as non-current assets in the Group's balance sheet immediately after completion of the Subscription.

INFORMATION ON THE GROUP

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

LETTER FROM THE BOARD

REASONS FOR THE SUBSCRIPTION

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, Canada, Philippines and the United Kingdom. The Subscription reflects the Company's strategy of investing in infrastructure opportunities around the world, leveraging the Group's strong financial position and solid experience in infrastructure. The Company has long seen the United Kingdom as an important market offering attractive investment opportunities. The Subscription represents consolidation of the Company's position in the United Kingdom.

The Directors (including independent non-executive directors) of the Company consider the terms of the Subscription Agreement are on normal commercial terms and the Subscription is in the ordinary and usual course of its business and fair and reasonable and in the interests of the Company and the Shareholders as a whole.

EFFECT OF THE SUBSCRIPTION ON THE EARNINGS AND ASSETS AND LIABILITIES OF THE COMPANY

The total consideration for the Subscription was satisfied in cash from the Group's internal resources. After completion of the Subscription, it is intended that the Company will account for the GHL Shares and Shareholders' Loans as non-current assets in the Group's balance sheet. Save as aforesaid, the Subscription has no significant impact on the assets and liabilities of the Company. The Subscription 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.

GENERAL

The Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, which is subject to the notification and publication requirements.

Your attention is also drawn to the general 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%

(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 7)	6,399,728,952	71.51%
	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 8)	2,892,170,875	60.47%
	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 9)	2
Hutchison Whampoa Limited	Li Tzar Kuoi, Victor	Beneficiary of trusts	-	-	-	8,150,001 (Note 10)	8,150,001
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) Short Positions in Underlying Shares

Name of Company	Name of Director	Capacity	Number of Underlying Shares				Total
			Personal Interests	Family Interests	Corporate Interests	Other Interests	
Hutchison Whampoa Limited	Li Tzar Kuoi, Victor	Beneficiary of trusts	-	-	-	8,150,001 (Note 10)	8,150,001

(iv) 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
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

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.

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.

Notes (Cont'd):

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 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.

8. 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
 - (b) 153,280 ordinary shares held by TUT3 as trustee of UT3. By virtue of being a discretionary beneficiary of each of DT3 and DT4 for the purpose of SFO and his interest in TUT3 as trustee of UT3 as described in Note 2(b) above, Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to the said shares under the SFO.

In addition, according to the disclosures made to the Company pursuant to and solely for the purposes of the SFO, Mr. Li Tzar Kuoi, Victor appeared to be taken as being interested in the 680,134,172 ordinary shares of HTIL beneficially owned by Orascom Telecom Eurasia Limited ("Orascom"), a substantial shareholder of HTIL and controlled exclusively by Orascom and Orascom Telecom Holding S.A.E. ("OTH"), another substantial shareholder of HTIL as a result of the application of Sections 317 and 318 of the SFO by virtue of HWL, one of the abovementioned wholly-owned subsidiaries of HWL, OTH and Orascom being parties to a shareholders' agreement dated 21st December, 2005 that imposes obligations or restrictions on any party with respect to their use, retention or disposal of their ordinary shares of HTIL even though no ordinary shares of HTIL have been acquired in pursuance of that agreement.

Notes (Cont'd):

9. 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.

10. Such underlying shares of HWL are held by an indirect wholly-owned subsidiary of CKH by virtue of the HK Dollar equity-linked notes due 2008 issued under HK\$10,000,000,000 retail note issuance programme.

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 and short position in the underlying shares of HWL 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 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 being 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 guarantee 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%	–
Shenzhen Ready Mixed Concrete Co., Ltd. (深圳現成混凝土有限公司)	Bell Investment Limited	N/A	–	16.5%
Guangdong GITIC Green Island Cement Co. Limited (廣信青洲水泥有限公司)	Bell Investment Limited	N/A	–	28.5%

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. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts 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).

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. 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	(1), (5), (6) & (7)
	TOM Group Limited	Non-executive Director	(5), (6) & (7)
	Hutchison Harbour Ring Limited	Executive Director	(7)
	Hutchison Telecommunications International Limited	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.

6. MISCELLANEOUS

- (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's degree in Business Administration and a Master of Science degree in Finance.
- (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.

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 communication (including but not limited to annual report, interim report, notice of meeting, circular and proxy form) by notice in writing to the Company’s Branch Share Registrars, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong.

Shareholders who have chosen to receive printed copy of the corporate communication 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.