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CHEUNG KONG INFRASTRUCTURE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 1038)

ANNOUNCEMENT PURSUANT TO RULE 14.36 OF THE LISTING RULES IN RESPECT OF CANCELLATION OF ACQUISITION OF EQUITY INTEREST IN NEW ZEALAND STEEL MINING LIMITED

This announcement is made pursuant to the Company's disclosure obligation under Rule 14.36 of the Listing Rules.

On 17th December, 2008, the Purchaser, an indirect wholly-owned subsidiary of the Company, issued a Cancellation Notice to the Vendor to cancel the Agreement previously announced pursuant to Chapter 14 of the Listing Rules. The issuance of the Cancellation Notice is required to be disclosed under Rule 14.36 of the Listing Rules.

The Company announces that on 17th December, 2008, the Purchaser, an indirect wholly-owned subsidiary of the Company, issued a notice to cancel the Agreement (the "**Cancellation Notice**") to the Vendor.

Reference is made to the announcements of the Company dated 26th August, 2008 and 16th December, 2008 and the circular of the Company dated 16th September, 2008 ("**Circular**") in relation to the acquisition of the entire issued share capital of NZ Steel Mining.

Capitalized terms used in this announcement shall have the meanings as those defined in the Circular unless otherwise defined.

BACKGROUND

On 26th August, 2008, the Purchaser 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.

THE CANCELLATION

Pursuant to the Cancellation Notice, the Purchaser elected to treat the Agreement as void.

REASON FOR THE CANCELLATION

Pursuant to the Agreement, if any of the conditions as stated in the Agreement is not satisfied or waived pursuant to the Agreement by 15th December, 2008 or such later date that the Vendor and the Purchaser may agree in writing, then the Agreement shall be voidable at the election of either the Vendor or the Purchaser by notice in writing to the other. One of the conditions under the Agreement is that the Purchaser is to obtain the consent of the Overseas Investment Office under the Overseas Investment Act 2005 in New Zealand (“**OIO Consent**”). As announced by the Company on 16th December, 2008, the parties to the Agreement have agreed, pursuant to a supplemental letter, to extend the date for the satisfaction the condition to obtain the OIO Consent to the earlier of (A) the date on which the decision in respect of the OIO Consent is delivered in writing to the Purchaser or its solicitors, and (B) 20th January, 2009. The Overseas Investment Office of New Zealand has on 17th December, 2008 issued a letter declining to give the OIO Consent to the Purchaser, and therefore the condition under the Agreement cannot be fulfilled. The Company respects the decision of the Overseas Investment Office of New Zealand. The Directors consider that the cancellation of the Agreement does not have any material adverse effect on the business and financial position of the Group or material impact on the existing business of the Group.

GENERAL

The issue of the Cancellation Notice constitutes a cancellation of a transaction of the Company previously announced pursuant to Chapter 14 of the Listing Rules and is therefore required to be disclosed under Rule 14.36 of the Listing Rules.

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

Hong Kong, 17th December, 2008

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. Andrew John HUNTER, Mrs. CHOW WOO Mo Fong, Susan (also Alternate Director to Mr. FOK Kin Ning, Canning and Mr. Frank John SIXT), Mr. Frank John SIXT and Mr. TSO Kai Sum; the Non-executive Directors are Mr. CHEONG Ying Chew, Henry (Independent Non-executive Director), Mrs. KWOK Eva Lee (Independent Non-executive Director), Mrs. SNG Sow-mei 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), Mrs. LEE Pui Ling, Angelina, Mr. Barrie COOK and Mr. George Colin MAGNUS; and the Alternate Directors are Mr. MAN Ka Keung, Simon (Alternate Director to Mr. IP Tak Chuen, Edmond) and Ms. Eirene YEUNG (Alternate Director to Mr. KAM Hing Lam).