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(Incorporated in Bermuda with limited liability)
(Stock Code: 1038)

ANNOUNCEMENT

INSIDE INFORMATION

This announcement is made pursuant to Part XIVA of the SFO and Rule 13.09(2) of the Listing Rules.

Reference is made to the announcement by PAH on 27 September 2013 in relation to its proposal to spin-off and separately list its Hong Kong electricity business operated by HEC, by way of a listing of the Share Stapled Units to be jointly issued by HK Electric Investments and Spinco on the Main Board of the Stock Exchange (the "PAH Announcement"). The Company currently holds a 38.87% shareholding interest in PAH.

As mentioned in the PAH Announcement, the Proposed Spin-off, if it proceeds, will constitute a very substantial disposal for PAH under Chapter 14 of the Listing Rules; and that PAH intends to have an interest in not more than 49.9% and not less than 30% of the Share Stapled Units in issue immediately following the completion of the Proposed Spin-off.

For further information of the Proposed Spin-off, the Share Stapled Units, HK Electric Investments and Spinco, please refer to the PAH Announcement.

The PAH Announcement mentions that the implementation of the Proposed Spin-off is subject to, among other things, the approval of the shareholders of PAH at a general meeting, the approval of the Stock Exchange, the final decision of the board of directors of PAH and of the respective boards of directors of the Trustee-Manager and Spinco, market conditions and other considerations, and that there is no certainty as to whether, and if so when, the Proposed Spin-off will take place. Accordingly, shareholders and holders of other securities of the Company and potential investors should exercise caution when dealing in or investing in the shares or other securities of the Company. Any person who is in doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

To facilitate the Proposed Spin-off and enhance the delineation between the future business focuses of the Company and PAH, it is proposed that if the Proposed Spin-off proceeds, with effect from the Listing Date, an undertaking will be given by the Company to refer any investment opportunity on power projects to PAH and to only invest in any power project under certain circumstances, as detailed below.

This announcement is made pursuant to Part XIVA of the SFO and Rule 13.09(2) of the Listing Rules.

PAH'S PROPOSED SPIN-OFF

Reference is made to the PAH Announcement in relation to PAH's proposal to spin-off and separately list its Hong Kong electricity business operated by HEC, by way of a listing of the Share Stapled Units to be jointly issued by HK Electric Investments and Spinco on the Main Board of the Stock Exchange. As mentioned in the PAH Announcement, amongst other things, the Proposed Spin-off, if it proceeds, will constitute a very substantial disposal for PAH under Chapter 14 of the Listing Rules; and that PAH intends to have an interest in not more than 49.9% and not less than 30% of the Share Stapled Units in issue immediately following the completion of the Proposed Spin-off.

The Company currently holds a 38.87% shareholding interest in PAH. It is thus expected that the Company will share in any gain from disposal of PAH's shareholding interest in HEC pursuant to the Proposed Spin-off.

For further information in relation to the Proposed Spin-off, the Share Stapled Units, HK Electric Investments and Spinco, please refer to the PAH Announcement. A copy of the PAH Announcement may be found on the websites of PAH at www.powerassets.com and of the Stock Exchange at www.hkexnews.hk.

The PAH Announcement mentions that the implementation of the Proposed Spin-off is subject to, among other things, the approval of the shareholders of PAH at a general meeting, the approval of the Stock Exchange, the final decision of the board of directors of PAH and of the respective boards of directors of the Trustee-Manager and Spinco, market conditions and other considerations, and that there is no certainty as to whether, and if so when, the Proposed Spin-off will take place. Accordingly, shareholders and holders of other securities of the Company and potential investors should exercise caution when dealing in or investing in the shares or other securities of the Company. Any person who is in doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

PROPOSED ARRANGEMENT RELATING TO FUTURE INVESTMENT OPPORTUNITIES IN POWER PROJECTS

The Company is an infrastructure company with diversified investments globally in energy infrastructure, transportation infrastructure (highway, bridges and toll roads), water infrastructure, waste management and infrastructure related businesses (such as cement, concrete and aggregates).

On the other hand, PAH, which is owned as to 38.87% by the Company, is at present principally engaged in the following businesses:

- (a) *Hong Kong*: the generation, transmission, distribution and supply of electricity in Hong Kong through HEC; and
- (b) *outside Hong Kong*: power businesses in the United Kingdom, Australia, Mainland China, New Zealand, Thailand, Canada and the Netherlands.

Following the completion of the Proposed Spin-off, it is intended that the Company and PAH will continue to leverage their respective areas of expertise, with PAH focusing on investments in power projects and the Company focusing on non-power projects.

To facilitate the Proposed Spin-off and enhance this delineation between the future business focuses of the Company and PAH, it is proposed that if the Proposed Spin-off proceeds, with effect from the Listing Date:

- (i) The Company will undertake that if it is offered an opportunity to invest in any power project (for this purpose, including gas projects), it will inform PAH and refer such investment opportunity to PAH for evaluation. Subject to paragraph (ii) below, the Company may only invest in any power project if PAH (with the endorsement of the independent non-executive directors of PAH (the “PAH INEDs”) or a committee of the PAH INEDs):
 - (1) declines to invest in the power project; or
 - (2) elects to invite the Company to participate as a co-investor in the power project.
- (ii) For any investment opportunity in respect of a power project where the interest available for investment or acquisition is of an enterprise value (as determined by PAH) not exceeding HK\$4 billion (or equivalent) (the “Relevant Enterprise Value Threshold”), PAH will not invite the Company to participate as a co-investor in the power project. PAH may (through the procedure involving the PAH INEDs as mentioned in the immediately preceding paragraph (i) above) elect to invite the Company to participate as a co-investor in a power project only if the interest available for investment or acquisition is of an enterprise value exceeding the Relevant Enterprise Value Threshold.

- (iii) The undertaking from the Company will terminate on the earlier of (1) the date on which the Company ceases to own at least a 30% shareholding interest in PAH and (2) the date on which PAH's shares cease to be listed on the Stock Exchange.
- (iv) Any future co-investment by the Company and PAH in power projects will also be subject to compliance with the applicable requirements of the Listing Rules, including approval by independent shareholders of PAH (if required).

Under the above proposed arrangement, investment opportunities in respect of any power project where the interest available for investment or acquisition is of an enterprise value not exceeding the Relevant Enterprise Value Threshold will be evaluated and decided on by PAH alone and (if successfully acquired or invested in) PAH will participate in the operation and management of the investment alone. It is only when an investment opportunity is pursued as a co-investment by the Company and PAH (in accordance with the threshold and procedures described above) that such investment opportunity will be evaluated and decided on by the Company and PAH together; and in such case, if the acquisition or investment is successfully made, representatives from each of the Company and PAH will participate in the operation and management of the investment.

As at the date of this announcement, no formal agreement has been entered into by the Company and PAH in respect of the above proposed arrangements.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“Company”	Cheung Kong Infrastructure Holdings Limited (stock code:1038), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“HEC”	The Hongkong Electric Company, Limited, a limited liability company incorporated in Hong Kong and a wholly owned subsidiary of PAH
“HK Electric Investments”	HK Electric Investments, a fixed single investment trust which will be constituted pursuant to a trust deed to be entered into between the Trustee-Manager and Spinco, the trustee of which will be the Trustee-Manager, for the purposes of the Proposed Spin-off

“Listing Date”	the date on which the Share Stapled Units are first listed and from which dealings in the Share Stapled Units are permitted to take place on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PAH”	Power Assets Holdings Limited (stock code: 0006), a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“PAH Announcement”	the announcement made by PAH dated 27 September 2013 in relation to the Proposed Spin-off
“Proposed Spin-off”	PAH’s proposed spin-off of its group’s Hong Kong electricity business operated by HEC and separate listing of the Share Stapled Units on the Main Board of the Stock Exchange
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Stapled Units”	<p>a combination of the following securities or interests in securities which, subject to the terms of the trust deed to be entered into between the Trustee-Manager and Spinco, can only be dealt with together:</p> <ul style="list-style-type: none"> (i) a unit, being an undivided interest in HK Electric Investments; (ii) a beneficial interest in a specifically identified ordinary share in Spinco which is linked to the unit in HK Electric Investments and held by the Trustee-Manager as legal owner (in its capacity as trustee-manager of HK Electric Investments); and (iii) a specifically identified preference share in Spinco which is stapled to the unit in HK Electric Investments.
“Spinco”	HK Electric Investments Limited, a company incorporated in the Cayman Islands with limited liability, which is currently a wholly-owned subsidiary of PAH

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trustee-Manager”	HK Electric Investments Manager Limited, a company incorporated in Hong Kong with limited liability, which is a wholly-owned subsidiary of PAH
“%”	per cent

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

Hong Kong, 27 September 2013

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 (Deputy Managing Director), Mr. CHAN Loi Shun (Chief Financial Officer), Mrs. CHOW WOO Mo Fong, Susan (also Alternate Director to Mr. FOK Kin Ning, Canning and Mr. Frank John SIXT) and Mr. Frank John SIXT; 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), Mr. Barrie COOK (Independent Non-executive Director), Mrs. LEE Pui Ling, Angelina, Mr. George Colin MAGNUS and Mr. TSO Kai Sum; 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).