



CHEUNG KONG (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0001)

DISPOSAL OF THE ENTIRE INTEREST IN COMINA INVESTMENT LIMITED BY A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY

The Board announces that on 30th July, 2007, Cavell, a direct wholly-owned subsidiary of the Company, as the vendor entered into the Agreement with HSBC ITS (in its capacity as trustee of Suntec REIT) as purchaser and CKIV, as guarantor of Cavell's obligations under the Agreement, under which Cavell has conditionally agreed to sell and HSBC ITS has conditionally agreed to purchase the entire issued share capital of Comina which indirectly owns one-third interest in the Property. Under the terms of the Agreement, the consideration for the Share Sale is approximately S\$941.5 million minus the face value of the Purchaser Loan, subject to adjustments calculated based on one-third of the net asset value of ORQPL as at the date of completion of the Share Sale under the Agreement.

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Agreement

Date

30th July, 2007

Parties

Purchaser: HSBC ITS, in its capacity as trustee of Suntec REIT
Vendor: Cavell, being a direct wholly-owned subsidiary of the Company
Guarantor: CKIV, being a direct wholly-owned subsidiary of the Company

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, HSBC ITS and its ultimate beneficial owners are third parties independent of the Company and the Company's connected person.

Transaction

Pursuant to the Agreement, Cavell has conditionally agreed to sell and HSBC ITS has conditionally agreed to purchase the entire issued share capital of Comina. Comina is a special purpose vehicle company holding one-third of the total issued share capital of ORQPL, the developer and equitable owner of the Property. As such, through the Share Sale, HSBC ITS will indirectly acquire one-third interest in the Property for Suntec REIT.

Consideration

The consideration payable to Cavell in connection with the Share Sale is approximately S\$941.5 million minus the face value of the Purchaser Loan, subject to adjustments calculated based on one-third of the net asset value of ORQPL as at the date of completion of the Share Sale under the Agreement. On completion of the Share Sale, HSBC ITS shall extend the Purchaser Loan to ORQPL

for repayment of the outstanding loan owed by ORQPL to Joynote Ltd, a direct wholly-owned subsidiary of Cavell.

The consideration of the Share Sale has been agreed by the parties after arm's length negotiation, on a willing buyer willing seller basis.

Conditions Precedent

The conditions of the Agreement include, among other things,:

- (i) the transfer of all the shares held by ORQPL in the capital of Raffles Quay Asset Management Pte Ltd to Charm Aim International Limited, K-REIT Asia Property Management Pte Ltd and Hongkong Land (Singapore) Pte Ltd, the repayment of all sums owing by Raffles Quay Asset Management Pte Ltd to ORQPL and the termination of the letter of financial support dated 18th May, 2007 given by ORQPL in favour of the board of directors of Raffles Quay Asset Management Pte Ltd;
- (ii) the Share Sale having been approved by the unitholders of Suntec REIT at a general meeting of Suntec REIT;
- (iii) ARA Trust Management (Suntec) Limited being the manager of Suntec REIT on completion of the Share Sale under the Agreement; and
- (iv) none of the Deed of Income Support, the Asset Management Agreement, the Deeds of Undertaking or the K-REIT Deed of Undertaking having been rescinded or revoked on or before the date of completion of the Share Sale under the Agreement.

The Agreement shall immediately terminate upon the conditions precedents (other than (iv) above) not being satisfied or waived by 31st December, 2007 or shall immediately terminate upon the condition precedent in (iv) above not being satisfied on 31st December, 2007.

Information on Comina

Comina is a special purpose vehicle company holding one-third of the total issued share capital of ORQPL, the developer and equitable owner of the Property. Comina is wholly-owned by Cavell. Comina is in turn an indirect wholly-owned subsidiary of the Company. The revenue generated by Comina for the financial year ended 31st December, 2006 is approximately HK\$30 million.

As at the date of this announcement, ORQPL is owned by Comina, Freyland Pte Ltd and Boulevard Development Pte Ltd in equal proportion.

Information on the Property

The Property is a commercial development located in Singapore's central business district comprising a 50-storey office tower, a 29-storey office tower, an underground link to the Raffles Place mass rapid transit station, a sheltered plaza serving as a drop-off point and a hub car park with 713 car park lots.

Deed of Income Support

Concurrently with the entry into the Agreement, HSBC ITS has also entered into a Deed of Income Support with Cavell under which, Cavell has undertaken commencing from completion of the Share Sale under the Agreement, Cavell will pay to Suntec REIT quarterly instalments for not more than 54 months up to an aggregate of S\$103,483,000 (GST, if any, inclusive). Cavell's performance of its obligations under the Deed of Income Support is guaranteed by CKIV.

Valuation of the Property

The manager of Suntec REIT and HSBC ITS have each commissioned an independent property valuer to value the Property. The valuers of both the manager of Suntec REIT and HSBC ITS in their valuation certificates, taking into account amongst other things the Deed of Income Support, stated that the aggregate open market value of the Property (calculated on a one-third basis) in Singapore as at 2nd July, 2007 was S\$941.5 million.

Reasons for and benefits of the Share Sale

The Board considers that the Share Sale will enable the Company and its subsidiaries to free up their capital for its operation and new investment opportunities. The Directors believe that the terms and conditions of the Share Sale under the Agreement are fair and reasonable and in the interest of the shareholders of the Company as a whole.

General

The principal activities of the Company are investment holding, property development and investment, hotel and serviced suite operation, property and project management and investments in securities.

The Directors consider that the Agreement is on normal commercial terms and the terms and conditions are fair and reasonable insofar as the interests of the shareholders of the Company are concerned.

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

Definitions

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

“Agreement”	the conditional share purchase agreement dated 30th July, 2007 entered into amongst Cavell, HSBC ITS and CKIV in relation to the sale and purchase of the entire issued share capital of Comina;
“Asset Management Agreement”	the asset management agreement to be made between ORQPL and Raffles Quay Asset Management Pte Ltd in respect of the management of the Property;
“Board”	board of Directors;
“Cavell”	Cavell Limited, a company incorporated in the British Virgin Islands with limited liability, being a direct wholly-owned subsidiary of the Company;
“CKIV”	Cheung Kong Investment Company Limited, a company incorporated in Hong Kong with limited liability, being a direct wholly-owned subsidiary of the Company;
“Comina”	Comina Investment Limited, a company incorporated in the British Virgin Islands with limited liability, the share of which is wholly-owned by Cavell prior to the Share Sale;
“Company”	Cheung Kong (Holdings) 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: 0001);
“connected person”	shall have the meaning ascribed to such term in the Listing Rules;

“Deeds of Undertaking”	the deeds of undertaking dated 30th July, 2007 given by (i) the Company, Cavell and Comina; (ii) Hongkong Land International Holdings Ltd and Freyland Pte Ltd; and (iii) Keppel Land Properties Pte Ltd and Boulevard Development Pte Ltd, in favour of HSBC ITS and others;
“Directors”	directors of the Company;
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China;
“HSBC ITS”	HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Suntec REIT;
“K-REIT Deed of Undertaking”	the deed of undertaking to be given by RBC Dexia Trust Services Singapore Ltd in favour of the Company, Cavell, Comina and others;
“Listing Rules”	Rules Governing the Listing of Securities on the Main Board of the Stock Exchange;
“ORQPL”	One Raffles Quay Pte Ltd, a limited company incorporated under the laws of Singapore, being the developer and equitable owner of the Property;
“Property”	One Raffles Quay, a commercial development located in Singapore’s central business district;
“Purchaser Loan”	a loan to be extended by HSBC ITS to ORQPL for repayment of the outstanding loan provided by Joynote Ltd to ORQPL at completion of the Share Sale;
“Share Sale”	the sale of the entire issued share capital of Comina by Cavell to HSBC ITS under the Agreement;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Suntec REIT”	Suntec Real Estate Investment Trust; and
“S\$”	Singapore dollars, the lawful currency of Singapore.

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

Hong Kong, 30th July, 2007

The Directors (*Note*) of the Company as at the date of this announcement are Mr. LI Ka-shing (*Chairman*), Mr. LI Tzar Kuoi, Victor (*Managing Director and Deputy Chairman*), Mr. KAM Hing Lam (*Deputy Managing Director*), Mr. IP Tak Chuen, Edmond (*Deputy Managing Director*), Mr. CHUNG Sun Keung, Davy, Ms. PAU Yee Wan, Ezra, Ms. WOO Chia Ching, Grace and Mr. CHIU Kwok Hung, Justin as Executive Directors; Mr. LEUNG Siu Hon, Mr. FOK Kin-ning, Canning, Mr. Frank John SIXT, Mr. CHOW Kun Chee, Roland and Mr. George Colin MAGNUS as Non-executive Directors; and Mr. KWOK Tun-li, Stanley, Mr. YEH Yuan Chang, Anthony, Mr. Simon MURRAY, Mr. CHOW Nin Mow, Albert, Ms. HUNG Siu-lin, Katherine, Dr. WONG Yick-ming, Rosanna (*also Alternate to Mr. Simon Murray*), Mr. CHEONG Ying Chew, Henry and Mr. KWAN Chiu Yin, Robert as Independent Non-executive Directors.

Note: Other than Chairman, Managing Director and Deputy Managing Directors, order by date of appointment, and in the case of Non-executive Directors (“NED”)/Independent Non-executive Directors (“INED”), order by date of appointment as NED/INED.