

**CHEUNG KONG ISSUES NEW RETAIL BOND EQUITY-LINKED TO  
4 BLUE CHIPS UNDER THE CHEUNG KONG GROUP**

**Guaranteed Interest Rate of 9.38% in First Year**

**With Maximum Return Reaching 25.38% Over Two and a Half Years**

**January 18, 2005**

(18 January, 2005 – Hong Kong) – Cheung Kong (Holdings) Limited ("Cheung Kong") and Fortis Bank NV/SA, Hong Kong Branch ("Fortis Bank") are pleased to announce the launch of a 30-month equity-linked note ("Note"), the third retail issue under Cheung Kong's HKD10 billion Retail Note Issuance Programme. The total issue amount of the Note is HKD500 million and it will be opened for subscription from 19 January, 2005. Fortis Bank is Sole Arranger and Underwriter of the Note.

The Note is poised to offer investors high investment returns through a combination of a fixed coupon and growth potential of four blue chip companies under the Cheung Kong Group. The Note will be issued at 100% of the principal amount. For the first year (after 12 months), the Note will pay a fixed coupon of 9.38% of the principal amount. The coupon rate for the second year (after 24 months) and the final six months (after 30 months) will be linked to the share performance of the Cheung Kong Group's four Blue Chip stocks – Cheung Kong (Holdings) Limited (stock code: 0001.HK), Hutchison Whampoa Limited (Stock Code: 0013.HK), Cheung Kong Infrastructure Holdings Limited (Stock Code: 1038.HK) and Hongkong Electric Holdings Limited (Stock Code: 0006.HK). The coupons will be calculated according to the best performing stock out of the basket of four equity-linked companies, subject to a maximum of 8% and a minimum of 0% of the principal invested. The Note offers a maximum coupon of an attractive 25.38% over two and a half years, thereby exceeding 10% each year. Interest will be distributed on the first business day falling 12, 24 and 30 months after the issue date.

Commenting on the launch, Mr Edmond Ip, Executive Director of Cheung Kong (Holdings) Limited, said: "Cheung Kong Holdings is delighted to launch its third retail offering to the

market. Our previous retail issues have been well-received by the public. The structure of the HKD equity-linked note is extremely attractive, offering investors high returns through a combination of a fixed coupon and growth potential of the Cheung Kong Group's four blue chip companies. We expect that the favourable terms offered by the Note will prove immensely popular. We hope that our new issue marks the beginning of a successful and prosperous 2005!"

Mr Dickson Law, Vice President—Fixed Income/Derivatives of Fortis Bank, said: "Fortis Bank is honoured to act as Sole Arranger and Underwriter in this benchmark retail offering for Cheung Kong. The retail market continues to be flushed with liquidity, and this Note offers a rare opportunity for investors to participate in the growth of the Cheung Kong Group. We are confident that the success of this offering will reinforce Cheung Kong's premier issuer status in this market sector."

The issue date of the Note is expected to be 17 February 2005 and the minimum purchase amount will be HK\$50,000. The subscription is to be made on a first-come-first-served basis and the period will be between 19 January and 2 February, 2005. Distributors are: Asia Commerical Bank Limited, Bank of China (Hong Kong) Limited, Bank of Communications, Hong Kong Branch, The Bank of East Asia, Limited, Chiyu Banking Corporation Limited, CITIC Ka Wah Bank Limited, Dah Sing Bank Limited, Fortis Bank, Hang Seng Bank Limited, International Bank of Asia Limited, MEVAS Bank Limited, Shanghai Commercial Bank Limited, Wing Hang Bank, Ltd, Nanyang Commercial Bank, Limited, Wing Lung Bank Limited, Core Pacific- Yamaichi International (H.K.) Limited, KGI Asia Limited, Sun Hung Kai Investment Services Limited. The Note can also be subscribed via the Referral Agent, AMTD Financial Planning Limited.

The maturity date of the Note is expected to be 17 August 2007. Notes will be redeemed in either cash at 100% of their principal amount or by delivery of shares of the equity-linked companies if the 5-day average share price, ending on the maturity date of the Note, of any of the four equity-linked companies is less than 88% of its share price on the initial price fixing date ("initial price"). In the case of share redemption, the Note-holder will receive physical delivery of shares of the company with the worst share performance at a strike price equivalent to 88% of the initial price. The Note is not principal protected.

The Note will be issued to retail investors through Cheung Kong Bond Finance Limited, a wholly owned subsidiary of Cheung Kong, and will be guaranteed by Cheung Kong.

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