

2012 Cheung Kong Group Annual Dinner
Speech by Chairman Mr. Li Ka-shing
January 6, 2012

Dear Directors and Colleagues, Happy New Year!

It is a great pleasure to celebrate this occasion with nearly 1,700 of our directors, executives and colleagues. I take this opportunity to thank each of you for your hard work and contributions over the past year.

In 2011, sovereign debt problems continued to plague Euro zone nations, inflationary pressure rose globally, and in the United States, the pace of recovery from the 2008 financial crisis was less robust than anticipated. Against this backdrop, worldwide economic conditions are expected to remain volatile and growth rates are forecast to be sluggish in 2012 and 2013. Maintaining a balance between progress and stability has always been our Group's prime operating principle. Prior to the onset of the financial crisis, the Group had already adopted prudent measures to minimize the anticipated impact of external forces. Our core businesses and operations spread over 53 countries performed well last year, and our operations in Europe, at the epicentre of the financial turmoil, will likely see a general improvement on their 2010 performance.

Investments made by our Group last year adhered strictly to our fundamental financial policy of maintaining a healthy debt ratio under any circumstances. But we will continue to pursue investment opportunities that carry long-term benefits for our Group, and we would expect such investments to yield promising returns in three to four years.

Looking ahead, the international economic and political outlook remains precarious, amid persistent high inflation. China's economy will continue to expand at a high albeit slightly slower rate. Hong Kong's GDP will likely moderate in the coming year, but growth will remain positive given our favourable proximity to the Mainland. I firmly believe that with our record 260,000 employees working in unison, we have the strength and the resources to face unprecedented challenges and volatility, and to continue on a path of growth with a fine balance of progress and stability. I am very confident about the Group's prospects in the short, medium and long term.

2012 will usher in the Year of the Dragon. In Chinese culture, the dragon symbolizes prestige, fortune, and vitality. I take this opportunity to wish you all a healthy and successful Year of the Dragon.