

2010 Cheung Kong Group Annual Dinner
Speech by Chairman Mr. Li Ka-shing

Dear Directors and Colleagues,

Happy New Year! It is a great pleasure to be in the company of over 1,400 of our directors, executives, and colleagues this evening.

Looking back over the past year, repercussions from the most severe financial crisis in 100 years, which began in 2008, continued to be felt throughout the banking and financial industries, and also adversely affected export and import volumes at major ports around the world, resulting in significant drops compared to 2008. The severity of the downturn impacted all industries to varying degrees, including trade and commerce, real estate, hotel and travel, and retail, but the economies of Mainland China and Hong Kong benefited from the support of the Central and local Government's policies and initiatives. 2009 was indeed a challenging year, and tonight, I would like to share with you the state of our Group's two major companies.

One of Cheung Kong Holdings' primary operating principles is to achieve a balance between progress and stability, which is why we are maintaining a gearing ratio below 12%, and our land bank will underpin development plans over the coming five to six years. With our low average land acquisition cost, we are confident that we can generate a good return on any given parcel of land, whether it is in Hong Kong, the Mainland, Singapore, or the UK. Furthermore, with a low debt level and high reserves, we have at our disposal no less than HK\$50 billion to take advantage of timely investment opportunities for large-scale developments. Through Hutchison Whampoa's diversified businesses across 54 countries, with annual revenues of over HK\$300 billion, we are strategically positioned to tap unlimited investment opportunities. With such enormous potential within our grasp, I remain highly confident in Cheung Kong Holdings' future prospects. Taking into consideration all our strengths and potential, the Group is decidedly well placed to sail through any waters.

Hutchison Whampoa's global operations performed satisfactorily despite a very difficult operating environment in 2009. It is now a smooth ride for our 3G business. We are showing a marked improvement in our cash flow and a reduction in debt. There remain many elements of uncertainty in the global economy in 2010, but barring major unforeseen circumstances, the Group's performance should continue to improve. Hutchison Whampoa will continue to look to commit new investment capital to further expand our core businesses, which could be done without needing to increase debt. This is an operating ideal, and I am confident that we can achieve this objective. New opportunities abound for Hutchison Whampoa, and I have full confidence in its future.

Our other subsidiary and associated companies, such as Cheung Kong Infrastructure, Husky Energy, Hongkong Electric, Hutchison Telecom, CK Life Sciences, and TOM Group all performed well, and their futures are also bright.

The Cheung Kong Group is a well-run organization with solid financial strength, and most important of all, we have assembled a professional, intelligent and innovative management team, as well as 240,000 diligent employees across the globe. I would like to thank each of you for your hard work and contributions over the past year. Let us all continue to work together with a great team spirit and meet new challenges in 2010 and beyond. I firmly believe that our annual gatherings will only get better with each passing year. Thank you all again.

I wish you all a happy and successful New Year.