



A Year of Acquisition



AQUATOWER

In March 2004, CKI acquired a 49% stake in AquaTower Pty Ltd. in Victoria, Australia. It comprises 4 water plants and is the exclusive potable water supplier of four regional towns in Victoria, serving a population of approximately 50,000 people.

CAMBRIDGE WATER

In April 2004, CKI made its first foray in the United Kingdom through the 100% acquisition of Cambridge Water PLC in South Cambridgeshire. Supplying a population of approximately 300,000 in an area that spans over 1,173 square kilometres, Cambridge Water has an integrated distribution system which is made up of 7 service reservoirs, 10 water towers and 2,200 kilometres of water mains.



LANE COVE TUNNEL

In July 2004, CKI made an investment in the Lane Cove Tunnel Company Pty Ltd. in Australia and is the single largest shareholder with a 40% stake. The Lane Cove Tunnel will run under the Epping Road and will complete the crucial link between Gore Hill Freeway and the M2 Motorway at North Ryde, representing the final stage of the most significant ring road built for Sydney. The Tunnel is expected to be completed in mid-2007 and the average daily traffic is expected to be well over 100,000 when operations commence.



NORTH OF ENGLAND GAS DISTRIBUTION NETWORK

In August 2004, CKI made an investment in the North of England Gas Distribution Network. The total consideration for the project was HK\$20 billion (GBP1.393 billion), of which CKI holds a 40% stake. It is one of the eight major gas distribution networks in the United Kingdom and serves a total population of 6.7 million. The acquisition is expected to be completed in mid-2005.