

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and is not an offer of securities for sale in Hong Kong, the United States or elsewhere and is not, and should not be construed as, an inducement or encouragement to buy or sell any securities of Hutchison Whampoa Limited, Hutchison Telecommunications International Limited or Hutchison Telecommunications Hong Kong Holdings Limited. Securities may not be offered or sold in the United States absent registration or an exemption from registration; any public offering of securities to be made in the United States will only be made by means of a prospectus that may be obtained from the issuer or the selling security holder and that contains detailed information about the issuer and management as well as financial statements.

Hutchison Whampoa Limited 

和記黃埔有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 13)

 **Hutchison Telecom**

HUTCHISON TELECOMMUNICATIONS INTERNATIONAL LIMITED

和記電訊國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2332)

JOINT ANNOUNCEMENT

CONDITIONAL INTERIM DIVIDEND PAYMENT BY HUTCHISON TELECOMMUNICATIONS INTERNATIONAL LIMITED

AND

PROPOSED SPIN-OFF BY WAY OF A DISTRIBUTION IN SPECIE OF, AND A SEPARATE LISTING OF, THE SHARES OF HUTCHISON TELECOMMUNICATIONS HONG KONG HOLDINGS LIMITED 和記電訊香港控股有限公司 ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF INTRODUCTION

This announcement is made pursuant to Listing Rule 13.09.

The HTIL Board announce that today it has approved the payment of an interim dividend to be satisfied by way of a distribution in specie of the entire share capital of HTHKH to the HTIL Qualifying Shareholders, conditional on (i) the Stock Exchange approving the Proposed Spin-off and (ii) the Listing Committee granting approval for the Listing. On 9 February 2009, a joint formal application was submitted to the Stock Exchange for the proposed spin-off of HTHKH by HWL and HTIL to be effected by way of the Distribution and for the Introduction. HTHKH today submitted an advance booking form for an application for the listing of, and permission to deal in, the HTHKH Shares on the Main Board of the Stock Exchange by way of Introduction involving no initial public offering of any securities or raising of any new capital.



HWL is the controlling shareholder of HTIL and currently indirectly owns approximately 60.4% of HTIL. HTHKH is currently a wholly-owned subsidiary of HTIL. The HTHKH Group operates 2G and 3G mobile telecommunications businesses in Hong Kong and Macau and a fixed-line telecommunications business in Hong Kong.

Immediately following the completion of the Proposed Spin-off, HTHKH will cease to be part of the HTIL Group but will remain a member of the HWL Group and continue to be owned by HWL as to approximately 60.4%, assuming HTIL's issued share capital remains unchanged. HWL will continue to be the controlling shareholder of both HTIL and HTHKH.

The Proposed Spin-off and the Introduction will enable investors to appraise and assess the potential and performance of HTHKH as a separate entity from HWL and HTIL. As the HTIL Qualifying Shareholders will continue to be the shareholders of both HTIL and HTHKH, they will enjoy the benefits from the development of both companies through the creation or unlocking of shareholder value.

The implementation of the Distribution, the Proposed Spin-off and the Introduction is subject to the Conditions. In particular, if the Stock Exchange does not approve the Proposed Spin-off or the Listing Committee does not grant approval for the Listing, the Distribution will not be made, the Proposed Spin-off will not be implemented and the Introduction will not occur. Accordingly, shareholders of HWL, HTIL Shareholders, HTIL ADS Holders and potential investors are reminded to exercise caution when dealing in the respective securities of HWL and HTIL.

This announcement is made pursuant to Listing Rule 13.09.

INTRODUCTION

The HTIL Board announce that today it has approved the payment of an interim dividend to be satisfied by way of a distribution in specie of the entire share capital of HTHKH to the HTIL Qualifying Shareholders, conditional on (i) the Stock Exchange approving the Proposed Spin-off, and (ii) the Listing Committee granting approval for the Listing (together the "Conditions").

On 9 February 2009, a joint formal application was submitted to the Stock Exchange for the proposed spin-off of HTHKH by HWL and HTIL to be effected by way of the Distribution and for the Introduction. HTHKH today submitted an advance booking form for an application for the listing of, and permission to deal in, the HTHKH Shares on the Main Board of the Stock Exchange by way of introduction involving no initial public offering of any securities or raising of any new capital.

The Proposed Spin-off and the Introduction will be implemented in compliance with the Listing Rules and PN15. As the Proposed Spin-off will be effected by way of introduction with no new offering of HTHKH Shares, there will be no dilution of the indirect attributable interest of the HTIL Qualifying Shareholders (including HWL) in HTHKH. Accordingly, the approval of the shareholders of HWL and HTIL will not be required for the Proposed Spin-off or the Introduction.

BACKGROUND

HWL is the controlling shareholder of HTIL and currently indirectly owns approximately 60.4% of HTIL.

The telecommunications businesses of the HWL Group (excluding the HTIL Group) currently comprise its existing 3G mobile telecommunications businesses in Western Europe (namely, Austria, Denmark, Italy, Sweden and the United Kingdom) and Australia and its 2G mobile



telecommunications businesses in Australia and Argentina.

The HTIL Group currently operates mobile and fixed-line telecommunications businesses in Hong Kong and mobile telecommunications businesses in Macau, Israel, Vietnam, Thailand, Sri Lanka and Indonesia.

HTHKH is currently a wholly-owned subsidiary of HTIL. The HTHKH Group operates 2G and 3G mobile telecommunications businesses in Hong Kong and Macau and a fixed-line telecommunications business in Hong Kong. Further information on the HTHKH Group is set out in the section headed “Information on the HTHKH Group” in this announcement.

Immediately following the completion of the Proposed Spin-off, HTHKH will cease to be part of the HTIL Group but will remain as a member of the HWL Group and continue to be owned by HWL as to approximately 60.4%, assuming HTIL’s issued share capital remains unchanged. HWL will continue to be the controlling shareholder of both HTIL and HTHKH. Please refer to the section headed “Unaudited Pro Forma Consolidated Financial Information” in this announcement for the unaudited pro forma consolidated financial information of the Remaining HTIL Group which illustrates the effect of the Proposed Spin-off on the Remaining HTIL Group.

In connection with the spin-off and listing of HTIL on the Main Board of the Stock Exchange in October 2004, HWL and HTIL entered into the Existing HWL-HTIL Non-Competition Agreement to ensure that there is a clear delineation of the businesses of the HTIL Group (which then included the HTHKH Group) and the telecommunications businesses retained by the HWL Group (excluding the HTIL Group). The Existing HWL-HTIL Non-Competition Agreement operates on a geographical basis so that there is no single country in which both the HTIL Group and the HWL Group (excluding the HTIL Group) will have competing operations. Under the Existing HWL-HTIL Non-Competition Agreement, the HWL Group (excluding the HTIL Group) has exclusive rights in Australia, New Zealand, the United States, Canada, Argentina and Western Europe (except for certain activities ancillary to the HTHKH Group’s Hong Kong fixed-line international business and which have been specifically consented to by HWL) and the HTIL Group has exclusive rights in the rest of the world. The Existing HWL-HTIL Non-Competition Agreement provides, amongst others, that each group will have the right of first refusal over any new opportunity which may arise in that group’s exclusive territory and contains certain exceptions to the non-competition restrictions, such as permitting certain limited business activities and portfolio investments. The restrictions in the Existing HWL-HTIL Non-Competition Agreement will terminate in certain circumstances, namely, on the earlier of one year after HWL ceases to control, directly or indirectly, 30% or more of HTIL’s issued share capital and on the date when HTIL ceases to be listed.

Taking into account the arrangements contained in the Existing HWL-HTIL Non-Competition Agreement and in order to maintain a clear delineation of the respective telecommunications businesses of the HTHKH Group, the Remaining HTIL Group and the Resulting HWL Group following the completion of the Proposed Spin-off and the Introduction, it is proposed that each of HWL and HTIL will enter into a non-competition agreement with HTHKH, and HWL and HTIL will enter into an amendment agreement to the Existing HWL-HTIL Non-Competition Agreement. These proposed agreements will delineate each group’s territory for the purposes of implementing the non-competition restrictions and, whilst recognising HTHKH’s exclusive rights in relation to Hong Kong and Macau, preserve the existing rights of HWL and HTIL in other territories. Accordingly, following the completion of the Proposed Spin-off and the Introduction, the HTHKH Group’s exclusive territory will comprise Hong Kong and Macau, the Resulting HWL Group’s exclusive territory will continue to comprise Australia, New Zealand, the United States, Canada, Argentina and Western Europe (except as outlined above) and the Remaining HTIL Group’s exclusive territory will comprise the rest of the world.

It is proposed that the non-competition agreements to be entered into between HTHKH and each of HWL and HTIL will provide, amongst others, that each of the Resulting HWL Group and the Remaining HTIL Group will continue to have priority over the HTHKH Group in respect of participation in any new opportunity which may arise in their respective exclusive territory and will contain certain exceptions to the non-competition restrictions similar to those contained in the Existing HWL-HTIL Non-Competition Agreement, such as permitting certain limited business activities and portfolio investments. It is further proposed that the non-competition agreement to be entered into between HWL and HTHKH will terminate in certain circumstances, namely, on the earlier of one year after HWL ceases to control, directly or indirectly, 30% or more of HTHKH's issued share capital and on the date when HTHKH ceases to be listed, while the non-competition agreement to be entered into between HTIL and HTHKH will also terminate in certain circumstances, namely, on the earlier of one year after HWL ceases to control, directly or indirectly, 30% or more of the issued share capital of either HTIL or HTHKH and the date when either HTIL or HTHKH ceases to be listed.

Further details of the proposed non-competition agreements between HTHKH and each of HWL and HTIL, the proposed amendments to the Existing HWL-HTIL Non-Competition Agreement and other amendments to or termination of certain other current arrangements, including amendments to the Facility Agreement and amendments to the Pass Through Agreement, will be announced when these agreements have been entered into by the respective parties.

INFORMATION ON THE HTHKH GROUP

The HTHKH Group operates 2G and 3G mobile telecommunications services in Hong Kong and Macau via the “3” brand and provides fixed-line telecommunications services in Hong Kong via the “HGC” brand. As at 31 December 2008, the HTHKH Group is Hong Kong's 3G market leader in terms of customer base. The HTHKH Group is also a Hong Kong based fixed-line connectivity provider focusing on the data communications needs of businesses and multinational customers, as well as the traffic demand of carriers from around the world.

The HTHKH Group is a leading 3G mobile telecommunications operator in Hong Kong that also has a territory-wide self-owned fibre-to-the-building network. This provides the HTHKH Group with a sound foundation to steer the development and customer adoption of data-centric communication services in both the mobile and fixed-line arenas.

The HTHKH Group's strategy is to capitalise on its 2G, 3G and fibre-to-the-building networks to offer customers a wide range of telecommunications services – from voice-driven services to ultra high-speed information and communication technology (ICT) services – using its narrowband and broadband platforms.

INFORMATION ON THE PROPOSED SPIN-OFF, THE DISTRIBUTION AND THE INTRODUCTION

The Proposed Spin-off will be implemented by way of the Distribution. The HTIL Board today conditionally approved the payment of an interim dividend by HTIL to be satisfied by way of a distribution in specie of the entire share capital of HTHKH to HTIL Qualifying Shareholders in proportion to their respective shareholdings in HTIL on the Distribution Record Date, rounded down to the nearest whole number. The Distribution is subject to the fulfilment of the Conditions. The HTHKH Shares to be distributed pursuant to the Proposed Spin-off will rank *pari passu* in all respects to each other.



The Introduction does not involve an offer of new HTHKH Shares or any other securities and no new proceeds will be raised pursuant to the Listing. The Introduction is conditional on the Listing Committee granting approval for the Listing.

HTHKH intends to establish a sponsored, unlisted American Depositary Share Level 1 programme to be traded over-the-counter (OTC) so that the HTIL Qualifying ADS Holders can receive HTHKH ADSs. Neither the HTHKH Shares nor the HTHKH ADSs will be listed on any securities exchange in the United States or quoted on any automated inter-dealer quotation system in the United States. HTIL will in due course specify instructions as to how the HTIL Qualifying ADS Holders may arrange to receive the HTHKH ADSs.

HTIL Overseas Shareholders (if any) will be entitled to the Distribution but will not receive the HTHKH Shares. Instead, they will receive a cash amount equal to the net proceeds of the sale of their HTHKH Shares by HTIL on their behalf after dealings in the HTHKH Shares commence on the Stock Exchange at the prevailing market price.

Unless either of the Conditions is not fulfilled or is incapable of being fulfilled, further announcements will be made by HTIL in due course setting out, amongst others, the dates on which the register of members of HTIL will be closed for ascertaining entitlements to the Distribution, the Distribution Record Date, the total number of HTHKH Shares to be distributed to HTIL Qualifying Shareholders pursuant to the Distribution, the applicable distribution ratio, whether there are any HTIL Overseas Shareholders, the expected timetable for the Listing, changes to the HTIL Board on completion of the Proposed Spin-off, any adjustments to the exercise price of the share options granted by HTIL as a result of the Distribution, and details of continuing connected transactions arising as a result of the Proposed Spin-off and Listing.

REASONS FOR AND BENEFITS OF THE DISTRIBUTION, THE PROPOSED SPIN-OFF AND THE INTRODUCTION

The respective HWL Board and HTIL Board believe that the Distribution, Proposed Spin-off and the Introduction will be commercially beneficial to, and create value for, HWL and HTIL and their respective shareholders taken as a whole. The Distribution, the Proposed Spin-off and the Introduction will enable investors to appraise and assess the potential and performance of HTHKH as a separate entity from HWL and HTIL. In particular, the Distribution, the Proposed Spin-off and the Introduction will be beneficial to HWL and HTIL and their respective shareholders taken as a whole for the following reasons:

- **Clarifies the equity story for HTHKH and HTIL.** HTIL's current businesses can be broadly separated into those that enjoy stable growth, profitability and lower capital expenditure requirements and those that have high potential growth, longer path to profitability and high capital expenditure investments to build up the network.

Separation of the HTHKH Group from the other businesses of HTIL would allow HTHKH to be valued on a stand-alone basis. These assets offer a different investment profile with their focus on the Hong Kong and Macau telecommunications markets which exhibit modest revenue growth, stable cash flows and potential dividend returns. Investors will be provided with more details of the operating performance of the HTHKH Group and will be better placed to analyse a more tightly focused company where risk issues are isolated, identified and understood.

HTIL's businesses in emerging markets (Indonesia, Vietnam, Thailand, and Sri Lanka) and in Israel have different market strategies, investment profiles and challenges from those of its mobile and fixed-line telecommunications businesses in Hong Kong and Macau operated by the HTHKH Group. The emerging markets businesses are focused on customer growth and market share penetration rather than the roll-out of higher end data

services to drive average revenue per user typically associated with a more developed and mature market. In addition, the emerging markets businesses exhibit a significantly different financial profile as most have incurred high capital expenditure relative to sales due to initial network build-out and may suffer higher churn rates resulting from tariff wars due to competition to capture market share. The different risk-reward profiles of these assets may be better appreciated by different investors seeking exposure to the specific profiles of these assets.

- **Creates or unlocks shareholder value by minimising the discount currently applied by the market.** HTIL is currently trading at a large discount to the value of its underlying business. As at the date of this announcement, HTIL's market capitalisation is approximately HK\$10.2 billion. With the market value of HTIL's approximately 51% interest in Israel-listed Partner Communications Company Ltd. valued at approximately HK\$8.7 billion as at the date of this announcement, this indicates that investors are attributing little value to HTIL's other fixed-line and mobile telecommunications businesses. The holding company discount that the market has applied to HTIL therefore results in a valuation which is significantly lower than the aggregate of the value of each of HTIL's individual businesses. HTIL believes that a listing of its mobile telecommunications businesses in Hong Kong and Macau and its fixed-line telecommunications business in Hong Kong will clarify the equity story and enable investors to better appraise and value such businesses.
- **Improves management focus.** The Proposed Spin-off and the Introduction will enable the management of the HTHKH Group to focus their resources on the businesses of the HTHKH Group, which have different requirements and growth paths from those of HTIL's other businesses.
- **Further incentivises management to create shareholder value.** The separate listing of HTHKH should further incentivise the management of the HTHKH Group to create shareholder value in the HTHKH Group as they will have a direct interest in the performance of the HTHKH Shares as a public market security, thereby aligning their interests with the objective of shareholder value creation.
- **Enhances access to capital markets.** The additional operating information and clarity on the HTHKH Group should enable it to directly access capital markets as a stand-alone company and facilitate the sourcing of new capital for HTHKH in the future.

As HTIL Qualifying Shareholders will continue to be the shareholders of both HTIL and HTHKH immediately following the completion of the Proposed Spin-off, they will enjoy the benefits from the development of both companies through the creation or unlocking of shareholder value.

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

The following Unaudited Pro Forma Consolidated Financial Information, for which the directors of HTIL are solely responsible, has been prepared on the basis of the notes set out below for the purpose of illustrating the effect of the Proposed Spin-off on the Remaining HTIL Group as if the Proposed Spin-off had taken place on 31 December 2008 for the unaudited pro forma consolidated balance sheet and 1 January 2008 for the unaudited pro forma consolidated profit and loss account. The Unaudited Pro Forma Consolidated Financial Information has been prepared for illustrative purposes only and, because of its hypothetical nature, may not present a true picture of the financial position and results of operations of the Remaining HTIL Group had the Proposed Spin-off been completed on 31 December 2008 or 1 January 2008, respectively, or at any future dates.

The Unaudited Pro Forma Consolidated Financial Information should be read in conjunction

with the annual results announcement of the HTIL Group for the year ended 31 December 2008 which was released by HTIL separately today.

**Unaudited Pro Forma Consolidated Balance Sheet of the Remaining HTIL Group
As at 31 December 2008
(HK\$ in millions)**

	Actual HTIL Group	Pro Forma Adjustments		Unaudited Pro Forma Remaining HTIL Group
	Note (a)	Note (b)	Note (c)	
ASSETS				
Current assets				
Cash and cash equivalents	2,525		(272)	2,253
Trade and other receivables	5,072		(1,129)	3,943
Stocks	463		(181)	282
Derivative financial assets	48			48
Total current assets	8,108			6,526
ASSETS HELD FOR SALE	174			174
NON-CURRENT ASSETS				
Fixed assets	17,216		(9,557)	7,659
Goodwill	6,815		(4,515)	2,300
Other intangible assets	7,160		(1,134)	6,026
Other non-current assets	3,844		(1,384)	2,460
Deferred tax assets	368		(368)	-
Interests in associated companies	2		(2)	-
Interests in jointly-controlled entities	88		(88)	-
Total non-current assets	35,493			18,445
Total assets	43,775			25,145
LIABILITIES				
Current liabilities				
Trade and other payables	8,000		(3,054)	4,946
Borrowings	7,652		(5,220)	2,432
Amounts due to related companies	-	12,418	(12,418)	-
Current income tax liabilities	104		(9)	95
Derivative financial liabilities	27			27
Total current liabilities	15,783			7,500
Non-current liabilities				
Borrowings	3,348			3,348
Deferred tax liabilities	457		(88)	369
Other long-term liabilities	2,458		(641)	1,817
Total non-current liabilities	6,263			5,534
Total liabilities	22,046			13,034
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	1,204			1,204
Reserves	17,909	(12,418)	2,357	7,848
Minority interest	19,113			9,052
Minority interest	2,616		443	3,059
Total equity	21,729			12,111
Total equity and liabilities	43,775			25,145



Unaudited Pro Forma Consolidated Profit and Loss Account of the Remaining HTIL Group
For the year ended 31 December 2008
(HK\$ in millions)

	Actual HTIL Group	Pro Forma Adjustments	Unaudited Pro Forma Remaining HTIL Group
	Note (d)	Note (e)	
Turnover	23,725	(8,103)	15,622
Cost of inventories sold	(2,785)	740	(2,045)
Staff costs	(2,511)	488	(2,023)
Depreciation and amortization	(4,531)	1,995	(2,536)
Other operating expenses	(12,291)	4,114	(8,177)
Operating profit before disposal of investments and others	1,607		841
Profit on disposal of investments and others, net	2,453		2,453
Operating profit	4,060		3,294
Interest and other finance costs, net	(256)	198	(58)
Share of results after tax of jointly-controlled entities	(11)	11	-
Profit before taxation	3,793		3,236
Taxation	(874)	75	(799)
Profit for the year	2,919		2,437
Attributable to:			
- Equity holders of the Company	1,883	(438)	1,445
- Minority interest	1,036	(44)	992
	<u>2,919</u>		<u>2,437</u>

Notes to the Unaudited Pro Forma Consolidated Financial Information of the Remaining HTIL Group

- (a) The consolidated balance sheet of the HTIL Group as at 31 December 2008 has been extracted from the audited consolidated accounts of the HTIL Group for the year ended 31 December 2008.
- (b) The adjustment reflects the capitalisation of HK\$12,418 million of the loans due from HTHKH Group to the Remaining HTIL Group immediately prior to the Distribution. The capitalisation is part of the process for the Distribution as proposed by HTIL.
- (c) The adjustment reflects the de-consolidation of the assets and liabilities attributable to the HTHKH Group assuming that the Distribution had taken place on 31 December 2008. The adjustment excluded intercompany balances between the HTHKH Group and the Remaining HTIL Group.

- (d) The consolidated profit and loss account of the HTIL Group for the year ended 31 December 2008 has been extracted from the audited consolidated accounts of the HTIL Group for the year ended 31 December 2008.
- (e) The adjustment reflects the de-consolidation of the results attributable to the HTHKH Group, assuming that the Distribution had taken place on 1 January 2008. The amount of adjustment excluded transactions between HTHKH Group and the Remaining HTIL Group.
- (f) No other adjustment has been made to reflect any trading result or other transaction of the HTIL Group entered into subsequent to 31 December 2008.
- (g) As part of its periodic review of company filings, the U.S. Securities and Exchange Commission has raised some comments on the accounting treatment of PT. Hutchison CP Telecommunications' sale and leaseback transactions for base station towers in 2008. HTIL cannot predict the outcome of this review and it is possible that an adjustment to HTIL's accounts may be required to account for the transactions as a finance lease. Further details are in HTIL's 2008 results announcement published today.

Accountant's Report on the Unaudited Pro Forma Consolidated Financial Information of the Remaining HTIL Group

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this announcement.



**ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA CONSOLIDATED
FINANCIAL INFORMATION
TO THE DIRECTORS OF HUTCHISON TELECOMMUNICATIONS
INTERNATIONAL LIMITED**

We report on the unaudited pro forma consolidated financial information set out in the section under the heading “Unaudited Pro Forma Consolidated Financial Information” (the “Unaudited Pro Forma Consolidated Financial Information”) in the announcement dated 4 March 2009 (the “Announcement”) of Hutchison Telecommunications International Limited (“HTIL”), in connection with the proposed spin-off by way of distribution of the shares of Hutchison Telecommunications Hong Kong Holdings Limited (the “Transaction”) by HTIL. The Unaudited Pro Forma Consolidated Financial Information has been prepared by the directors of HTIL, for illustrative purposes only, to provide information about how the Transaction might have affected the relevant financial information of HTIL and its subsidiaries (hereinafter collectively referred to as the “HTIL Group”). The basis of preparation of the Unaudited Pro Forma Consolidated Financial Information is set out in the Announcement.

Respective Responsibilities of Directors of HTIL and the Reporting Accountant

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Consolidated Financial Information in accordance with rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

It is our responsibility to form an opinion, as required by rule 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Consolidated Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Consolidated Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

BASIS OF OPINION

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the HKICPA. Our work, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the audited consolidated balance sheet as at 31 December 2008 and the audited consolidated profit and loss account for the year ended 31 December 2008 with the audited consolidated financial information of the HTIL Group for the year ended 31 December 2008 as set out in the annual results announcement of HTIL dated 4 March 2009, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Consolidated Financial Information with the directors of HTIL.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Consolidated Financial Information has been

properly compiled by the directors of HTIL on the basis stated, that such basis is consistent with the accounting policies of the HTIL Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Consolidated Financial Information as disclosed pursuant to rule 4.29(1) of the Listing Rules.

Our work has not been carried out in accordance with auditing standards or other standards and practices generally accepted in the United States of America or auditing standards of the Public Company Accounting Oversight Board (United States) and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

The Unaudited Pro Forma Consolidated Financial Information is for illustrative purposes only, based on the judgements and assumptions of the directors of HTIL, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of:

- the financial position of HTIL Group as at 31 December 2008 or any future date, or
- the results of HTIL Group for the year ended 31 December 2008 or any future periods.

OPINION

In our opinion:

- a) the Unaudited Pro Forma Consolidated Financial Information has been properly compiled by the directors of the Company on the basis stated;
- b) such basis is consistent with the accounting policies of the HTIL Group; and
- c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Consolidated Financial Information as disclosed pursuant to rule 4.29(1) of the Listing Rules.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 4 March 2009

GENERAL

The implementation of the Distribution, the Proposed Spin-off and the Introduction is subject to the Conditions. In particular, if the Stock Exchange does not approve the Proposed Spin-off or the Listing Committee does not grant approval for the Listing, the Distribution will not be made, the Proposed Spin-off will not be implemented and the Introduction will not occur. Accordingly, shareholders of HWL, HTIL Shareholders, HTIL ADS Holders and potential investors are reminded to exercise caution when dealing in the respective securities of HWL and HTIL.

DEFINITIONS

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

“2G” second generation wireless communications and a form of digital technology

“3G”	third generation wireless communications and a form of digital technology
“Conditions”	the conditions to the Distribution as outlined and defined in the section entitled “Introduction” in this announcement
“connected person”	has the meaning ascribed to such term in the Listing Rules
“controlling shareholder”	has the meaning ascribed to such term in the Listing Rules
“Distribution”	the payment of an interim dividend by HTIL to be satisfied by way of a distribution in specie of the entire share capital of HTHKH to HTIL Qualifying Shareholders subject to the fulfilment of the Conditions
“Distribution Record Date”	the record date for ascertaining entitlements to the Distribution, to be determined and announced by the HTIL Board
“Existing HWL-HTIL Non-Competition Agreement”	the non-competition agreement dated 24 September 2004 and entered into between HWL and HTIL
“Facility Agreement”	the US\$2,500 million senior secured revolving credit/term loan facility agreement dated 25 November 2008 and entered into by HTIL, HTFCL and HFAL, more particularly described in HTIL’s announcement and shareholders’ circular both dated 25 November 2008
“HFAL”	Hutchison Facility Agents Limited, an indirect subsidiary of HWL, the facility agent and security trustee of the senior secured revolving credit/term loan facility, the subject of the Facility Agreement and a connected person of HTIL
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“HTFCL”	Hutchison Telecommunications Finance Company Limited, an indirect subsidiary of HWL, the lender of the senior secured revolving credit/term loan facility, the subject of the Facility Agreement and a connected person of HTIL
“HTHKH”	Hutchison Telecommunications Hong Kong Holdings Limited 和記電訊香港控股有限公司, a company incorporated in the Cayman Islands with limited liability and currently an indirect wholly-owned subsidiary of HTIL
“HTHKH ADSs”	unlisted American Depositary Shares to be issued by a depositary to be engaged by HTHKH, representing

	ownership of such number of HTHKH Shares as to be further announced
“HTHKH Group”	HTHKH and its subsidiaries
“HTHKH Shares”	ordinary shares of par value HK\$0.10 each in the capital of HTHKH
“HTIL”	Hutchison Telecommunications International Limited 和記電訊國際有限公司, a company incorporated in the Cayman Islands with limited liability, whose HTIL Shares are listed on the Main Board of the Stock Exchange (Stock Code: 2332) and whose HTIL ADSs are listed on the New York Stock Exchange (Ticker: HTX)
“HTIL ADS Holders”	holders of HTIL ADSs
“HTIL ADSs”	American Depositary Shares issued by Citibank N.A., each representing ownership of 15 HTIL Shares
“HTIL Board”	the board of directors of HTIL from time to time
“HTIL Group”	HTIL and its subsidiaries as at the date of this announcement (which include the HTHKH Group)
“HTIL Overseas Shareholders”	HTIL Shareholders whose registered addresses on the register of members of HTIL are outside Hong Kong on the Distribution Record Date and in relation to whom the applicable laws, rules or regulations require additional registrations or compliance with other procedures before the Distribution may be effected in relation to such HTIL Shareholders, which HTIL determines to be unduly burdensome or onerous on it, or in relation to whom HTIL determines, in its sole discretion, that there are other difficulties in effecting the Distribution
“HTIL Qualifying ADS Holders”	HTIL ADS Holders on the Distribution Record Date
“HTIL Qualifying Shareholders”	HTIL Shareholders whose names appear on the register of members of HTIL on the Distribution Record Date
“HTIL Shareholders”	holders of HTIL Shares from time to time
“HTIL Shares”	ordinary shares of par value HK\$0.25 each in the capital of HTIL
“HWL”	Hutchison Whampoa Limited 和記黃埔有限公司, a company incorporated in Hong Kong with limited liability, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 13)
“HWL Board”	the board of directors of HWL from time to time
“HWL Group”	HWL and its subsidiaries

“Introduction”	the Listing by way of introduction pursuant to the Listing Rules
“Listing”	the listing of, and permission to deal in, the HTHKH Shares in issue and any HTHKH Shares which may be issued pursuant to the exercise of the options which may be granted under the share option scheme proposed to be adopted by HTHKH on the Main Board of the Stock Exchange
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	Macau Special Administrative Region of the People’s Republic of China
“Pass Through Agreement”	an agreement dated 24 September 2004 and entered into between HWL and HTIL pursuant to which HTIL agreed, subject to limited exceptions stated therein, that with effect from the listing date of HTIL on the Main Board of the Stock Exchange the rights and obligations of HWL contained in certain shareholders’ agreements entered into in 2004 with respect to certain members of the HTHKH Group will be passed through to HTIL
“PN15”	Practice Note 15 of the Listing Rules
“Proposed Spin-off”	the proposed spin-off of HTHKH by HWL and HTIL to be effected by way of the Distribution
“Remaining HTIL Group”	the HTIL Group (excluding the HTHKH Group)
“Resulting HWL Group”	the HWL Group (excluding the HTIL Group and the HTHKH Group)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to such term in the Listing Rules
“Unaudited Pro Forma Consolidated Financial Information”	the unaudited pro forma consolidated balance sheet and the unaudited pro forma consolidated profit and loss account of the Remaining HTIL Group set out in the section headed “Unaudited Pro Forma Consolidated Financial Information” in this announcement
“United States”	the United States of America

By Order of the Board
**HUTCHISON WHAMPOA
LIMITED**
Edith Shih
Company Secretary
Hong Kong, 4 March 2009

By Order of the Board
**HUTCHISON TELECOMMUNICATIONS
INTERNATIONAL LIMITED**
Edith Shih
Company Secretary

As at the date of this announcement, the directors of HWL are:

Executive Directors:

Mr. LI Ka-shing (*Chairman*)
Mr. LI Tzar Kuoi, Victor (*Deputy Chairman*)
Mr. FOK Kin-ning, Canning
Mrs. CHOW WOO Mo Fong, Susan
Mr. Frank John SIXT
Mr. LAI Kai Ming, Dominic
Mr. KAM Hing Lam

Non-executive Directors:

Mr. George Colin MAGNUS
Mr. William SHURNIAK

Independent Non-executive Directors:

The Hon. Sir Michael David KADOORIE
Mr. Holger KLUGE
Mr. OR Ching Fai, Raymond
Mr. WONG Chung Hin

Alternate Director:

Mr. William Elkin MOCATTA
(*Alternate to The Hon. Sir Michael David Kadoorie*)

As at the date of this announcement, the directors of HTIL are:

Executive Directors:

Mr. LUI Dennis Pok Man
Mr. Christopher John FOLL
Mr. CHAN Ting Yu
(*also Alternate to Mr. Lui Dennis Pok Man*)
Mr. WONG King Fai, Peter

Non-Executive Directors:

Mr. FOK Kin-ning, Canning (*Chairman*)
Mrs. CHOW WOO Mo Fong, Susan
(*also Alternate to Mr. Fok Kin-ning, Canning and Mr. Frank John Sixt*)
Mr. Frank John SIXT

Independent Non-executive Directors:

Mr. KWAN Kai Cheong
Mr. John W. STANTON
Mr. Kevin WESTLEY

Alternate Directors:

Mr. WOO Chiu Man, Cliff
(*Alternate to Mr. Christopher John Foll*)
Mr. MA Lai Chee, Gerald
(*Alternate to Mr. Wong King Fai, Peter*)

