



[For Immediate Release]

**BEIJING TOURISM INAUGURATED TODAY  
JOINTLY ESTABLISHED BY BEIJING ENTERPRISES,  
BEIJING TOURISM GROUP & HUTCHISON CHINA**

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**THREE STRONG SHAREHOLDERS STRENGTHEN COOPERATION  
PROMOTES TOURISM DEVELOPMENT IN CHINA AND OVERSEAS**

(Hong Kong, October 17, 2002) – Beijing Tourism Development Company Limited (“Beijing Tourism”) today held an inauguration cocktail reception upon its official establishment.

Beijing Tourism is a tourism joint venture established by Beijing Enterprises Holdings Limited (“Beijing Enterprises”) (stock code: 392), Beijing Tourism Group Company Limited (“Beijing Tourism Group”) and Hutchison Whampoa (China) Limited (“Hutchison China”). Currently, its five enterprises are principally engaged in the development of tourism businesses in China and overseas. Beijing Enterprises and Beijing Tourism Group hold an equity interest of 40% and 32.5% in Beijing Tourism respectively, while Hutchison China holds the remaining 27.5%.

Beijing Tourism’s assets include Beijing Badaling Tourism Development Company Limited, Jian Guo Hotel Joint Venture Beijing, Beijing Long Qing Xia Tourism Development Company Limited, Great Wall Hotel Joint Venture of Beijing, as well as Holiday Inn Civic Center in San Francisco, U.S.

Mr. Yi Xi Qun, Chairman of Beijing Tourism Group & Vice Chairman of Beijing Enterprises, said, “We are delighted with the inauguration of Beijing Tourism today. The three companies are cooperating jointly in light of the many opportunities brought about by China’s accession to WTO, Beijing’s successful bid for the 2008 Olympic Games and the rapid development of both China’s and Beijing’s tourism industry. The three shareholders are all leading corporations: Beijing Enterprises is the primary overseas commercial window for the Beijing Municipal Government, Beijing Tourism Group is one of Beijing’s and China’s largest tourist organizations, whereas Hutchison Whampoa is a well-known multinational conglomerate with businesses spanning 41 countries around the world. We hope that this cooperation will strengthen relationships between the three shareholders, capitalizing on the advantages of each shareholder to achieve further economies of scale.”

Mr. Miao Li Sheng, Chairman of the Administrative Management Committee of Beijing Tourism & Deputy General Manager of Beijing Tourism Group, said, "China is a country with a long history, rich traditional culture and abundant tourism resources. In 20 years, following China's market reforms and liberalization, China's tourism industry has developed from being non-existent to today's remarkable performances. The domestic and overseas development of China's tourism industry enables the world to better understand China and China to understand the world, effectively encouraging China's economic development and Chinese and Western cultural exchange. Currently, the continuous increase in the number of overseas travelers and the foreign exchange income that they bring with them, the number of domestic travelers and the respective tourism income, as well as the number of outbound travelers from China, offer a broad platform and invaluable opportunities for the Company's future development."

According to statistics from China National Tourism Association, the number of overseas travelers visiting China increased from about 230,000 people in 1978 (with total inbound travelers of around 1.8 million people) to about 11.2 million people in 2001 (with total inbound travelers of around 89 million people). Foreign exchange income resulting from tourism also surged from around US\$260 million in 1978 to around US\$17.8 billion in 2001. In 2001, the number of domestic travelers reached about 780 million people with the respective tourism income amounting to RMB352 billion, contributing 5.2% to the gross domestic product. Since 1997 when Chinese citizens were permitted to make outbound travel at their own costs, the number of outbound travelers has increased to about 12.1 million people, traveling to destinations in 21 countries and areas, expanding from Singapore, Malaysia, Thailand in the beginning, to Europe and Africa.

As China's political, economic and cultural centre, Beijing is an ancient capital with a long history. As such, it has become China's largest tourist city. The number of overseas travelers visiting Beijing increased from about 290,000 people in 1980 to 2.86 million in 2001. Foreign exchange income from tourism also grew from US\$120 million in 1980 to US\$3 billion in 2001.

Mr. Simon To, CEO of Beijing Tourism & Managing Director of Hutchison China, said, “Capitalizing on the rapid growth of China’s economy and tourism industry, we have planned for our future development directions. The Company will optimize and transform our tourism projects to improve management quality and enhance competitiveness, while driving up profitability. Additionally, after project integration and at the appropriate time, the Company will seek financing from the capital market to prepare sufficient funds for investment in new tourism projects. The Company will also explore opportunities to participate in the investment of various large-scale tourism development projects related to the 2008 Olympics in Beijing. The Company will also continue to invest in the development of both the domestic and overseas tourism industry with the development of overseas scenic spots which are popular with Chinese travelers.”

### **About Beijing Tourism Development Company Limited**

Beijing Tourism, a tourism joint venture established by Beijing Enterprises Holdings Limited, Beijing Tourism Group Company Limited and Hutchison Whampoa (China) Limited, comprises 5 enterprises, principally engaged in the development of Chinese and overseas tourism. Beijing Enterprises and Beijing Tourism Group hold an equity interest of 40% and 32.5% respectively in Beijing Tourism, while Hutchison China holds the remaining 27.5%.

### **About Beijing Enterprises Holdings Limited**

Beijing Enterprises Holdings Limited is the sole overseas listed conglomerate controlled by the Beijing Municipal Government for the channeling of capital, technology and management expertise from international markets into Beijing’s development priorities. Its core businesses comprise consumer goods, infrastructure, tourism and retail services and technology.

### **About Beijing Tourism Group Company Limited**

Beijing Tourism Group Company Limited, a large-scale tourism organization established by the Beijing Municipal Government, is one of China’s largest tourism enterprises. Its core businesses include the investment and management of hotels, travel agencies, auto services and conference and exhibition services and facilities. Beijing Tourism Group also undertakes important and large-scale events for the Central Committee of the CPC and the Beijing Municipal Government, and has been a partner in the bidding committee for the 2008 Olympic Games and a member of its support team.

**About Hutchison Whampao (China) Limited**

Hutchison Whampoa Limited (HWL), founded in the 19th century, is a Hong Kong-based multinational conglomerate. In terms of market capitalization, HWL is one of the largest companies listed on the Hong Kong Stock Exchange, and is a member company of [Li Ka Shing Group]. With over 150,000 employees worldwide, the Group operates five core businesses in 41 countries covering ports & related services, telecommunications, property & hotels, retail & manufacturing and energy & infrastructure. As the investment arm of HWL in Mainland China, Hutchison China is highly experienced in China investment. The current investments in China include the manufacture & distribution of personal care products, the provision of logistics services, the provision of aircraft maintenance & engineering services, hotel ownership, the manufacture & distribution sale of healthcare products, as well as high-tech projects.

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