

Proposed privatisation of PCCW Limited by way of a scheme of arrangement

Disclosure of securities borrowing and lending transactions in relation to PCCW Limited

The Executive received the following disclosure of securities borrowing and lending transactions pursuant to Rule 22 of the Hong Kong Code on Takeovers and Mergers:

Party (Note 1 & 2)	Date	Description of relevant securities	Borrowing/Lending/ Unwinding of borrowing or lending transaction	No. of Securities	Resultant balance and percentage of class
ABN AMRO Bank N.V.	3 December 2008	Shares	Unwinding of borrowing	5,000	-

Notes

1. ABN AMRO Bank N.V. is the parent company of ABN AMRO Asia Corporate Finance Limited, the financial adviser to China Network Communications Group Corporation (“**CNC**”) and its wholly owned subsidiary, China Netcom Corporation (BVI) Limited (“**Netcom BVI**”). Netcom BVI is one of the joint offerors in the proposed privatisation.
2. ABN AMRO Bank N.V. is an exempt principal trader connected with CNC and Netcom BVI.