



港燈電力投資

HK Electric Investments

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(As constituted pursuant to a deed of trust on 1 January 2014 under the laws of Hong Kong, the trustee of which is HK Electric Investments Manager Limited)

and

HK Electric Investments Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2638)

## Preparing for a Green Energy Future Annual Results Highlights for 2016

**In 2016, we continued to achieve a balance between shareholder and customer value, with stable distribution to holders of our Share Stapled Units, while reducing our tariffs across the board.**

	2016	2015	Change
Revenue	<b>HK\$11,420 million</b>	HK\$11,210 million	+2%
Distribution Amount	<b>HK\$3,538 million</b>	HK\$3,538 million	-
Interim Distribution per Share Stapled Unit	<b>HK19.92 cents</b>	HK19.92 cents	-
Final Distribution per Share Stapled Unit	<b>HK20.12 cents</b>	HK20.12 cents	-
Total Distribution per Share Stapled Unit	<b>HK40.04 cents</b>	HK40.04 cents	-
Net Debt-to-Net Total Capital Ratio	<b>44%</b>	46%	

*Note: 2016 final distribution will be payable on 19/4/2017 to SSU holders whose names appear on the Share Stapled Units Register on 6/4/2017.*

- HK Electric is building two new gas-fired generating units, L10 and L11. Construction of L10 is in good progress for commissioning in 2020 while piling work for L11 has commenced at end 2016. When L11 is commissioned in 2022, HK Electric's gas-firing generation capacity will rise to about 55% of total output that will help further reduce emissions.
- We are partnering with CLP Power to explore the feasibility of siting a floating liquefied natural gas terminal in Hong Kong waters to enhance the security and bargaining power of natural gas supply.
- In the longer term, more efforts would be required to support the Government's Climate Action Plan 2030+. We envisage an investment pipeline which includes the further replacement of coal-fired generating units by gas-fired units and other supporting infrastructure.
- Good progress has been made in our ongoing deliberations with the Government over the future regulatory framework. Both sides acknowledge the need for an early agreement with which HK Electric will be able to make timely investments to achieve the Government's energy and environmental objectives.
- While preparing for the future we continued to excel on all operating parameters, maintaining power supply reliability at over 99.999% since 1997 and meeting or surpassing all 18 pledged customer service standards.
- We have reduced tariff for 2017 by an average of 17.2% after the 2016 tariff reduction. These cuts follow a two-year tariff freeze and have enabled us to go over and above our 2013 pledge to keep tariffs unchanged for five years till end 2018.

To view the announcement on annual results for 2016, please visit  
[www.hkei.hk](http://www.hkei.hk)