



港燈電力投資

HK Electric Investments

HK Electric Investments

(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)

Certainty Underpinning a Clean Energy Future Annual Results Highlights for 2017

	2017	2016	Change
Revenue	HK\$11,693 million	HK\$11,420 million	+2%
Distribution Amount	HK\$3,538 million	HK\$3,538 million	-
Interim Distribution per Share Stapled Unit	HK19.92 cents	HK19.92 cents	-
Final Distribution per Share Stapled Unit	HK20.12 cents	HK20.12 cents	-
Total Distribution per Share Stapled Unit	HK40.04 cents	HK40.04 cents	-
Net Debt-to-Net Total Capital Ratio	44%	44%	

Note: 2017 final distribution will be payable on 11/4/2018 to holders of Share Stapled Units whose names appear on the Share Stapled Units Register on 28/3/2018.

- The Group maintained stable revenue income and distribution in 2017.
- Unit sales of electricity decreased by 1.6% mainly due to much milder weather in the first half of 2017 and public awareness of energy conservation.
- In April 2017, the Group entered into a new Scheme of Control Agreement (SCA) with the Government. With a longer term of 15 years (2019-2033), the new SCA will help the Group make the significant investments required to meet the Government's carbon reduction targets and satisfy the community's aspirations for cleaner air.
- Following the retirement of our oldest coal-fired unit (L1) in May 2017, other coal-fired units will approach the end of their useful lives towards the end of the next decade or so and be replaced by new gas-fired units. We are confident that the upcoming increase in our assets base will compensate for the reduction of the rate of permitted return and will deliver growth in value to our SSU holders.
- Civil, electrical and mechanical works have been progressing at a satisfactory pace for the new gas-fired units L10 and L11. The two units will be commissioned in 2020 and 2022 respectively.
- We are developing an offshore liquefied natural gas terminal using Floating Storage and Regasification Unit (FSRU) technology with CLP Power. The Environmental Impact Assessment (EIA) report of the project will soon be submitted to the Government for approval.
- We have honoured our 2013 pledge to freeze tariffs for the five-year period between 2014 and 2018. Despite a small tariff rebound from 1 January 2018, our tariff today is a significant 16.6% lower than the 2013 level.

To view the announcement on annual results for 2017, please visit
www.hkei.hk