



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)

## A New Chapter of Excellence Interim Results Highlights for 2014

Distributable income (from the listing date to 30/6/2014)	<b>HK\$1,461 million</b>
Distribution per Share Stapled Unit	<b>HK16.53 cents</b>

HKEI was listed on the Stock Exchange of Hong Kong by way of Share Stapled Units on 29 January 2014. As indicated in the listing prospectus, our intention is to distribute 100% of HKEI's distributable income.

Unit sales of electricity in the first six months of 2014 rose slightly by 0.2% compared with the corresponding period in 2013. We maintained our world-leading reliability level in excess of 99.999%, which is not only higher than our pledged service target but is a record we have been keeping since 1997. For the first half of 2014, unplanned power interruption was less than half a minute per customer and we are confident that for the whole year our reliability rating can be maintained at less than one minute of unplanned power interruption per customer.

We continued to maintain our excellent customer service and are on track to meet or surpass all of our 18 pledged service standards for the 15th consecutive year.

A public consultation on the future fuel mix for electricity generation was held earlier in the year where two fuel mix options were proposed by the Hong Kong Government. We believe that keeping the generation of electricity local, while increasing the proportion of natural gas to 60% in the fuel mix is the best option for Hong Kong. Through our extensive engagement with stakeholders we understand that an overwhelming majority are in support of this option which we believe will enable us to maintain the world-class standards of supply reliability that underpin Hong Kong's status as an international financial hub while minimising tariff increases. While the consultation has been concluded in mid June, the public and the electricity industry alike await from the Government a policy decision to give a clear and certain road map for Hong Kong to contribute to combat global climate change and improve local air quality.

We have started the detailed planning and implementation of the approved HK\$13 billion development plan to continuously upgrade our services. We maintained and will keep net tariffs at their 2013 levels until 2018 barring unforeseen circumstances. Our current tariff is consistently lower than that of major international cities and we expect that our tariff will become the lowest in the region within the 2014-2018 period.

Following State Grid's recent increase in HKEI's unit holding to 20%, we have invited State Grid to join the HKEI Boards. We look forward to drawing on State Grid's internationally renowned knowledge and expertise to better position ourselves for the challenges ahead and to secure our long term success.