

The calculations shown below are in accordance with the SoC and the agreements between the SoC Companies. The calculations are extracted from the management accounts of CLP Power Hong Kong for the six months ended 30 June 2004.

	(Unaudited)	
	6 months ended 30 June	
	2004	2003
	HK\$M	HK\$M
SoC Revenue	11,870	11,333
Expenses		
Operating costs	1,434	1,292
Fuel	1,749	1,393
Purchases of nuclear electricity	2,046	2,029
Depreciation	1,681	1,652
Deferral premium	96	102
Operating interest	195	249
Taxation	800	739
	8,001	7,456
Profit after taxation	3,869	3,877
Interest on long-term financing	340	372
Adjustments required under the SoC (including share of profit on sale of electricity to Chinese mainland attributable to the SoC Companies)	49	55
Profit for SoC	4,258	4,304
Transfer from Development Fund	597	263
Permitted return	4,855	4,567
Deduct interest		
On long-term financing as above	340	372
On Development Fund and special provision account transferred to rate reduction reserve	112	148
	452	520
Net return	4,403	4,047
Divisible as follows:		
CLP Power Hong Kong	2,624	2,373
CAPCO	1,779	1,674
	4,403	4,047
CLP Power Hong Kong's share of net return		
CLP Power Hong Kong	2,624	2,373
Interest in CAPCO	713	672
	3,337	3,045