

# CLP at a Glance

CLP Holdings Limited is the holding company for the CLP Group of companies. It is listed on the Hong Kong Stock Exchange and is one of the largest investor-owned power businesses in Asia.

## Hong Kong



## Australia

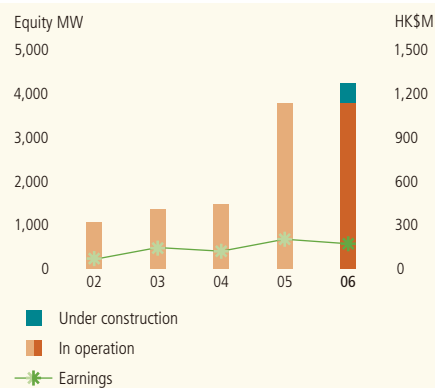
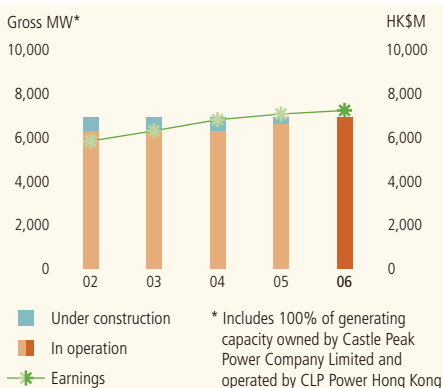


### Business Description

- \* Electricity supplier since 1903
- \* Owner and operator of a vertically integrated electricity supply business in Hong Kong, comprising:
  - Generation: 6,908 megawatts (MW) of total installed generating capacity
  - Transmission: over 12,958 kilometers (km) of transmission and high voltage distribution lines
  - Distribution and Customer Service: 2.24 million customer accounts (representing over 80% of Hong Kong's total population)
- \* Regulated by the Hong Kong Government under a Scheme of Control Agreement

- \* Developer, investor, project manager and operator in the private sector power business since 1999
- \* Operating in energy markets in Victoria, South Australia, New South Wales, Queensland and the Australian Capital Territory
- \* Operator of a vertically integrated energy business:
  - Generation: 2,760MW from two wholly-owned large thermal power stations and a 966MW long-term hedge contract
  - Retail and customer service: gas and electricity
  - Gas storage and distribution

### Investment Performance



### 2006 Operating Highlights

- \* Sold 34,089 million kilowatt hours (kWh) of electricity
- \* System demand achieved a historical peak of 8,318MW in July 2006
- \* Tariff freeze maintained for nine successive years
- \* Continued to achieve supply reliability of 99.99%, amongst the best in the world
- \* Black Point Unit 8 started commercial operation in May
- \* Submitted a Financial Plan and Environmental Impact Assessment for two potential sites to the Hong Kong Government for a Liquefied Natural Gas (LNG) receiving terminal

- \* Completed integration of TRUenergy organisation and reduced operating costs
- \* Commenced construction of Tallawarra, a new combined-cycle gas-fired power station in New South Wales
- \* Successful marketing and sales initiatives implemented to ensure our customer churn and rate of customer complaints remained below market average
- \* Commenced supply of an additional 120 terajoules of natural gas to the Victorian market, following completion of the Casino gas project (the fastest offshore gas to market project in Victoria's history)

### 2007 Outlook

- \* Continue to enhance supply reliability, power quality and customer service
- \* Deliver high performance and flexibility from generating assets
- \* Complete discussions with Government on post-2008 electricity regulatory regime
- \* Secure approval of LNG project
- \* Progress Castle Peak Power Station Emissions Reduction Project

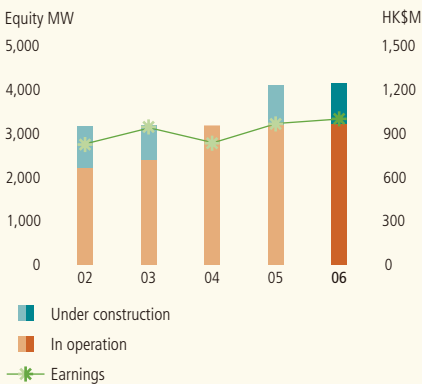
- \* Pursue growth opportunities in existing and new markets for retail and generation businesses
- \* Continue efforts to reduce the cost of serving our retail customers
- \* Manage the construction of the Tallawarra Power Station for scheduled completion before the end of 2008
- \* Complete sale of Torrens Island Power Station and acquisition of Hallett Power Station from AGL Energy Limited
- \* Pursue renewable energy projects, including promoting Roaring 40s as a platform for the development of projects in Australia and Asia

# Powering Asia – CLP’s vision is to be a leading investor-operator in the Asia-Pacific electric power sector

## Chinese Mainland



- \* Developer, investor, project manager and operator in the private sector power business since 1985
- \* Largest external investor in the Chinese mainland electricity industry with 4,136 equity MW of interests in generating assets in Guangdong, Beijing, Shandong, Shaanxi, Guangxi, Guizhou and Jilin



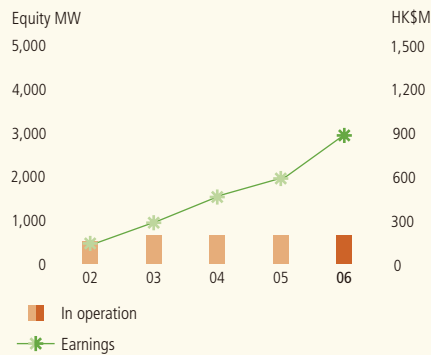
- \* Most of the civil construction work of the 2x600MW coal-fired Fangchenggang project completed
- \* Operating hours of our joint ventures reduced as a result of increase in regional generating capacity
- \* Effective collaboration with our partner Shenhua, in securing stable coal supplies and managing fuel costs for the CLP Guohua joint venture
- \* Increased CLP’s shareholding in the Huajji hydro project, continued development of wind farm projects including Changdao, Weihai, Guangdong Nanao Island, Shuangliao and Rongcheng and development of a biomass project in Shandong Boxing

- \* Effectively manage the Fangchenggang project and achieve commercial operation of the first unit
- \* Consider restructuring existing joint ventures in the light of the emerging position on tariff, fuel prices and the ability of CLP to apply its expertise effectively
- \* Consider scope for continued involvement in nuclear power
- \* Continue to pursue renewable energy project opportunities with partners
- \* Start construction of the 330MW Jiangbian hydro project

## India



- \* One of the largest foreign power companies in the Indian power sector with a 655MW equity interest in the GPEC Power Station, India



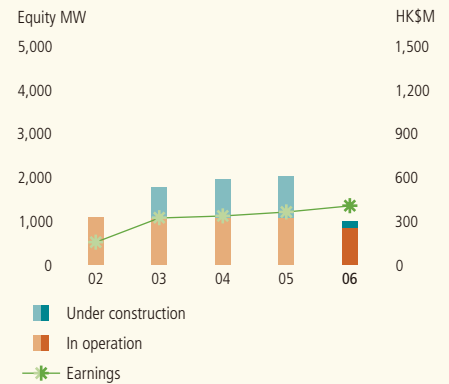
- \* GPEC maintained high operational, safety and environmental standards
- \* GPEC delivered a strong financial performance

- \* Maintain short-term gas supplies for GPEC and continue to explore long-term supplies for the existing plant and a possible expansion
- \* Pursue growth opportunities in Gujarat and other reforming states, including possible expansion into transmission and distribution sectors in addition to power generation

## Southeast Asia and Taiwan



- \* Developer, investor, project manager and operator in the private sector power business since 1994
- \* A leading international private sector power company in Southeast Asia and Taiwan, with 992 equity MW of interests in generating assets in Taiwan and, through OneEnergy, in Thailand, the Philippines and Laos



- \* Formation of OneEnergy, a 50:50 strategic joint venture with Mitsubishi Corporation, which is the partners’ exclusive investment vehicle in the power markets of Southeast Asia and Taiwan
- \* Construction of the 1,434MW BLCPP power project, Thailand progressed well, with the first 717MW unit achieving commercial operation and construction of the second unit completed
- \* CLP agreed to sell its interest in BLCPP to EGCO

- \* Inject CLP’s interest in Ho-Ping (Taiwan) and Mitsubishi Corporation’s interest in the Ilijan project (the Philippines) into OneEnergy
- \* Submit a bid for expansion of the Ho-Ping Power Station
- \* Pursue, through OneEnergy, greenfield generation opportunities in Indonesia and Vietnam
- \* Through EGCO, pursue growth in Thailand with a focus on the upcoming independent power producer solicitation as well as projects in the neighbouring countries exporting energy to Thailand