

# Energy

<i>HK\$ million</i>	2009	2008	Change
Profit contribution	<b>886</b>	(1,090)	n.m.
Proportion of total contribution	<b>13%</b>	(38)%	n.m.
Assets	<b>6,868</b>	7,765	(12)%
Liabilities	<b>52</b>	8	550%

At the end of 2009, CITIC Pacific had a total attributable power generating capacity of 3,630MW, a decrease of 42% compared with 2008. This was due primarily to the disposal of our 20% interest in North United Power and 49% interest in Weihai Power. The total electricity generated in 2009 by all power plants in which CITIC Pacific had an interest was about 35.7billion kwh; heat generated was 12,345kJ.

Total electricity consumption in China declined significantly in 2009. Our managers focused on reducing costs and better managing the plants,

therefore, despite a reduction in generation capacity, our power plants recorded a profit contribution of HK\$886 million compared with a loss in 2008.

The five 57,000 tonne DWT vessels ordered by Ligang power plant will be delivered in stages, beginning in May 2010. These vessels will help reduce transportation costs and, at the same time, provide service to CITIC Pacific's special steel mills.

Our Xin Ju Long coalmine in Shangdong Province, in which CITIC Pacific has a 30% interest, produces high quality coking coal and thermal coal. Coking coal is



supplied to our steel mills and thermal coal to our power plants; both forms of coal are also sold on the open market. In 2009, 2.4 million tonnes of coal was produced. Four million tonnes is planned for 2010 and full production of 6 million tonnes will be reached in the years ahead.

For 2010, increases in the price of coal will remain a challenge to our power plants. As the economy

continues to recover, we believe that demand for electricity will gradually recover. We will further strengthen our cooperation with large coal producers in China to ensure a stable supply of coal to our power plants. Our management team will remain focused on controlling costs and, at the same time, explore opportunities to vertically integrate our energy business. We expect this business to contribute more to the bottom line of CITIC Pacific in the future.

### CITIC Pacific's power plants

Power plant	Location (province)	Installed capacity (MW)	Ownership	Type	Utilisation hours	Electricity generated			Heat generated		
						2009 (m kWh)	2008 (m kWh)	Change	2009 (kJ)	2008 (kJ)	Change
Ligang	Jiangsu			Coal fired							
I & II		1,440	65%		5,363	7,723	7,066	9%	NA	NA	NA
III & IV		2,460	71.3%		4,269	10,502	10,757	(2)%	NA	NA	NA
Hanfeng	Hebei	1,320	15%	Coal fired	5,188	6,848	6,974	(2)%	NA	NA	NA
Huaibei	Anhui	640	12.5%	Coal fired	4,786	3,063	3,818	(20)%	NA	NA	NA
Zhengzhou	Henan	1,000	50%	Co-generation	5,327	5,327	5,682	(6)%	6,863	6,236	10%
Hohhot	Inner Mongolia	400	35%	Co-generation	5,218	2,087	2,213	(6)%	2,871	2,896	(1)%
Chenming	Shandong	36	49%	Co-generation	3,365	104	73	42%	2,611	2,716	(4)%
<b>Total</b>		<b>7,296</b>				<b>35,654</b>	<b>36,583</b>		<b>12,345</b>	<b>11,848</b>	



# Tunnels

	Location	Ownership	Franchise till
Eastern Harbour Tunnel (Road)	Hong Kong	71%	2016
Western Harbour Tunnel	Hong Kong	35%	2023
	<b>2009</b>	2008	Change
Profit contribution	<b>437</b>	443	(1)%
Proportion of total contribution	<b>7%</b>	16%	(9)%
Assets	<b>1,928</b>	1,883	2%
Liabilities	<b>194</b>	192	1%

## Eastern Harbour Tunnel

[www.easternharbourtunnel.com.hk](http://www.easternharbourtunnel.com.hk)

The Eastern Harbour Tunnel registered average daily traffic of 62,987 vehicles in 2009, a slight decrease from 63,218 vehicles in 2008. Among the three cross-harbour tunnels in Hong Kong, the Eastern Harbour Tunnel had a 27% market share of total traffic in 2009.

## Western Harbour Tunnel

[www.westernharbourtunnel.com](http://www.westernharbourtunnel.com)

The Western Harbour Tunnel is a key section of the Route 3 highway connecting Hong Kong Island with mainland China and Chek Lap Kok Airport. In 2009, average daily traffic was 48,222 vehicles, up 1% from 2008. Among the three cross-harbour tunnels in Hong Kong, the Western Harbour Tunnel had a 21% market share of total traffic in 2009.

CITIC Pacific has a 35% interest in the company that manages the Cross Harbour Tunnel on behalf of the government.



# Dah Chong Hong

[www.dch.com.hk](http://www.dch.com.hk)

56.7% owned by CITIC Pacific

Stock code: 01828 (The Stock Exchange of Hong Kong)

<i>HK\$ million</i>	2009	2008	Change
Profit contribution	<b>402</b>	320	26%
Proportion of total contribution	<b>6%</b>	11%	(5)%
Assets	<b>11,460</b>	11,163	3%
Liabilities	<b>5,704</b>	5,994	(5)%

Dah Chong Hong is engaged in the distribution of motor vehicles and consumer and food products, as well as the logistics business. It has well-established networks in Hong Kong, Macau and mainland China,

and operations in Japan, Singapore, Taiwan and Canada. Dah Chong Hong was a wholly-owned subsidiary of CITIC Pacific until its listing in October 2007.

# CITIC 1616

[www.citic1616.com](http://www.citic1616.com)

52.6% owned by CITIC Pacific

Stock code: 01883 (The Stock Exchange of Hong Kong)

<i>HK\$ million</i>	2009	2008	Change
Profit contribution	<b>196</b>	181	8%
Proportion of total contribution	<b>3%</b>	6%	(3)%
Assets	<b>2,532</b>	2,402	5%
Liabilities	<b>749</b>	819	(9)%

CITIC 1616 is Asia's leading hub-based telecommunications service provider. Its main businesses include voice, SMS, mobile VAS and data services. CITIC 1616's key markets are mainland China and Hong Kong. It is also actively expanding its services to international telecoms operators. Its independent hub connects to over 440 telecoms operators in 62 countries. CITIC 1616 was a wholly-owned subsidiary of CITIC Pacific until its listing in April 2007.

In February 2010, CITIC 1616 agreed to acquire a 20% interest in Companhia de Telecomunicacoes de Macau from CITIC Pacific. The transaction will be paid with cash and the issuance of new shares. As a result, and subject to approvals by independent shareholders of CITIC 1616 and the government of Macau, CITIC Pacific's interest in CITIC 1616 will increase from 52.6% to 60.65%.