

# Hongkong Electric Holdings Ltd.



(incorporated in Hong Kong with limited liability)  
(Stock Code: 0006)

## Solid Performance

### Annual Results Highlights for 2007

	2007 HK\$ million	2006 HK\$ million	Change
Profit from Hong Kong operations	<b>6,727</b>	6,173	+9.0%
Profit from international operations	<b>721</b>	669	+7.8%
Profit attributable to shareholders	<b>7,448</b>	6,842	+8.9%
Earnings per share	<b>\$3.49</b>	\$3.21	+8.9%
Dividends per share	<b>\$2.01</b>	\$1.85	+8.6%

The year 2007 saw the Group progress its businesses both in Hong Kong and internationally culminating in early January 2008 with the signing of a new Scheme of Control Agreement (SCA) for our Hong Kong electricity business.

Outside of Hong Kong, the Group's international operations performed well with results for 2007 ahead of those for 2006. In December 2007, as part of our strategy of investing outside Hong Kong, we acquired an interest in six power plants in Canada with a total generating capacity of 1,352MW. We will continue to look for investment opportunities internationally so as to increase the proportion of Group earnings derived from activities outside Hong Kong.

Our emission reduction programme at the Lamma Power Station progressed well during 2007. By the end of 2010, it is expected that over 95% of the electricity generated at the Lamma Power Station will be generated by gas and by coal fired units fitted with flue gas desulphurisation plant and low nitrogen oxide burners resulting in lower emission levels as we work toward achieving the Hong Kong Government's emission targets.

High coal and gas prices continued to put pressure on fuel costs in 2007 with the higher costs continuing to be felt in 2008.

Supply reliability was maintained at over 99.999% in 2007 surpassing our pledged service standards. This world class supply reliability has been consistently maintained at above 99.999% since 1997.

With the signing of the new SCA, much of the recent uncertainty surrounding the electricity industry in Hong Kong has been removed and we can now focus on planning for the future so as to continue contributing to the economic development of Hong Kong.

To view the announcement on annual results for 2007, please visit

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