

Hongkong Electric Holdings Ltd.



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

STEADY GROWTH

Interim Results Highlights for 2008

	Six months ended 30th June		Change
	2008 HK\$ million	2007 HK\$ million	
Profit from Hong Kong operations ⁽¹⁾	2,747	2,374	+15.7%
Profit from international operations	424	315	+34.6%
Profit attributable to shareholders	3,171	2,689	+17.9%
Earnings per share	\$1.486	\$1.260	+17.9%
Dividends per share	\$0.62	\$0.58	+6.9%

⁽¹⁾ including the impact of the HK\$310 million deferred tax adjustment gain

In July 2008 we acquired a 50% interest in the Wellington electricity distribution network in New Zealand. Our international investments are progressing well. We will continue with our strategy of making international acquisitions so as to continue to grow our international earnings base.

In Hong Kong we expect that the lower level of electricity sales experienced in the first half of 2008 will continue into the second half of the year. The current high coal prices are expected to result in higher fuel costs for 2008 which will apply significant pressure on tariffs.

Emission reduction work continued at the Lamma Power Station. The flue gas desulphurization retrofit works are scheduled for completion in mid 2010 and the low nitrogen oxide burners by early 2010.

World class electricity supply reliability of 99.999% was maintained during the first six months of 2008, a level which has been consistently achieved since 1997.

Going forward under the new scheme of control agreement which was signed in January this year for a ten year term commencing on 1st January 2009 we look forward to continuing to support Hong Kong's development and prosperity.

To view the announcement on interim results for 2008, please visit

www.heh.com