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Quarterly Statement 2015 (January – September)

To Shareholders:

The operations of CLP Holdings Limited (the Company) for the nine months ended 30 September 2015 are summarised in this Quarterly Statement.

Hong Kong Electricity Business

In the first nine months of 2015, local sales of electricity were 25,518GWh, representing a slight decrease of 0.3% over the same period of last year. The Residential sector recorded a moderate decrease of 3.5%, mainly due to a lower heating load in the first quarter, and a lower cooling and dehumidifying load in the third quarter. This offsets the increase in the Commercial, Infrastructure & Public Services and Manufacturing sectors. A breakdown of the changes in local sales during the period by sector is as follows:

	Increase / (Decrease)		% of Total Local Sales
Residential	(265GWh)	(3.5%)	29%
Commercial	22GWh	0.2%	40%
Infrastructure & Public Services	158GWh	2.4%	26%
Manufacturing	13GWh	1.0%	5%

Sales to the Mainland amounted to 846GWh, a decrease of 17.3% over the same period of last year, mainly due to a decrease of electricity sales to Guangdong Power Grid Co., Ltd.

Total electricity sales in the period, including both local sales and sales to the Mainland, slightly decreased by 0.9% to 26,364GWh.

The Hong Kong Government's public consultation on the future development of the electricity market closed at the end of June. We understand that the Government is now reviewing and analysing the responses received. As this process develops, CLP will continue to engage actively with stakeholders to exchange views over the future direction of the electricity industry.

CLP is committed to meeting the new emission caps at its power stations, which require emissions to be reduced in 2015 by up to 65% from the tight base of 2014, with further reductions set for 2017 and 2019. Recently, the Hong Kong Government has proposed new emission caps for 2020 to the Legislative Council with a reduction of about 10% further below the 2019 levels for CLP. We will continue to play our part in reducing emissions and improving the air quality in Hong Kong.

In order to meet the Government's environmental emissions targets, additional gas-fired generation capacity is required at our Black Point Power Station. CLP is conducting a comprehensive environmental impact assessment study on this project and aims to submit the study report to the Government by the end of this year with a view to completing project approval in 2016. Throughout the study process, CLP will maintain close contact with its stakeholders to seek their views and address concerns. In addition to environmental considerations, the assessment and implementation of the project will consider factors such as electricity demand, technical feasibility and project economics.

CLP has continued to grow the business by investing in generation, transmission and distribution networks as well as customer services and supporting facilities. Some of the investments support the construction of major infrastructure projects in our service areas such as the developments in Kai Tak and West Kowloon, Hong Kong-Zhuhai-Macau Bridge and Hong Kong's rapidly expanding railway network. We have also established the Lai Wan Interchange Substation to support the Government's Harbour Area Treatment Scheme, which is one of the largest sewerage infrastructure projects in Hong Kong.

Regional Businesses

Mainland China

Due to the slowdown in the Chinese economy, electricity consumption growth in China declined in the period and is expected to remain subdued for the rest of 2015. In the first three quarters, dispatch from our coal-fired Fangchenggang Power Station (Fangchenggang) in Guangxi was lower as a result of this economic slowdown and high hydro generation in the region as a result of heavy rainfalls last year keeping reservoir levels high. However, coal prices in both international and domestic markets continued to slide, partially offsetting the financial impact of the reduction in dispatch. Construction of Fangchenggang II (2 x 660MW) is continuing on schedule for its planned commissioning in 2016.

Jiangbian Hydro Power Station in Sichuan achieved additional power generation by signing direct sales contracts and replacement generation contracts during the wet season from May to October. Meanwhile, generation from Huaiji Hydro Power Station in Guangdong and Yang'er Hydro Power Station in Yunnan dropped, mainly due to low reservoir water levels and less rainfall respectively.

The overall operational and financial performance of our solar portfolio including Gansu Jinchang, Jiangsu Sihong and Yunnan Xicun I was satisfactory. Our coastal wind projects in Shandong are achieving returns that are consistent with our long-term expectations, but grid curtailment in northeastern China continues to affect the performance of our assets in the region. Guangdong Daya Bay Nuclear Power Station continued to operate reliably with no Licensing Operational Events reported for the period. However, a "Below Scale" Licensing Operational Event (also known as a Level 0 event under the International Nuclear and Radiological Event Scale) occurred on 12 October. This event had no safety, health or environmental significance.

On growth, construction of new wind projects including Sandu I in Guizhou and Xundian I in Yunnan (approximately 150MW combined) is progressing as planned, targeting for commissioning in the first quarter of 2016 and by the end of 2015 respectively. We also commenced construction of CLP Laizhou I (49.5MW) in September 2015 and plan to start construction of Laiwu II (49.5MW) in Shandong and Sandu II (99MW) in Guizhou in the fourth quarter. Construction of our Xicun II solar project (42MW) is well underway for commissioning by the end of 2015.

India

Performance of Jhajjar Power Station improved in the third quarter of 2015 with availability rising to about 79%, compared with about 76% in the first half. However, availability did not reach the 80% level required to fully recover capacity charges because of poor domestic coal quality and sporadic technical issues.

Backed by spot gas and subsidised imported gas that was secured in the first Government auction, Paguthan Power Station (Paguthan) saw utilisation rise from about 5% in the second quarter to about 14% in the third quarter of 2015. In September 2015, CLP India participated in the second round of auction and successfully secured subsidised imported gas for a six-month period from October 2015 to March 2016. The quantum of gas won is expected to increase Paguthan's utilisation to above 20%.

Wind power generation during this period was lower than expected due to weak monsoons and transmission grid constraints in the state of Tamil Nadu.

August 2015 witnessed the commissioning of 56.7MW of wind generation capacity from Tejuva Wind Farm in Rajasthan. The plant is now fully commissioned to its capacity of 100.8MW. As a result, CLP India's installed wind generation capacity rose to 874.2MW, with another 206.8MW under development.

In September, CLP Wind Farms (India), a subsidiary of CLP India, raised Rs. 6 billion (about HK\$706 million) by issuing a green bond to fund the development of wind projects. It was the first green bond issued by CLP and the first by a power company in South Asia and Southeast Asia. The offering helped CLP diversify its funding sources and access long-term funds at competitive rates.

Southeast Asia and Taiwan

Performance of Ho-Ping Power Station in Taiwan and NED solar station in Thailand was satisfactory although operational performance of Ho-Ping was affected by the passage of strong typhoons and a moderate earthquake in the third quarter. Whilst there was no serious damage to the plant as a result of these natural events, production was temporarily interrupted. In Vietnam, we continued to strive to conclude negotiations with the Government regarding some outstanding issues under the government guarantee and undertaking agreement and the power purchase agreement for the Vung Ang II project. We also continued to progress negotiations of the government agreements for the Vinh Tan III project.

Australia

During the period, the wholesale market remained challenging in Australia. Demand in the national electricity market was up 1.1% in the first nine months of 2015 although demand changes were not uniform across the country's eastern states. Demand contracted in Victoria and South Australia, was relatively flat in New South Wales (NSW) and expanded in Queensland.

In early September, EnergyAustralia completed as planned an internal restructuring of its business units in order to enhance its focus on customers. Whilst the business is in the early stages of its turnaround programme, there are encouraging signs particularly on the back of the success in migrating customers onto a single billing platform. EnergyAustralia is well placed to reduce full-year retail costs by over A\$100 million as it committed to achieve by 2016, compared with the 2013 baseline.

Customer numbers were relatively steady across the first three quarters of 2015. A major television advertising and brand promotion launched in June has translated into a rise in brand consideration, although it is too early to assess impact on our customer numbers.

EnergyAustralia welcomed the approval by the NSW Government of an application to expand production at the Springvale coal mine, which is a fuel source for its Mount Piper Power Station nearby. A final decision by the Australian Government on the application is expected later this year.

We announced in early October the sale of our Iona Gas Plant in Victoria to purchasers owned by Queensland Investment Corporation for A\$1,782 million (HK\$9,882 million). The sale is in line with our strategy of restoring value to our business by focusing on customers, improving operational efficiency and optimising our portfolio of assets. We target to complete the sale by the end of 2015 which is conditional upon obtaining certain regulatory approvals.

In July, EnergyAustralia announced it had implemented measures to improve monitoring and emergency response procedures at its Yallourn Power Station in Victoria. The changes were a response to an unlicensed release of waste water in February, for which EnergyAustralia was fined A\$7,500 by the State's environment regulator.

The Australian government changed leaders in September. The new Prime Minister has nominated Australia's economy as a priority and is regarded as having a preference for market-based policy outcomes and a progressive view on issues such as climate change.

Dividend

Directors today declared the third interim dividend for 2015 of HK\$0.55 per share payable on 15 December 2015 to Shareholders registered as at 4 December 2015. The dividend of HK\$0.55 per share (2014: HK\$0.54 per share) is payable on the existing 2,526,450,570 shares in issue.

The Register of Shareholders will be closed on 4 December 2015. To rank for this dividend, all transfers should be lodged with the Company's Registrars, Computershare Hong Kong Investor Services Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 3 December 2015.

The Hon Sir Michael Kadoorie
Chairman of the Board of Directors

Hong Kong, 19 October 2015

The Directors of the Company as at the date of this quarterly statement are:

Non-executive Directors: The Hon Sir Michael Kadoorie, Mr William Mocatta, Mr Ronald J. McAulay, Mr J. A. H. Leigh, Mr Andrew Brandler and Dr Y. B. Lee

Independent Non-executive Directors: Mr V. F. Moore, Sir Rod Eddington, Mr Nicholas C. Allen, Mr Vincent Cheng, Mrs Fanny Law, Ms Irene Lee and Mrs Zia Mody

Executive Director: Mr Richard Lancaster

This Statement will be despatched to Shareholders on 29 October 2015 and is also available at the Investors Information section on the Company's website at www.clpgroup.com.

Choice of language and means of receipt of corporate communications

You may change your choice of language (English and/or Chinese) and means of receipt (in printed form or through our website) of the Company's future corporate communications^(Note), free of charge, at any time by reasonable notice in writing (not less than 7 days) to the Company or the Company's Registrars or via e-mail (cosec@clp.com.hk or clp.ecom@computershare.com.hk).

If you prefer to receive a printed copy of this Quarterly Statement in another language (English or Chinese), please write to the Company or the Company's Registrars, Computershare Hong Kong Investor Services Limited or via e-mail to cosec@clp.com.hk or clp.ecom@computershare.com.hk. The Quarterly Statement of your choice of language in printed form will be sent to you promptly free of charge. In case you have previously chosen (or have been deemed to have consented) to receive the Company's corporate communications by electronic means, but for any reason you have difficulty in receiving or gaining access to the Quarterly Statement, we will promptly, upon your request, send the Quarterly Statement of your choice of language in printed form to you free of charge.

Note: Corporate communications refer to Interim/Annual Reports, Quarterly Statements, notices, documents or other publications of the Company (including any "corporate communication" as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).