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CLP Group Expands Into Solar Technology

The CLP Group has expanded its renewable energy portfolio into solar technology with its Australian subsidiary, TRUenergy, entering an agreement with Melbourne-based Solar Systems to develop the world's largest and most efficient concentrated solar photovoltaic power station in Australia.

CLP has also entered a separate 10-year agreement with Solar Systems, a global leader in concentrated photovoltaic technology, to deploy the technology into the Asia Pacific region, including China.

Under the Australian solar power station development agreement, TRUenergy will contribute A\$7 million (HK\$49 million) to the development of a 2MW heliostat concentrated photovoltaic pilot plant, subsequently investing up to A\$285 million (HK\$1.9 billion) to build the remaining stages of the 154MW project in northern Victoria. The Australian and Victorian governments have also committed funds to develop the solar project, which it is estimated will cost HK\$2.9 billion to complete. Work will begin in 2009.

TRUenergy has also taken a 20% stakeholding in Solar Systems.

Andrew Brandler, CLP's Chief Executive Officer, said: "This represents a major step forward in the ongoing development of our renewable energy portfolio following the release of our climate change strategy last year.

"It underlines CLP's determination to be a leading participant in the use and development of non- and low-emitting generation technologies to reduce greenhouse gas emissions and help tackle climate change.

"There is tremendous opportunity to transfer this solar technology into the Asia Pacific region because it has the potential to cost efficiently generate electricity at scale with no greenhouse gas emissions."

In 2004, CLP set a voluntary 5% renewable energy target in its portfolio by 2010 which the Group met in December 2007, three years ahead of schedule. The solar development agreements will make an important contribution to its new target to source 20% of its power from non-carbon emitting generation technologies by 2020, which was included in the climate change manifesto CLP released in December 2007.

Solar Systems is a Melbourne-based private company that has been developing solar concentrator PV technology for 17 years. Using high performance solar cells originally

developed to power satellites, the power plant in northern Victoria will be capable of producing enough clean energy to power 45,000 homes.

About CLP

CLP Holdings , a company listed on the Hong Kong Stock Exchange, is the holding company for the CLP Group, which is one of the largest investor-owned power businesses in Asia. Through CLP Power Hong Kong, it operates a vertically integrated electricity supply business in Hong Kong, and provides a highly reliable supply of electricity and excellent customer services to over 5.5 million people in its supply area. The CLP Group also invests in energy businesses outside Hong Kong. It is the largest external investor in the Chinese mainland electricity industry , and a leading international private sector power company in the Asia-Pacific region with an integrated energy business in Australia and interests in generating assets in India Taiwan and Thailand.

In line with CLP Group's commitment to renewable energy it is investing in renewable energy projects outside Hong Kong, focusing on wind, hydro, biomass and solar. Its immediate focus is on Australia, China and India.

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