

16 September 2013

CLP Announces Cessation of the Provision of 2013 Rent and Rates Special Rebate

CLP Power Hong Kong Limited announced today that it will have rebated the entire interim refunds received to date from the Government in relation to CLP's claims against the Government's overcharged rent and rates by 15 October 2013. The 2013 Rent and Rates Special Rebate being provided to customers will therefore be discontinued from 16 October 2013. However, CLP stands by our commitment to return to customers any future refunds of overcharged rent and rates we may receive in future from the Government just as we have done in the past.

Every CLP customer has been paid a Rent and Rates Special Rebate since 1 January 2012. This rebate came from the interim refunds made by the Government in relation to CLP's claims against the Government's overcharged rent and rates. The refunds were made by the Government without prejudice to the final outcome of the court ruling and subsequent appeals.

The Rent and Rates Special Rebate provided to customers was 3.3 cents per unit of electricity in 2012, and 2.1 cents per unit in 2013. As reported in the CLP 2013 Interim Report, the total amount of interim refunds received by CLP from the Government as of 30 June 2013 was HK\$1,641 million, and the aggregate rebates paid to customers as of 30 June 2013 was HK\$1,398 million.

The Lands Tribunal's judgment which was received in April this year ruled in favour of CLP but raised some questions over the valuation calculation which are subject to review by the Tribunal. This will require time to determine. Since the Lands Tribunal's judgment and pending the determination of any further refund to be made by the Government, CLP has received no further interim refunds. Consequently, the refunds received by CLP to date will have been fully expended around mid-October 2013 by the Rent and Rates Special Rebate to customers made in 2012 and in 2013. As a result, CLP will no longer be in a position to continue this rebate from 16 October 2013. Customers will be notified separately about the arrangement.

CLP firmly stands by its commitment to return to customers any further refunds of overcharged rent and rates which may be awarded upon the final resolution of the appeals.

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About CLP Power Hong Kong Limited

CLP Power Hong Kong Limited (“CLP Power”) is the Hong Kong utility subsidiary wholly owned by CLP Holdings Limited, a company listed on the Hong Kong Stock Exchange and one of the largest investor-owned power businesses in Asia. CLP Power operates a vertically integrated electricity supply business in Hong Kong, and provides a highly reliable supply of electricity and excellent customer services to 5.8 million people in its supply area.

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