

29 April 2014

**Issue of USD500,000,000 4.25% Perpetual Capital Securities by
CLP Power HK Finance Ltd.**

CLP Power Hong Kong Limited (“CLP Power”) announces that its wholly-owned subsidiary CLP Power HK Finance Ltd. has successfully completed the issuance of USD500 million of 4.25% non-call perpetual 5.5-year capital securities (the “Notes”). The Perpetual Notes are unconditionally and irrevocably guaranteed by CLP Power, rated A1 and A by Moody’s and Standard and Poor’s (“S&P”) respectively. The Notes are rated A3 and BBB+ by Moody’s and S&P respectively, and will be listed on The Stock Exchange of Hong Kong Limited. Proceeds from the Notes will be used for general corporate purposes.

The Notes represents CLP Power’s inaugural issue of hybrid capital securities in the USD market and represents one of the highest rated investment grade corporate hybrid transactions from an Asian issuer.

The Notes have been priced to yield 4.25% payable semi-annually in arrears. The Notes are perpetual and non-callable in the first 5.5 years. There will be a coupon step-up of 25 basis points and 75 basis points at Year 10.5 and Year 25.5 respectively. This structure allows CLP Power to achieve 50% equity credit from Moody’s for life and S&P for the first 5.5 years from issuance, as well as 100% equity accounting treatment. The Notes were nearly 2.4 times over-subscribed with more than USD1.2 billion in orders from global investors, achieving the lowest coupon rate ever for a USD denominated Asian corporate hybrid transaction, and one of the tightest ever senior-hybrid premium globally for a corporate hybrid.

The Notes enable CLP Power to further strengthen its credit profile, continue diversifying funding sources and underline management’s dedication to maintain the strong credit ratings of the Company.

The Joint Lead Managers are Barclays, The Hongkong and Shanghai Banking Corporation Limited (“HSBC”), The Royal Bank of Scotland and UBS. HSBC also acted as the Structuring Advisor to CLP Power for this transaction.

– Ends –

Important Notice

*This release is for information purposes only and does not constitute or form part of any invitation or offer to acquire, purchase or subscribe for securities, **nor should it or any part of it form the basis of, or be relied in any connection with, any contract or commitment whatsoever.** The Notes and the guarantee of the Notes (together, the “**Securities**”) have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state of the United States or other jurisdiction. The Securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Securities are being offered and sold outside the United States to non-U.S. persons (as defined in Regulation S under the Securities Act) in reliance on Regulation S under the Securities Act. **This release is not for distribution, directly or indirectly, in or into the United States, Canada or Japan.***

About CLP Power Hong Kong Limited

CLP Power Hong Kong Limited (“CLP Power”) is a 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 service to 5.8 million people in its supply area.

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