

8 October, 2015

Sale of Iona Gas Storage Facility in Australia

CLP Holdings Limited (CLP) announced that it has reached agreement to sell EnergyAustralia's entire interests in the Iona Gas Plant in the State of Victoria, Australia, for a cash consideration of A\$1,782 million (HK\$9,882 million). The purchasers are ultimately owned by Queensland Investment Corporation (QIC) consortium comprising the QIC Global Infrastructure Fund and existing QIC clients. QIC is a global diversified alternative investment firm owned by the Government of the State of Queensland and one of the largest institutional investment managers in Australia.

“We are pleased with the outcome of the transaction and the sale price, which reflects the quality of the asset and its status as an integral part of the gas supply chain,” said Mr Richard Lancaster, CLP's chief executive officer.

“The sale is consistent with CLP's strategy of restoring value to the business in Australia and EnergyAustralia's approach of increasing its focus on customers, improving operational efficiency and optimising its portfolio of assets. We are continually looking at ways to enhance shareholder value and optimise the long term sustainable value of the business, and will continue to review our assets on this basis.”

The proceeds will go towards repaying shareholder loans extended by CLP Group to and third party debts due by EnergyAustralia, as well as meeting general capital expenditure requirements as needed under EnergyAustralia's transformation plan.

In order to supply gas to its customers, EnergyAustralia will enter into a long term Gas Storage Services Agreement with the purchasers for the provision of gas storage services to EnergyAustralia at market derived rates.

Completion of the sale is conditional upon receipt of certain regulatory approvals and is targeted to be completed by the end of 2015.

The Iona Gas Plant consists of a gas processing and compression plant and underground gas storage reservoirs located in Victoria, Australia. It provides gas injection, storage and withdrawal services to both the Victorian and South Australian gas markets. The storage capacity of the Iona Gas Plant is 23.5 petajoules and gas can be supplied to the market at rates of up to 500 terajoules a day.

Please click [here](#) to download CLP Holdings' announcement to the Hong Kong Stock Exchange.

About CLP Group

CLP Holdings Limited, a company listed on the Hong Kong Stock Exchange, is the holding company for the CLP Group, one of the largest investor-owned power businesses in Asia Pacific. Through CLP Power Hong Kong Limited, it operates a vertically-integrated electricity supply business providing a highly-reliable supply of electricity to 80% of Hong Kong's population.

Outside Hong Kong, CLP holds investment in the energy sector in Mainland China, India, Southeast Asia, Taiwan and Australia. Its diversified portfolio of generating assets uses a wide range of fuels including coal, gas, nuclear and renewable sources. CLP is one of the largest external investors in the Mainland's renewable energy sector. In India, it is the largest foreign investor in the power sector and the biggest independent power producer in wind energy, foreign or domestic. In Australia, its wholly-owned subsidiary EnergyAustralia is one of the largest integrated energy companies, providing gas and electricity to 2.6 million customers.

CLP is listed in the Global Dow – a 150-stock index of the world's leading blue-chips, the Dow Jones Sustainability Asia Pacific Index (DJSI Asia Pacific), the Dow Jones Sustainability Asia Pacific 40 Index (DJSI Asia Pacific 40), Hang Seng Corporate Sustainability Index Series and MSCI Global Sustainability Index Series.

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Media enquiries

Ms Winifred Wong
Deputy Director - Public Affairs (Group)
CLP Power Hong Kong Limited
Tel: (852) 2678 8014
Pager: (852) 7116 3131 A/C 7736
Email: winifred@clp.com.hk

Analysts enquiries

Mr Angus Guthrie
Director – Investor Relations
CLP Holdings Limited
Email: ir@clp.com.hk