中電控股有限公司
CLP Holdings Limited
(incorporated in Hong Kong with limited liability)
(stock code no.: 00002)

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Quarterly Statement 2012 (January – September)

To Shareholders:

The operations of CLP Holdings Limited (the Company) for the nine months ended 30 September 2012 are summarised below:

Highlights

	9 months ended 30 September		
	2012	2011	Increase
Revenue, HK$ million			
Electricity business in Hong Kong	**25,562**	23,296	9.7%
Energy business in Australia	**48,768**	42,084	15.9%
Others	**3,179**	2,541	25.1%
Total	**77,509**	67,921	14.1%
Interim dividends, HK$ per share	**1.59**	1.56	1.9%

Revenue from our Hong Kong electricity business increased by 9.7% mainly due to the sale of more units and to the tariff increase with effect from 1 January 2012. Revenue from our energy business in Australia also increased as a result of the full nine months' effect of the New South Wales acquisition in March 2011 and the rise in electricity tariffs since July 2011.

Hong Kong Electricity Business

In the first nine months of 2012, local sales of electricity were 24,828GWh, representing an increase of 2.9% over the same period last year. This growth was mainly attributable to higher humidity in the first quarter and hotter weather in the second quarter compared to the previous year. Considerable growth was recorded for sales to the Residential sector, whereas sales to the Commercial and Infrastructure & Public Services sectors recorded only moderate growth. Sales to the Manufacturing sector continued to decline. A breakdown of the sales growth and percentage of total local sales by sector is as follows:

	Increase / (Decrease)		% of Total Local Sales
Residential	295GWh	4.3%	29.1%
Commercial	214GWh	2.2%	39.7%
Infrastructure & Public Services	200GWh	3.3%	25.4%
Manufacturing	(9GWh)	(0.7%)	5.8%

Sales to the Chinese mainland decreased by 16.7% to 1,441GWh in the nine-month period. Total unit sales in the period, which included both local sales and sales to the Chinese mainland, increased by 1.6% to 26,269GWh.

A new local maximum demand of 6,769MW was recorded on 28 August, being a small increase of 3MW over the previous historical peak 6,766MW recorded in 2010.

A section of the coal conveyor belt structure transporting coal to Castle Peak "A" Power Station detached and fell to the ground on 25 July 2012 following the passage of Severe Typhoon Vicente, a No. 10 Signal Hurricane. No injuries occurred and power supply to customers was not affected. Full restoration of the coal conveyor was completed in mid-September, more than a month ahead of schedule. With CLP's robust electricity supply system and well-established business continuity plan in place, a stable and reliable supply of electricity to all customers was maintained during the restoration period despite the high summer demand.

Work continues on developing new supplies of natural gas contemplated under the inter-Government Memorandum of Understanding on Energy Co-operation signed in August 2008. The construction of a new gas receiving station and plant modification works at Black Point Power Station are progressing on schedule and are expected to be completed by the end of 2012 and mid-2013 respectively. Good progress is also being made on the sub-sea gas pipeline which will connect Black Point Power Station to the Mainland's second West-to-East natural gas pipeline and is now around three-quarters complete. Overall construction is progressing on schedule in preparation for gas arrival by early 2013.

We continue to improve our customer service through implementing a comprehensive Customer Service Improvement Plan. So far in 2012, 31 initiatives have been launched for different customer sectors and in various services areas. Examples of successfully launched initiatives include an energy benchmark service, an "agent-answers-first" programme at our Customer Interaction Centre for improved call centre response, high consumption alerts and energy saving advice provided to customers with their electricity bills.

Regional Energy Businesses

Australia

TRUenergy's new retail customer service and billing platform, Project Odyssey, was successfully deployed on 6 September 2012. The new system is designed to provide better service and customer experience.

In July, TRUenergy and EnergyAustralia were selected as the retailers for One Big Switch, an initiative designed to provide group discounts on household bills including electricity and gas. More than 200,000 people were eligible to sign up to the discounted rate as part of the promotion. The final net impact to TRUenergy of participating in the initiative is being assessed.

On 6 June 2012, there was a failure in the Morwell River Diversion at the Yallourn Mine, causing water to flood into the Mine. The recovery operation is continuing. Three of the four generating units have been in service since 20 July, while a fourth generating unit has been available since 6 August and used as required to meet market needs.

During September 2012, TRUenergy announced it had signed Power Purchase Agreements (PPAs) to buy 100% of the renewable energy and Large-Scale Generation Certificates generated from the proposed 107MW Boco Rock wind farm and the 108MW Taralga wind farm in New South Wales. The agreements are designed to help TRUenergy meet its obligations under the Australian Government's Renewable Energy Target.

On 1 August 2012, a Regional Council of Goyder rejected a development plan application by TRUenergy to build the A$300 million Stony Gap wind farm development. The development would produce 123MW of clean energy. TRUenergy is appealing the ruling at the South Australian Environment, Resources and Development Court.

In August 2012, TRUenergy launched phase one of the campaign to introduce a single national brand, EnergyAustralia. The campaign continued through September, leading to the official rebrand on 8 October 2012 – TRUenergy is now EnergyAustralia.

Chinese Mainland

National power demand for the first eight months of 2012 rose by 5.1%, which is around half the level of growth achieved during the same period last year. This lower rate of growth reflects slower economic development generally, decreased electricity demand in secondary industries and increasing attention to energy conservation.

The combination of slower growth and new generating capacity has slightly reduced demand from some of our power plants. However, coal prices have fallen in both international and domestic coal markets, which improves the economic performance of coal-fired generating plant. Coal inventories remain at a high level throughout China, which will tend to maintain stable prices in the near term.

Our 70% owned Fangchenggang Power Station continues to operate reliably and remains one of the major profit contributors to CLP's Mainland business. We are pursuing the opportunity to develop Fangchenggang II, which will add 1,320MW of ultra-supercritical generating capacity on the same site. The National Development and Reform Commission gave in-principle approval in July 2012 and we are continuing with further preparatory work to seek final approval next year. As with Fangchenggang I, CLP will have a majority shareholding, with direct control over construction and operation, and also the ability to use imported coal.

Average wind speeds in Shandong and Jilin Provinces, and rainfall in western China, continue to be lower than long-term averages and the performance of our wind and hydro projects this year has been affected.

Approval of the Mainland's regulatory authority for our investment in 17% equity share in the Yangjiang Nuclear Power Station project in Guangdong is still awaited.

India

The 1,320MW supercritical thermal power project at Jhajjar in the state of Haryana signed a long-term Fuel Supply Agreement on 7 June 2012 for 20 years with Central Coalfields Limited (CCL), a subsidiary of Coal India Ltd. The contracted quantity under this agreement is 5.21 million metric tonnes per annum with a minimum supply guarantee of 80%. During the third quarter the second unit commenced commercial operations on 18 July 2012, within its scheduled date. Problems with the quantity and the quality of coal are a challenge to the continuous and efficient generation of power. We are working strenuously with CCL and the off-takers to take the plant to its full capacity over a sustained period. We are also seeking approval to import coal, which will improve the availability as well as quality of coal for the power station.

The gas-fired Paguthan plant is operating at around 30% of its capacity, constrained by availability of gas. However, earnings from Paguthan are significantly safeguarded by the provisions of the PPA with the Gujarat off-takers.

The wind energy portfolio has operated satisfactorily with the output broadly on expected lines and better than the previous years. With a total capacity of 482MW in operation and 240MW under construction CLP continues to be the largest wind energy generator in India. The revised wind tariff of Rs 5.18/kWh was announced for wind projects in the state of Rajasthan. CLP's Sipla, Bhakrani and Tejuva projects are expected to benefit from this higher tariff.

Southeast Asia and Taiwan

Following full commercial operation of the 55MW Lopburi solar project in Central Thailand, Natural Energy Development Co., Ltd., which is one-third owned by CLP, commenced construction of an 8MW expansion in September 2012. Completion is scheduled for the second quarter of 2013.

We continued to co-develop with Mitsubishi Corporation and local partners the two coal-fired projects in Vietnam, namely the 1,320MW Vung Ang II project and the 1,980MW Vinh Tan III project. Negotiations are underway with the Vietnamese Government on key project documents including Build-Operate-Transfer Contract, Government Guarantee and Undertaking and PPA; and with suppliers on equipment supply and construction, and coal supply and freight contracts.

Dividend

Directors today declared the third interim dividend for 2012 of HK$0.53 per share payable on 14 December 2012 to Shareholders registered as at 5 December 2012. The dividend of HK$0.53 per share (2011: HK$0.52 per share) is payable on the existing 2,406,143,400 shares of HK$5.00 each in issue.

The Register of Shareholders will be closed on 5 December 2012. 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 Tuesday, 4 December 2012.

The Hon. Sir Michael Kadoorie
Chairman of the Board of Directors

Hong Kong, 15 October 2012

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. R. J. McAulay, Mr. J. A. H. Leigh, Mr. I. D. Boyce, Dr. Y. B. Lee, Mr. Peter P. W. Tse and Mr. Paul A. Theys (Mr. James F. Muschalik as Mr. Theys' alternate)
Independent Non-executive Directors:	Mr. V. F. Moore, Professor Judy Tsui, Sir Rod Eddington, Mr. Nicholas C. Allen, Mr. Vincent Cheng, Mrs. Fanny Law and Ms. Irene Lee
Executive Directors:	Mr. Andrew Brandler and Mr. Peter W. Greenwood

This Statement will be despatched to Shareholders on 26 October 2012 and is also available at the Corporate Governance or Investors sections on the Company's website at www.clpgroup.com.