



Building Long-term Growth Annual Results Highlights for 2016

	2016 HK\$ Million	2015 HK\$ Million	Change
Profit attributable to shareholders	6,417	7,732	-17%
Earnings per share	\$3.01	\$3.62	-17%
Dividends per share	\$7.72	\$2.70	+186%
Cash on hand at 31 December 2016	HK\$61.71 Billion		
Cash on hand per share at 31 December 2016	HK\$28.9		

- The drop in Group profit was primarily due to the weakening of the pound sterling, lower UK deferred tax credit adjustment, reduction of shareholding in HK Electric Investments from 49.9% to 33.37% since 9 June 2015 and reversal of provisions and expenses in 2015.
- In the UK, our largest market, the four operating companies earned steady revenues. The impact of the ‘Brexit’ decision was limited to reported earnings due to exchange rate uncertainty.
- In Hong Kong, HK Electric is building two new gas-fired units L10 and L11 to increase the proportion of natural gas in the fuel mix. Good progress has been made on discussions with the Government on post-2018 regulatory framework.
- Acquired in July 2016, a 48.75% stake in mid-stream assets of Husky Energy augments the Group’s energy portfolio and expands our presence in North America’s oil transmission and storage sector, delivering profits in line with expectations.
- Following the one-off special interim dividend of HK\$5 per share paid out on 28 February 2017 to address shareholder expectations while keeping in view the Group’s need to preserve financial capacity for future acquisitions, the Directors have declared a final dividend for 2016 of HK\$2.02 per share.