

**The Hong Kong and China Gas Company Limited
issues longest 30-year HKD550 million
4.85% Guaranteed Notes due 2039**

(Hong Kong, 18 August, 2009) – The Hong Kong and China Gas Company Limited (“the Group”, SEHK: 3.HK), has issued its longest ever corporate 30-year HKD Guaranteed Notes due 2039 at a fixed coupon rate of 4.85 per cent per annum. The notes are the first ever 30-year Medium Term Note deal with the longest tenor corporate paper issued in the Hong Kong dollar bond market. They are issued under the USD1 billion Medium Term Note Programme (the “Programme”) of its wholly-owned subsidiary HKCG (Finance) Limited (“the Company”).

The transaction was initially launched for HKD300 million and it was very well-received by investors, both fund managers and banks, prompting the Group to upsize it to HKD550 million. The Hongkong and Shanghai Banking Corporation Limited was the sole lead manager for this landmark transaction. The strong reception of this inaugural 30-year corporate transaction reflects the very strong credit standing of the Group and investors’ confidence and comfort in its status as the territory’s leading gas utility. After the issuance of the 30-year Notes, the gearing ratio of the Group continues to remain very stable.

The Notes were issued under the Company’s MTN programme which has been specifically assigned a rating of A1 (stable) from Moody’s and A+ (stable) from Standard & Poor’s.

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