



In June 2012, we will be celebrating our 150th birthday. Established in 1862 to provide public gas lighting in Hong Kong, the Hong Kong and China Gas Company Limited (Towngas) today is not only a major supplier of energy both in Hong Kong and mainland China, we are also a pioneer in new and alternative energies. Having helped to “light the past”, we look forward to “brightening the future” with better products and services as well as cleaner and greener energy.



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Reaching New Heights...

2011 was a record year. The steady advancement in our Hong Kong core business, the rapid development of our city-gas businesses on the mainland as well as the increasing contribution from the new energy sector created a new record, with profit attributable to shareholders reaching HK\$6.1 billion.

We continue to see our transformation into a nationwide energy supplier and service provider. With a market value of HK\$150 billion, 38,000 employees and some 15 million customers, we currently provide gas services to over 50 million people in Hong Kong and the greater China region.

Strengthening our leadership as the largest city-gas group in mainland China, our 100 city-gas businesses serve over 13 million customers in the country. Gas sales grew to 10.3 billion cubic metres, an increase of 21 per cent compared to the year before.

ECO now operates a total of 20 projects. The new methanol plant and coal resources project in Inner Mongolia commenced operations and we acquired a further coal-mining project in Inner Mongolia, a liquefied natural gas filling station in Henan province as well as a logistics hub for coal transportation in Shandong province.

We established M-Tech to research, develop and manufacture intelligent gas meters, which will provide more advanced and accurate smart metering solutions.

We continued to enjoy favourable terms in the raising of funds from the market. In February 2011, we concluded a HK\$3.8 billion 5-year syndicated term loan and revolving credit facility. We also issued a RMB 1 billion 5-year bond in March 2011, becoming the first Hang Seng Index Constituent Stock in Hong Kong to raise funds through the offshore renminbi debt capital market.

Cementing our strong financial foundations, we received a cnAAA rating on Standard and Poor's Greater China Credit Rating Scale while Towngas China earned a cnA rating.

The Group maintains a significant presence in the international business community. We were awarded the "Global Chinese Business 1000 – Outstanding Performance Award" from the region's leading business magazine, Yazhou Zhoukan for the third year running.

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