

Annual Results 2017

16 March 2018



CK Infrastructure Holdings Limited

2017 Results Overview

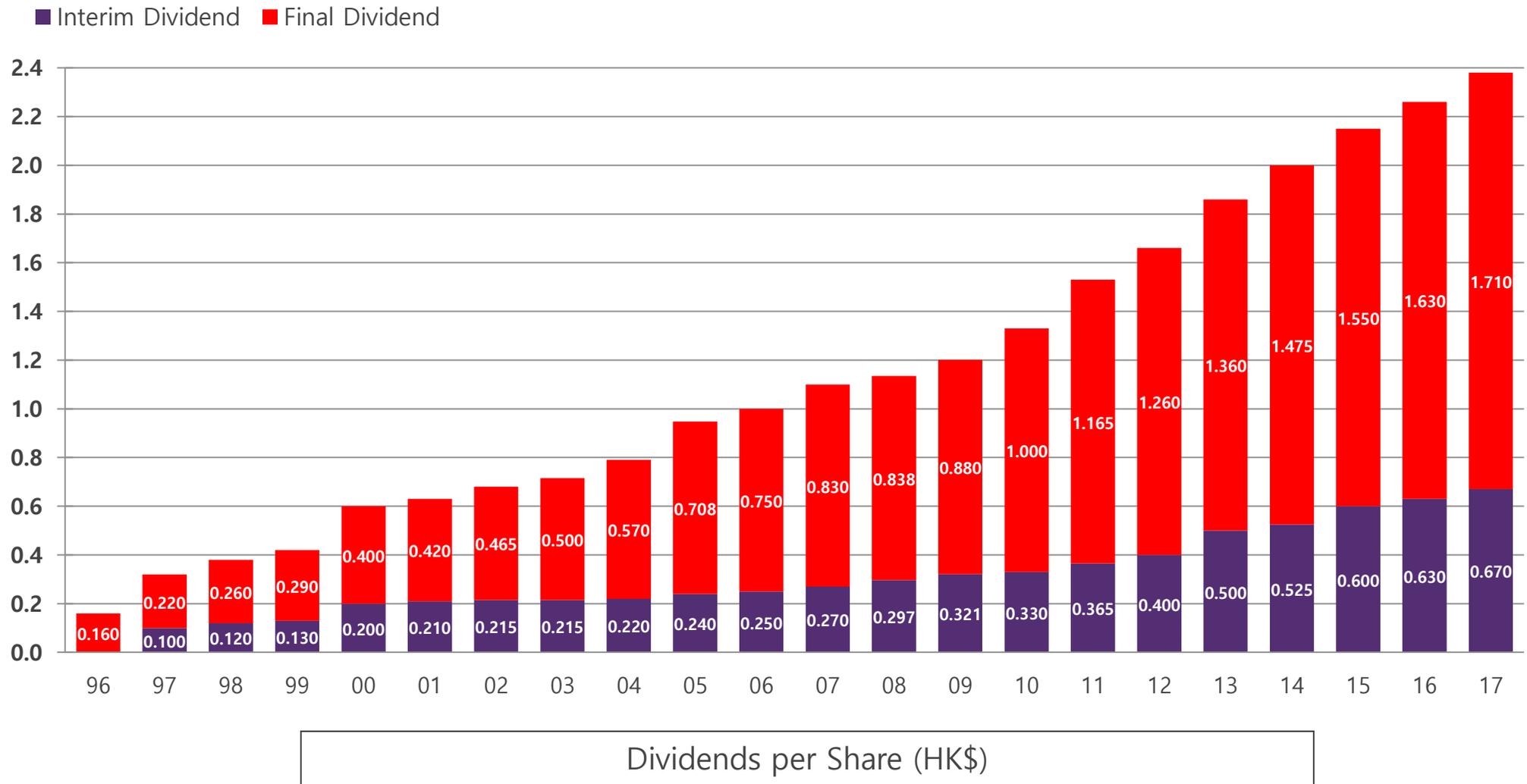
Profit contribution from: (HK\$ million)	2017	2016	2017 vs 2016
Investment in Power Assets	3,597	2,494	+44%
United Kingdom portfolio	5,283	6,326	-16%
Australia portfolio	1,945	1,938	-
Continental Europe portfolio	412	271	+52%
North America portfolio	225	189	+19%
New Zealand portfolio	171	186	-8%
Mainland China portfolio	288	347	-17%
Materials business	185	353	-48%
Total Profit Contribution	12,106	12,104	-

Profit attributable to shareholders	10,256	9,636	+6%
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EPS (HK\$/share)	4.07	3.82	+6%
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Interim DPS (HK\$/share)	0.670	0.630	+6.3%
Final DPS (HK\$/share)	1.710	1.630	+4.9%
Full year DPS (HK\$/share)	2.380	2.260	+5.3%

Sustainable Dividend Growth (21st Consecutive Year)

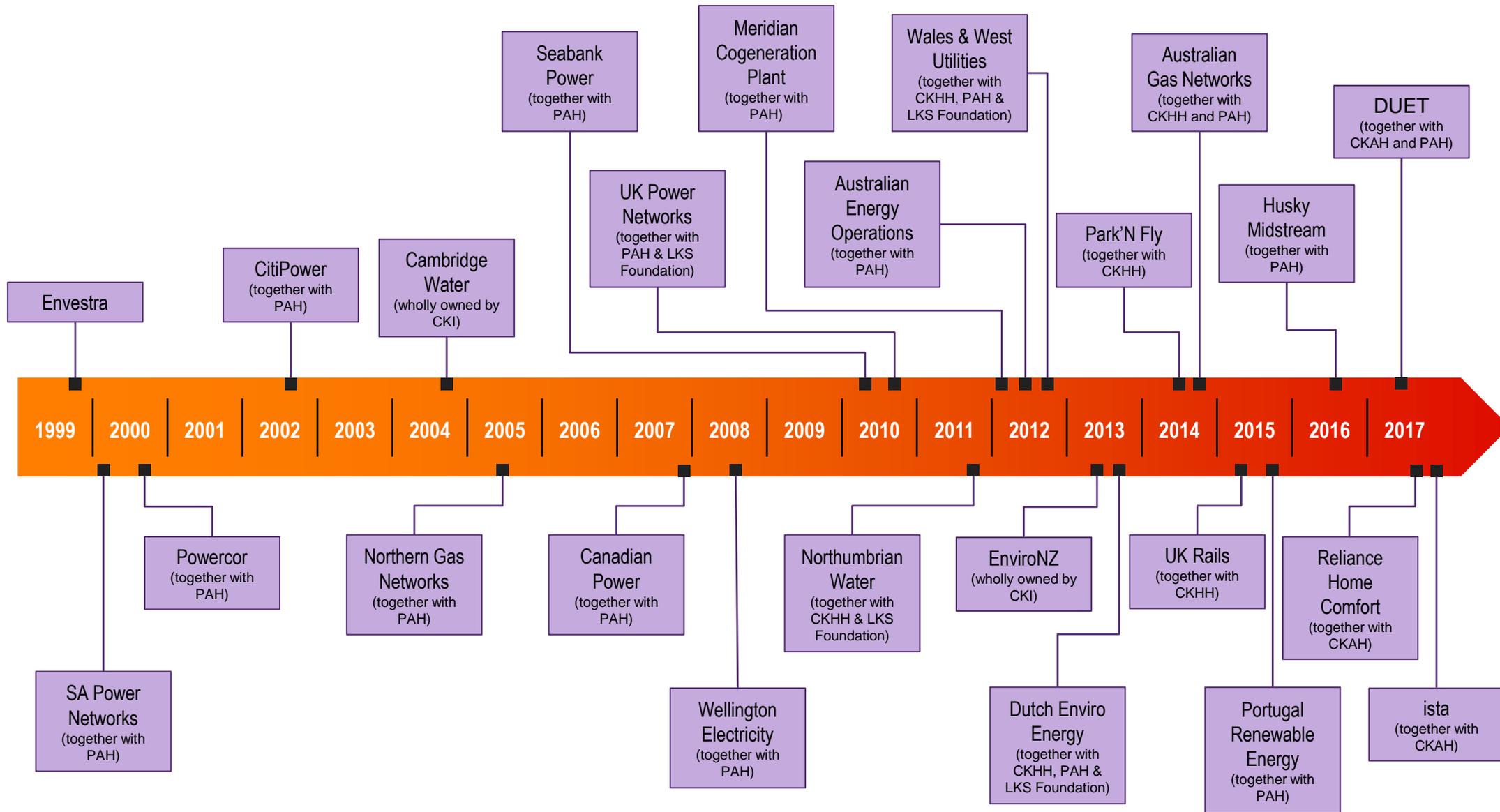


A Notable Year of Acquisitions

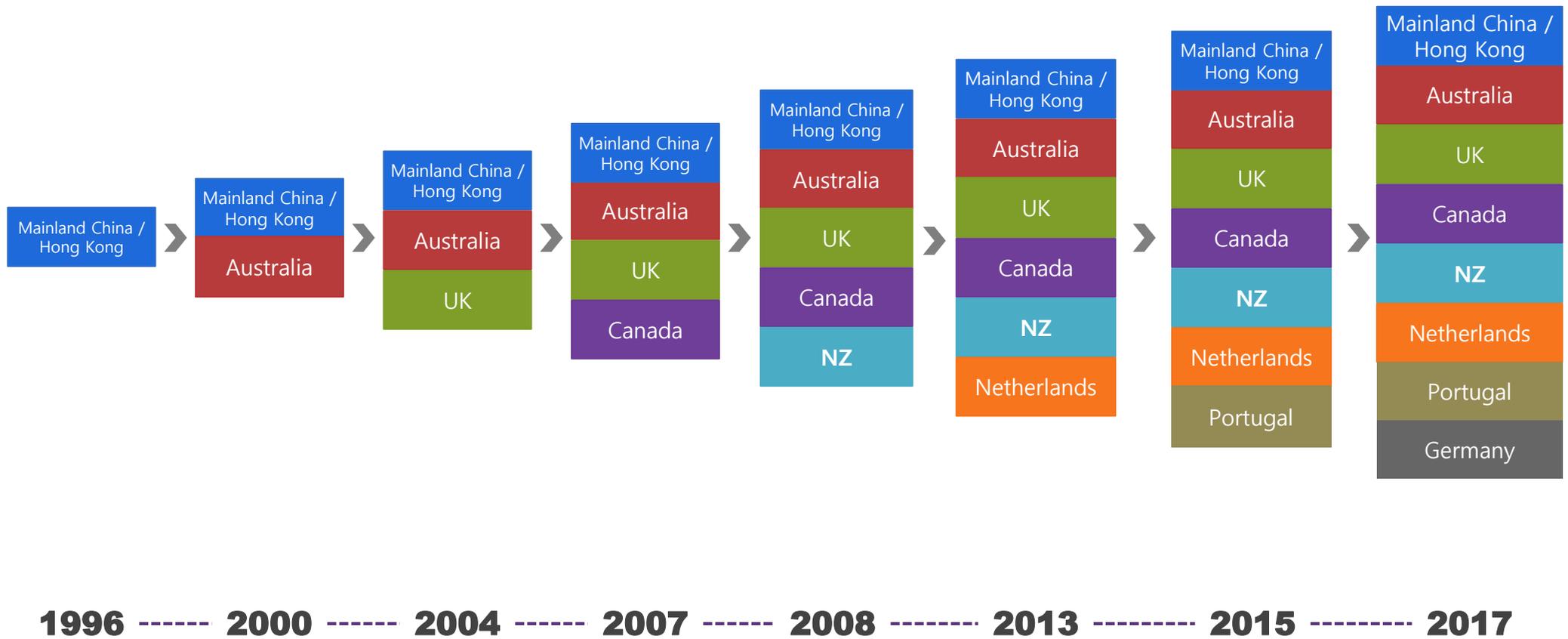
- » CKI made three sizeable acquisitions involving HK\$56 billion
 - 40% DUET (CKI's share HK\$30 billion)
 - 25% Reliance Home Comfort (CKI's share HK\$7 billion)
 - 35% ista (CKI's share HK\$19 billion)
- » Strengthening and widening profit contribution base of the CKI international infrastructure portfolio
 - Expansion by Geography
 - DUET: strengthening of gas & power distribution businesses in Victoria
 - DUET: expansion into Western Australia / Queensland
 - Reliance Home Comfort: expansion into Canada
 - Ista: expansion into Germany and other European countries
 - Expansion by Industry
 - DUET: expansion into gas transmission, and clean & remote energy businesses
 - Reliance Home Comfort / ista: expansion into "household infrastructure"



Acquisition Trail



Growing Globally



Global Portfolio

12/2017

Mainland China

33.5%	Shen-Shan Highway (Eastern Section)
30%	Shantou Bay Bridge
51%	Tangshan Tangle Road
44.2%	Changsha Wujialing and Wuyilu Bridge
50%	Jiangmen Chaolian Bridge
40%	Panyu Beidou Bridge

Infrastructure Related Business

50%	Alliance Construction Materials
100%	Green Island Cement
100%	Anderson Asphalt
100%	Green Island Cement (Yunfu)
67%	Guangdong Gitic Green Island Cement

United Kingdom

40%	UK Power Networks
40%	Northumbrian Water
47.1%	Northern Gas Networks
30%	Wales & West Gas Networks
50%	UK Rails
25%	Seabank Power
4.8%	Southern Water

Continental Europe

35%	Dutch Enviro Energy
50%	Portugal Renewable Energy
35%	ista

Australia

23.1%	SA Power Networks
23.1%	Victoria Power Networks
45%	Australian Gas Networks
50%	Australian Energy Operations
26.4%	United Energy
40%	Multinet Gas
40%	Dampier Bunbury Pipeline
40%	Energy Developments

New Zealand

100%	EnviroNZ
50%	Wellington Electricity

Hong Kong

38%	Power Assets
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North America

50%	Canadian Power
50%	Park'N Fly
16.3%	Canadian Midstream Assets
25%	Reliance Home Comfort

Analysis on Profit Attributable to Shareholders

(in HK\$ million)	2017	2016	2017 vs 2016
Investment in Power Assets	3,597	2,494	+44%
United Kingdom portfolio	5,283	6,326	-16%
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New Zealand portfolio	171	186	-8%
Mainland China portfolio	288	347	-17%
Materials business	185	353	-48%
Total Contribution from Businesses	12,106	12,104	-
Treasury Related Activities & Others	-1,224	-1,884	+35%
Distribution to Perpetual Securities	-626	-584	-7%
Profit Attributable to Shareholders	10,256	9,636	+6%

Exceptional items (HK\$ million)	2017	2016
Disposal of 0.86% interest in Power Assets	+383	-
Power Assets' properties disposal	+350	-

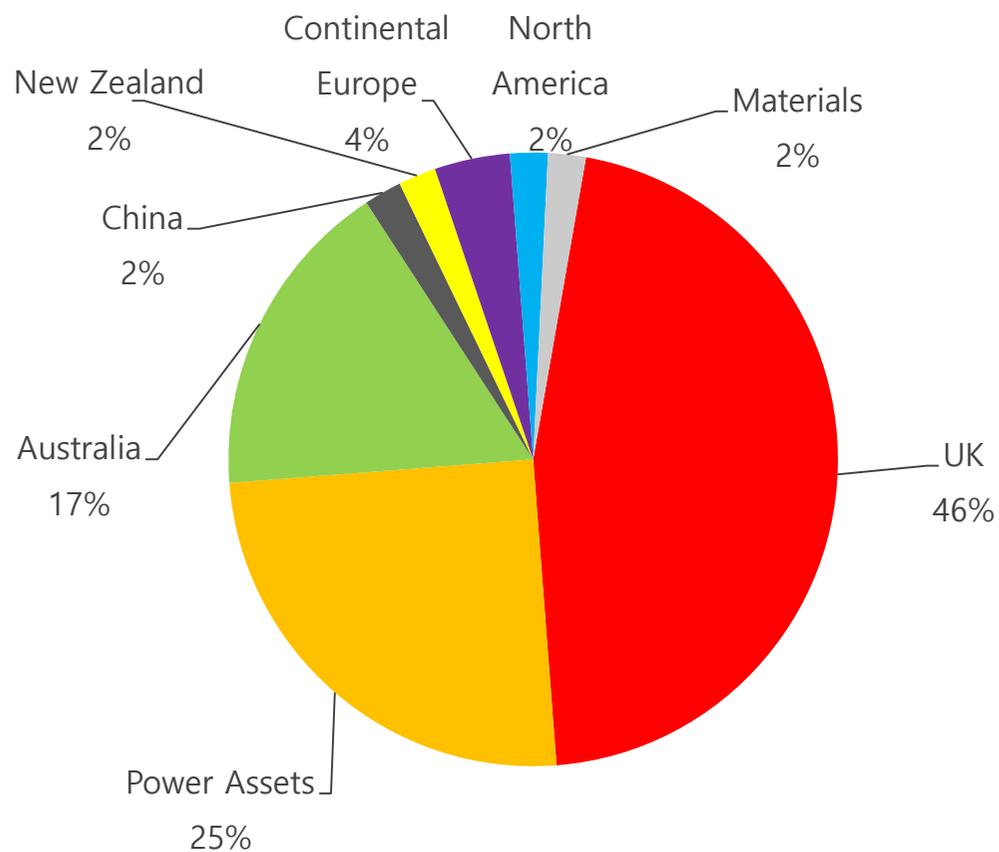
Exceptional items (HK\$ million)	2017	2016
UK Deferred Tax	-	+483

Exceptional items (HK\$ million)	2017	2016
Spark disposal	-	+781

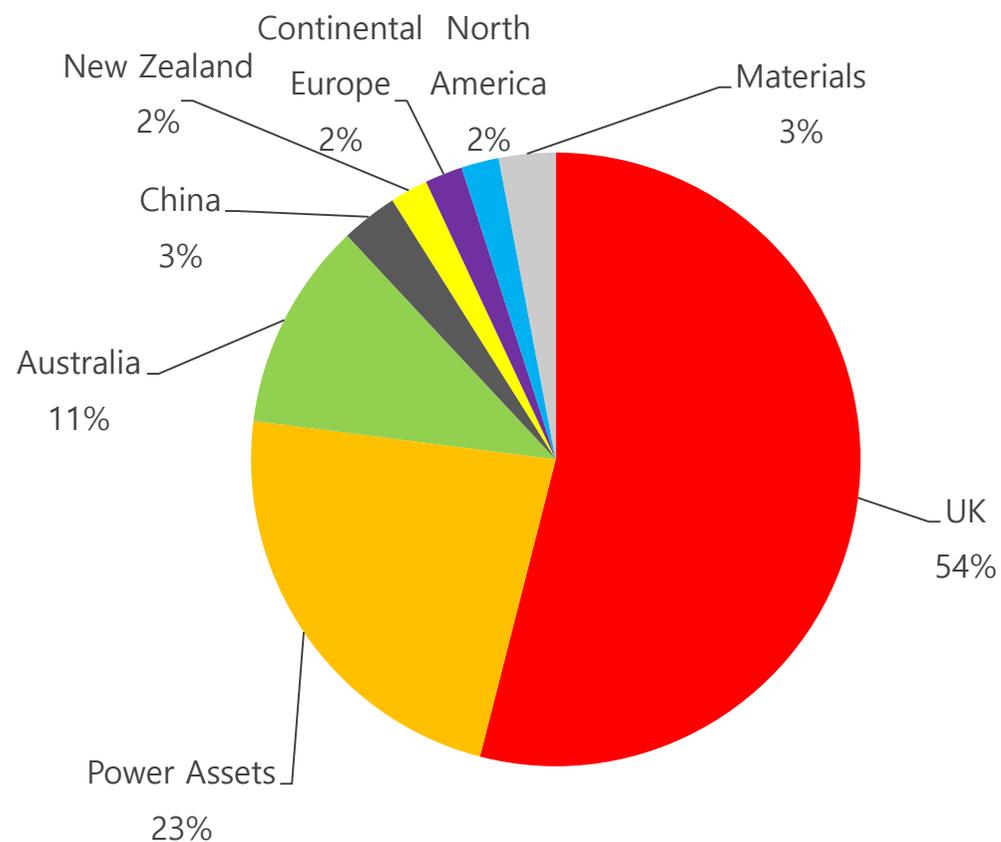
● Favorable FX movement on treasury items

- Refinanced the US\$1.0 billion perpetual securities to US\$1.2 billion in 2016
- Raised US\$650 million perpetual securities in 2017

Profit Contribution by Regions



2017*



2016*

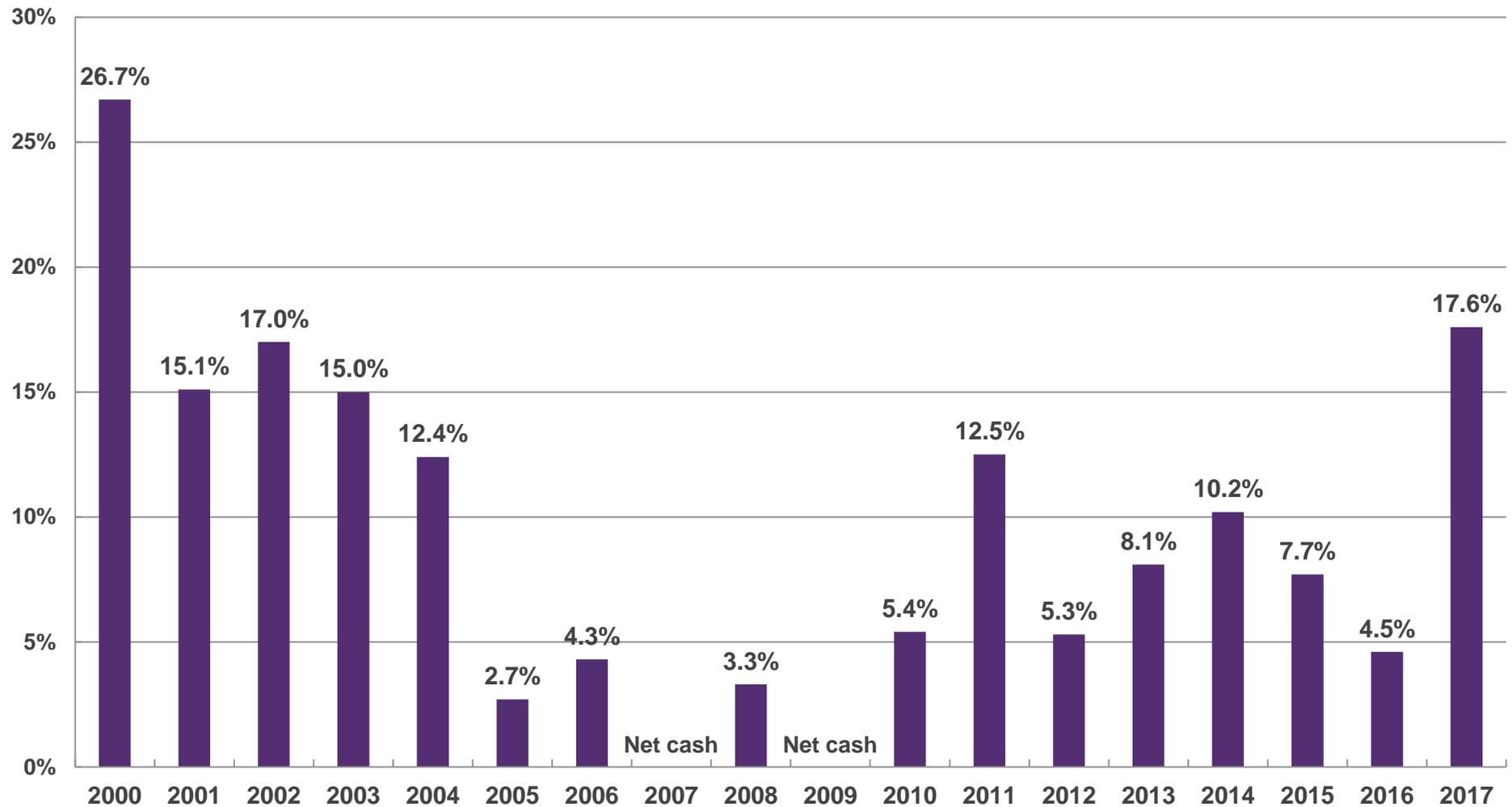
Note: *2017 figures excluded HK\$383 million one-off gain arising from the disposal of 0.86% interest in Power Assets and HK\$350 million share of disposal gain generated from sales of two properties in Hong Kong by Power Assets; 2016 figures excluded approximately HK\$781 million one-off gain arising from the disposal of interest in Spark Infrastructure and HK\$483 million deferred tax gain arising from changes in corporate tax rate in UK

Solid Financial Position

	Dec 31, 2017	Dec 31, 2016
Cash on hand (HK\$ million)	9,781	11,790
Debts (HK\$ million)	35,036	16,845
Total equity (HK\$ million)	118,192	106,187
Net debt to net total capital ratio	17.6%	4.5%
Interest coverage	18 times	19 times
S&P credit rating	A-/Positive	A-/Stable

CKI Gearing Ratio (Since 2000)

Net Debt / Net Total Capital

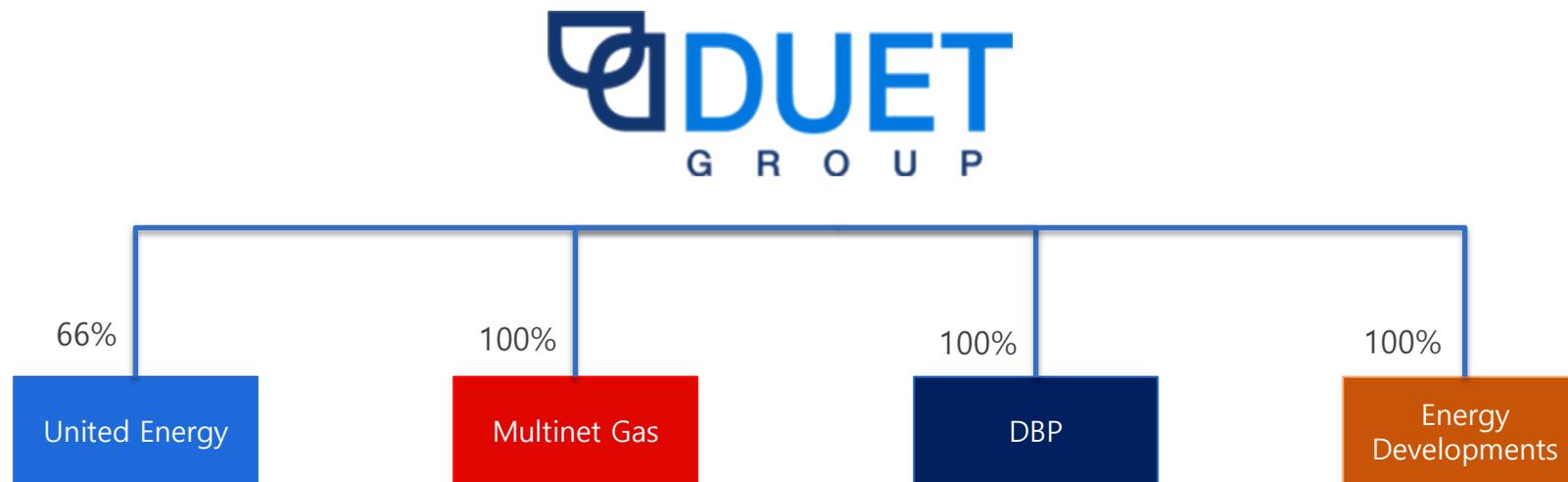


Corporate Finance

- » CKI issued US\$650 million 4.85% Guaranteed Perpetual Capital Securities in 2017
 - On 23 August 2017, CKI issued US\$500 million 4.85% Guaranteed Perpetual Capital Securities
 - On 3 November 2017, CKI upsized another US\$150 million 4.85% Guaranteed Perpetual Capital Securities
- » On 12 December 2017, CKI issued €600 million 1% Guaranteed Bonds
 - To match the new investment based in Euro

New Project – DUET

- » CKI, CKAH and PAH own 40%, 40% and 20% interests of the consortium respectively
- » Enterprise Value for the transaction: approximately A\$13 billion



New Project – DUET (United Energy)

- » United Energy is an electricity distribution business in Victoria, Australia
- » 66% owned by the CKI consortium
- » Serving 688,000 customers across east and southeast Melbourne and the Mornington Peninsula
- » Stable regulated business in Australia where CKI has the experience and skillset to manage



New Project – DUET (Multinet Gas)

- » Multinet Gas is a gas distribution business in Victoria, Australia
- » 100% owned by the CKI consortium
- » The network covers 1,860 sq. km of the eastern and south-eastern suburbs of Melbourne, the Yarra Ranges and South Gippsland, serving around 687,000 customers
- » Stable regulated business in Australia where CKI has the experience and skillset to manage



New Project – DUET (DBP)

- » DBP is the owner and operator of the Dampier to Bunbury Natural Gas Pipeline, a principal gas transmission pipeline in Western Australia
- » 100% owned by the CKI consortium
- » Stretches almost 1,600km, linking the gas fields in the Carnavon Basin off the Pilbara coast directly to mining, industrial, commercial customers and via other distribution networks to residential customers
- » Solid track record of operations and long life assets



New Project – DUET (Energy Developments)

- » Energy Developments (EDL) specializes in clean energy (landfill gas, waste coal mine gas, wind, solar) and remote energy
- » 100% owned by the CKI consortium
- » EDL owns and operates an international portfolio of over 980MW of power generation facilities (mainly in Australia, North America and UK)



New Project – Reliance Home Comfort

- » The largest water heater rental company in Canada
 - Providing water heaters, HVAC (Heating, Ventilation and Air Conditioning) equipment, comfort protection plans and other services to homeowners primarily in Ontario
 - Also have operations in Manitoba, Saskatchewan and Alberta in Canada, and Georgia in the U.S.
 - CKAH and CKI own 75% and 25% respectively
- » EV for the transaction: approximately C\$4.6 billion
- » CKI's first household infrastructure investment
 - A business with steady and recurrent cash flow



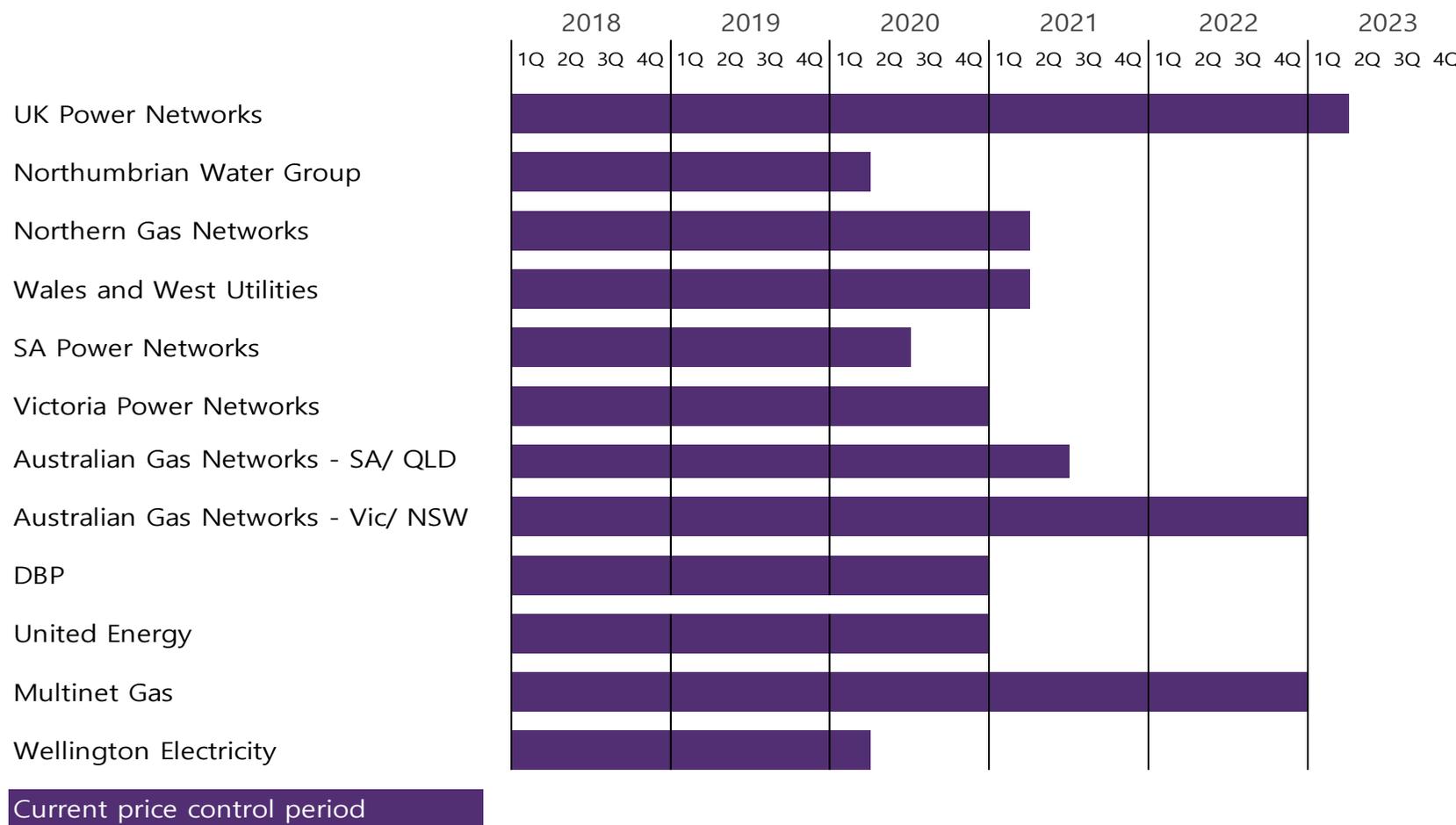
New Project – ista

- » One of the world's leading sub-metering companies and energy management services providers
 - Strong market positions in Europe (leader or second largest player in Germany, Denmark, the Netherlands, France, Italy and Spain)
 - Sub-metering is an essential service and required by law in certain European countries (e.g. Germany)
 - 450,000 customers covering over 12 million homes
 - CKAH and CKI own 65% and 35% respectively
- » EV for the transaction: approximately €6 billion
- » CKI's second household infrastructure investment
 - A business with steady and recurrent cash flow



Regulatory Resets Update

- » No regulatory reset will take effect until 2020
- » Regardless of the regulatory environment, CKI's regulated businesses target to be efficient operators under their respective regimes



Disclaimer

Potential investors and shareholders of the Companies (the “Potential Investors and Shareholders”) are reminded that the Presentation comprises extracts of recent operational data and financial information of the Group which have not been reviewed or audited by the Companies’ auditors.

Potential Investors and Shareholders should exercise caution when investing in or dealing in the securities of the Companies.



**Thank
You**



CK Infrastructure Holdings Limited