

Moody's upgrades Towngas China Credit Rating

(Hong Kong, 6 April 2011) The credit rating of Towngas China Company Limited (Towngas China) (1083.HK) has been upgraded by Moody's Investors Service (Moody's) from Baa3 to Baa2 for the issuer and senior unsecured bond ratings. The rating outlook is considered to be stable by Moody's. The latest rating reflects the credit strength of Towngas China has continued to improve.

According to Moody's assessment, the upgraded rating is driven by Towngas China's geographically diversified piped gas operations and favourable industry trends offering growth potential.

Towngas China Chairman and Executive Director Alfred Chan Wing-kin said, "We are delighted to learn of Moody's upgrading of Towngas China's credit rating. It reflects both the financial quality of Towngas China itself, and other business enterprises' confidence in our mainland businesses, in particular the promising growth of city gas in the mainland. Environmentally-friendly energy business is set to expand as China attaches more importance on energy diversification and environmental protection. We believe the performance of Towngas China will reap attractive returns. "

"The latest credit rating upgrade reflects the strengthened financial position of the company. This will definitely open broader venues for its future financing and will exert benevolent impact on its funding costs," Mr Chan added.

The principal business of Towngas China is the provision of low-carbon, environmentally friendly piped natural gas, the construction of gas pipelines, and the sale of household gas appliances. Towngas China is a subsidiary company of The Hong Kong and China Gas Company Limited (Towngas) (0003.HK), which holds 66.49% of its equity interest.



Towngas

The Hong Kong and China Gas Company Limited

Press Release

Towngas China has 63 projects with geographical coverage in 12 provinces/autonomous region/municipality in mainland China.

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