



華潤燃氣控股有限公司
China Resources Gas Group Limited

**CITY GAS DISTRIBUTION RECORDED AN INTERIM TURNOVER OF
HK\$1,127 MILLION, AN INCREASE OF 17%; AND
GROSS PROFIT MARGIN INCREASED FROM 28.8% TO 31.2%
CR GAS'S PROFIT ATTRIBUTABLE TO EQUITY HOLDERS INCREASED BY 27% TO
HK\$141 MILLION**

China Resources Gas Group Limited ("CR Gas" or the "Group", stock code: 1193) reported a continuing operation turnover of HK\$1,127 million for the six months ended 30 June 2009, representing 17 per cent increase from that of the corresponding period last year. The upsurge was mainly attributable to increase in the turnover of the city gas distribution operation. Profit attributable to equity holders increased by 27 per cent from that of the corresponding period to HK\$141 million, with basic earnings per share from continuing operation of HK\$0.10 (2008 same period: HK\$0.45 per share).

CR Gas's Board of Directors resolved to recommend the payment of an interim dividend of 2.0 HK cents per share for the six months ended 30 June 2009. (2008 same period: nil)

Turnover of the city gas distribution operation during the period under review amounted to HK\$1,127 million, representing an increase of 17 per cent compared with that of the corresponding period last year. The upsurge was mainly due to both acquisition and organic growth of the Group, which resulted in increased gas sales volume and connection fee income.

The Group's overall gas sales volume in the first half of 2009 rose by 14 per cent from that of the corresponding period last year to 780 million m³. The rise in overall gas sales volume was mainly attributable to 65% increase in the daily installed capacity for commercial and industrial ("C&I") customers, from 4.333 million m³ to 7.166 million m³ despite the impact of a slowdown in the export based industries in the People's Republic of China ("the PRC") on the Group's gas sales in the first quarter of 2009 as a result of the global financial turmoil. Gas consumption from export based customers began to stabilise in the second quarter of 2009, and is expected to recover in the second half of 2009. During the first half of 2009, C&I customers accounted for 63 per cent of the total gas sales volume.

Connection fee income during the period under review rose by 57 per cent to HK\$234 million, driven by a 23 per cent increase in the number of connected households from 1.902 million to 2.338 million.

During the first half of 2009, recurring gas sales and one-time gas connection fee accounted for 79.3 per cent and 20.7 per cent, respectively, of the turnover of the city gas distribution operation (2008 same period: 84.6 per cent and 15.4 per cent, respectively).

“The continued economic growth and rapid industrialisation and urbanisation of the PRC have spiked demand for energy in the country. The PRC government has been very supportive of the development of the natural gas industry and has promulgated various policies and guidelines to encourage and rationalise the usage of natural gas. The “West to East Gas Transmission” pipelines were constructed to bring natural gas from the Xinjiang Autonomous Region to the coastal regions of the PRC. Construction of the second phase of the “West to East Gas Transmission” pipelines and the “Sichuan to East” pipelines from the gas-rich Central Asia and Sichuan province to coastal regions of the PRC, as well as construction of LNG (liquefied natural gas) terminals in coastal cities are actively in progress. All these create enormous room for growth in the PRC’s natural gas industry. The Company will ride on these favourable industry fundamentals and its strong and experienced management team to scale new heights via organic and acquisition growth,” said Mr Ma Guoan, Chairman of CR Gas.

About CR Gas

CR Gas is principally engaged in city gas distribution business including piped natural or petroleum gas, CNG (compressed natural gas) filling stations and bottled LPG (liquefied petroleum gas) distribution. Its piped natural gas operations are strategically located in areas of China with rich reserves of natural gas and areas which are economically more developed and densely populated. CR Gas aspires to become a respected market leader in city gas distribution business in China.

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China Resources Gas Group Limited
(Stock code: 1193)
Unaudited Consolidated Income Statement
for the Six Months Ended 30 June 2009

	For the six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000 (Restated)
Turnover		
Continuing operations	1,127,248	966,474
Discontinued operations	---	616,603
	1,127,248	1,583,077
Cost of sales	(775,762)	(1,138,496)
Gross profit	351,486	444,581
Other income	48,928	43,169
Selling and distribution expenses	(85,859)	(85,173)
Administrative expenses	(109,490)	(169,974)
Other expenses	---	(64,746)
	205,065	167,857
Finance costs	(12,388)	(21,536)
Share of results of associates	2,570	1,584
Profit(loss) before taxation		
Continuing operations	195,247	162,911
Discontinued operations	---	(15,006)
	195,247	147,905
Taxation		
Continuing operations	(27,468)	(15,818)
Discontinued operations	---	(8,268)
	(27,468)	(24,086)
Profit(loss) for the period		
Continuing operations	167,779	147,093
Discontinued operations	---	(23,274)
	167,779	123,819
Attributable to		
Equity holders of the Company		
Continuing operations	141,337	128,070
Discontinued operations	---	(17,200)
	141,337	110,870
Minority interests	26,442	12,949
	167,779	123,819

	HK cents	HK cents
Proposed interim dividend per share	2.00	---
	HK\$	HK\$
Earnings per share		
From continuing operations		
Basic	0.10	0.45
Diluted	0.10	0.45
From continuing and discontinued operations		
Basic	0.10	0.39
Diluted	0.10	0.39