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北京京能清潔能源電力股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00579)

CONNECTED TRANSACTION ANNOUNCEMENT

DISPOSAL OF 35% EQUITY INTEREST IN BEIH IN THE SECOND HALF OF 2012

The Board of Directors of the Company on 29 June 2012 has approved the disposal of the 35% equity interest in BEIH, a wholly-owned subsidiary of the Company, to BEIH, a company controlled by the Company, at a price of RMB107,237,300.

LIABILITIES AND COMMITMENTS

BEIH is a wholly-owned subsidiary of the Company, and its registered capital is RMB107,237,300. The Company holds 67.958% of the equity interest in BEIH. The Company is the controlling shareholder of BEIH. The Company is also the controlling shareholder of BEIH. The Company is also the controlling shareholder of BEIH.

The disposal of the 35% equity interest in BEIH is in accordance with the provisions of the Company's Articles of Association and the Company's Memorandum of Association. The disposal of the 35% equity interest in BEIH is in accordance with the provisions of the Company's Articles of Association and the Company's Memorandum of Association.

1. INTRODUCTION

The Board of Directors of the Company on 29 June 2012 has approved the disposal of the 35% equity interest in BEIH, a wholly-owned subsidiary of the Company, to BEIH, a company controlled by the Company, at a price of RMB107,237,300.

2 INCIAL E M OF HE E, I AN FE AG EEMEN

D/ t

29 J e 2012

/ t

Ve d : T e C a

Ac e : BEIH

E l t I t t B D t

35% f e e e e H a a Hea g e d b e C a

C t t t t

T e a c d e a f e H a a D a RMB107,237,300, c a d e e e d b e C a a d BEIH f g a ' e g e g a b e f e e c e , e a a, e a a e d a e f e 35% e e e H a a Hea g f RMB107,237,300 a a 31 D e c e b e 2011, b e g e e f e e c e d a e . S c a a a a e a e d b B e j g T a j a X g e A e A a a b a e d a a e - b a e d a a c .

/ t

T e a e b e a d e a c a 30 d a a f e e H a a E T a f e A g e e e a e e f f e c .

C t t t t

T e a f e b e c e e d e d a e e e d e d e e e a e e g e e d d e e a e f B E I H a e c e e d a d c e c e a .

T e c e f e a a c a e H a a E T a f e A g e e e c d a e b a g f a e c e a a a a d a a e H a a E T a f e A g e e e a d e a a c c e a e d e e d e a e e d b a c a b e a a d e g a .

## Other Matters

BEIH has been engaged to provide advisory services to the Board of Directors of Hebe Hea Group Co., Ltd. (the "Company") for a fee of RMB84,146,129. The Company has also engaged the Company to provide advisory services to the Board of Directors of Hebe Hea Group Co., Ltd. for a fee of RMB20,688,200.

The Board of Directors of BEIH has approved the above fees and the Company has agreed to pay the fees.

### 3 FINANCIAL EFFECT OF THE TRANSACTION

As at 31 December 2011, the Company has been engaged to provide advisory services to the Board of Directors of Hebe Hea Group Co., Ltd. for a fee of RMB84,146,129. Accordingly, the Company has also engaged the Company to provide advisory services to the Board of Directors of Hebe Hea Group Co., Ltd. for a fee of RMB20,688,200. The Company has also engaged the Company to provide advisory services to the Board of Directors of Hebe Hea Group Co., Ltd. for a fee of RMB20,688,200. The Company has also engaged the Company to provide advisory services to the Board of Directors of Hebe Hea Group Co., Ltd. for a fee of RMB20,688,200.

### 4 REASON FOR AND BENEFIT OF THE TRANSACTION

Hebe Hea Group Co., Ltd. is engaged to provide advisory services to the Board of Directors of Hebe Hea Group Co., Ltd. for a fee of RMB84,146,129. The Board of Directors of Hebe Hea Group Co., Ltd. has approved the above fees and the Company has agreed to pay the fees.

Under the fee arrangement, BDHG, BEIH and the Company have received 50%, 35% and 15% of Hebe Hea Group's fee, respectively.

The Board of Directors (including the independent non-executive Directors) has approved the above fees, and the Company has agreed to pay the fees.

### 5 INFORMATION OF THE APPLICANT

1. Name

The Company is engaged to provide advisory services to the Board of Directors of Hebe Hea Group Co., Ltd. for a fee of RMB84,146,129. The Company has also engaged the Company to provide advisory services to the Board of Directors of Hebe Hea Group Co., Ltd. for a fee of RMB20,688,200.

**BEIH**

BEIH a ed ab c a c a ed e PRC a d c a e gaged e e e e g , ea e ae, fa c e, g - ec a d f a c a ec e PRC. BEIH ec g a e de f e C a , d ec a d d ec d a X a e 67.958% f e ed a e ca a f e C a , a d e ef e c ec ed e a e L g R e .

**H / . / , H / 1, 2**

H a a Hea g a c a c a ed b e C a a d BDHG a e c -f de e PRC a d a j c ed e c 50% ed b e C a a d 50% ed b BDHG. H a a Hea g a e gaged c c f e e , ea e e g ge e a a a d X c a ge a Be j g a d Hebe P ce.

Ba ed e a d ed f a c a acc f H a a Hea g e a ed de e PRC GAAP, a a 31 Dece be 2011, e a a e , a ab e a d e a e f H a a Hea g e e a X a e RMB3,469,535,033, RMB3,211,264,350 a d RMB258,270,683, e ec e . T e a f / ( ) a b ab e e e be d ed, c 35% f e e e e f H a a Hea g f e ea e ded 31 Dece be 2010 a d 31 Dece be 2011 e e a f :

(U : RMB)

	F 1, 2 / 1, 2 31 D (a d ed)	F 1, 2 / 1, 2 31 D 2010 (a d ed)	F 1, 2 / 1, 2 31 D 2011 (a d ed)
Ne f / ( ) a b ab e e e be d ed (bef e X a a d X a d a e )		482,929	(302,735)
Ne f / ( ) a b ab e e e be d ed (af e X a a d X a d a e )		72,456	(6,161,856)

**6 LI NG 6LE IM LICA ION**

BEIH ec g a e de f e C a , d g a X a e 67.958% e e e a ed a e ca a f e C a a d a c ec ed e f e C a . Acc d g , e a ac c e a ed de e H a a E T a fe Age e c e a c ec ed a ac f e C a de C a e 14A f e L g R e .

A e g e a c a b e e c e a g e a e e c f e a a c c e a e d d e e  
H a a E T a f e A g e e e e x c e e d 0.1% b e a 5%, e H a a D a  
b j e c e e g a d a c e e e e e b e x e f d e e d e  
a e d e ' a a e e e d e C a e 14A f e L g R e .

T e B a d a e e d a d a e d e H a a E T a f e A g e e e a d e a a c  
c e a e d e e d e . M . L U H a j , M . G U O M g x g , M . X U J g f a d M . L I U  
G c e , c c e e g a D e c f e C a a d d e c a d / a a g e e  
e b e f B E I H , a e a e a e e e a a c b e e e C a a d B E I H , a d  
a e a a b a e d f g e B a d e a e e H a a D a .

## 7 DEFINITION

BDHG 北京市熱力集團有限公司 (Be j g D c H e a g (G )  
C ., L d.), a a e- e d c a c a e d e P R C

BEIH 北京能源投資(集團)有限公司 (Be j g E e g I e e e  
H d g C ., L d.), a e d a b c a c a e d  
e P R C a d e c g a e d e f e C a ,  
c d e c d 67.958% f e a e d a e c a a  
f e C a a a e d a e f a c e e

Be j g T a j a X g e A e A a a C ., L d.), a d e d e a e a a a f  
a f e d e P R C

B a d e b a d f d e c f e C a

C a Be j g J g e g C e a E e g C ., L e d , a j c  
e d c a c a e d e P R C e d a b ,  
e H a e a e e d e M a B a d f T e S c  
E x c a g e f H g K g L e d

D e c ( ) d e c ( ) f e C a

G e C a a d b d a e

H a a D a e a a c c e a e d d e e H a a E T a f e  
A g e e e

H a a E T a f e e e a f e a g e e e e e e d b e e e  
A g e e e C a a d B E I H 29 J e 2012 e e c f d a f  
35% e e e H a a H e a g b e C a

H a a Hea g 北京華源熱力管網有限公司(Be j gH a a Hea gP e e C ., L d.), a c a c a e d e PRC, 50% f e e e c e b e g e d b C a a d e e a g 50% b e g e d b BDHG

L gR e e R e G e g e L g f Sec e T e S c E c a g e f H g K g L e d

PRC e P e e' R e b c f C a a d f e e f a c e e , E c d g e H g K g S e c a A d a e Reg f e P e e' R e b c f C a, T a a a d e Maca S e c a A d a e Reg f e P e e' R e b c f C a

PRC GAAP g e a a c c e d a c c g c e e PRC

RMB Re b , e a f c e c f e PRC

b d a ( e ) a e e a g a c b e d e L g R e

B d e f e B a d  
B 京 華 源 熱 力 管 網 有 限 公 司 代 理 人 康 景 富  
KANG J /  
Joint Company Secretary

Be j g, e PRC

29 J e 2012

*As at the date of this announcement, the non-executive directors of the Company are Mr. Lu Haijun, Mr. Guo Mingxing, Mr. Xu Jingfu, Mr. Liu Guochen and Mr. Yu Zhongfu; the executive director of the Company is Mr. Meng Wentao; and the independent non-executive directors of the Company are Mr. Liu Chaoan, Mr. Shi Xiaomin, and Ms. Lau Miu Man.*