



# China Power International Development Limited

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**2007 Annual Results Presentation**



**Reasonably good results under difficult situation**

**+**

**Announced to enter Liaoning and Guangdong**

**+**

**Four 600MW plus units commissioned with best controlled construction cost**

**+**

**Net coal consumption rate dropped by 5.14 g/kWh or 1.47% yoy**



**Annual Highlights**



# Agenda

**Results Overview**

**Business Review**

**Future Development and Prospects**

**Q & A**



# Section 1

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## Results Overview



# Operation Highlights

	2007	2006	% of change
<b>Attributable capacity (MW)</b>	<b>7,883</b>	<b>5,348</b>	<b>47.4%</b>
<b>Gross generation (MWh)<sup>(1)</sup></b>	<b>26,701,706</b>	<b>24,065,245</b>	<b>10.96%</b>
<b>Average utilization hours<sup>(2)</sup></b>	<b>6,413</b>	<b>6,611</b>	<b>(3.00%)</b>
<b>Net generation (MWh)<sup>(1)</sup></b>	<b>24,813,255</b>	<b>22,262,463</b>	<b>11.46%</b>
<b>Average realized tariff (RMB/MWh)<sup>(1)</sup></b>	<b>238.03</b>	<b>233.71</b>	<b>1.87%</b>
<b>Net coal consumption rate (g/KWh)<sup>(1)</sup></b>	<b>343.41</b>	<b>348.55</b>	<b>(1.47%)</b>

(1) Data does not reflect results of 50% owned Changshu.

(2) Data does not reflect results of 50% owned Changshu and units commissioned within 2007



# Earnings and Dividend Highlights

<i>(RMB '000)</i>	2007	2006	% of Change
Turnover and other income	5,972,817	5,278,148	13.16%
Fuel cost	(3,840,488)	(3,075,001)	24.89%
Other operating cost(net)	(1,549,962)	(1,365,558)	3.04%
Operating profit	558,573	781,120	(28.49%)
Financail costs	(184,950)	(133,489)	38.55%
Share of loss from associates	(47,909)	102,053	(46.95%)
Deemed disposal gain	311,398	NA	NA
Pre-tax profit	660,906	806,153	(18.02%)
Tax	(69,477)	(104,478)	(33.50%)
Profit attributable to equity holders	592,435	702,767	(15.70%)
<i>EPS (RMB)</i>	<i>RMB0.16</i>	<i>RMB0.22</i>	
<i>DPS (RMB)</i>	<i>RMB0.054</i>	<i>RMB0.08</i>	



# Operating Cost Analysis

<i>(RMB per MWh Sold)</i>	<i>2007</i>	<i>2006</i>	<i>Change</i>	<i>Analysis</i>
<b>Fuel cost</b>	<b>154.78</b>	<b>138.12</b>	<b>12.05%</b>	Coal price increase; higher than average coal price at new plants
<b>Depreciation</b>	<b>18.54</b>	<b>16.90</b>	<b>9.72%</b>	Higher depreciation of new plants
<b>Staff costs</b>	<b>13.45</b>	<b>15.94</b>	<b>-15.66%</b>	Much lower staff cost at new plants;
<b>Repair and maintenance</b>	<b>11.11</b>	<b>11.94</b>	<b>-6.94%</b>	Lower repair and maintenance cost at new plants.
<b>Consumables</b>	<b>2.94</b>	<b>3.05</b>	<b>-3.60%</b>	Lower consumables cost at new plants
<b>Other operating cost, net</b>	<b><u>17.07</u></b>	<b><u>17.43</u></b>	<b>-2.09%</b>	Lower other operating cost at new plants; Strict cost control
<b>Total</b>	<b>217.88</b>	<b>203.39</b>	<b>7.13%</b>	



# Section 2

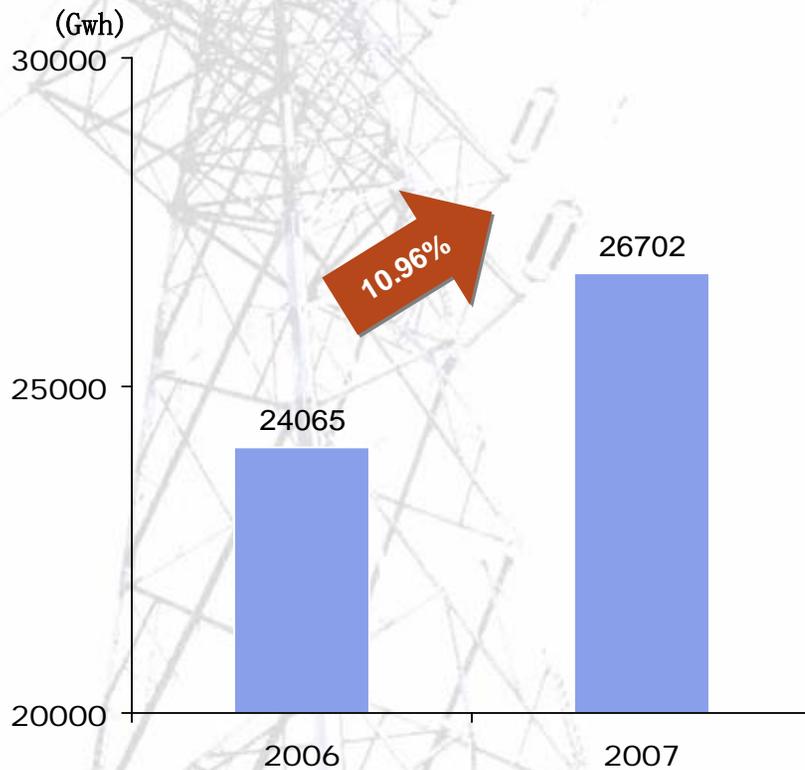
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## Business Review

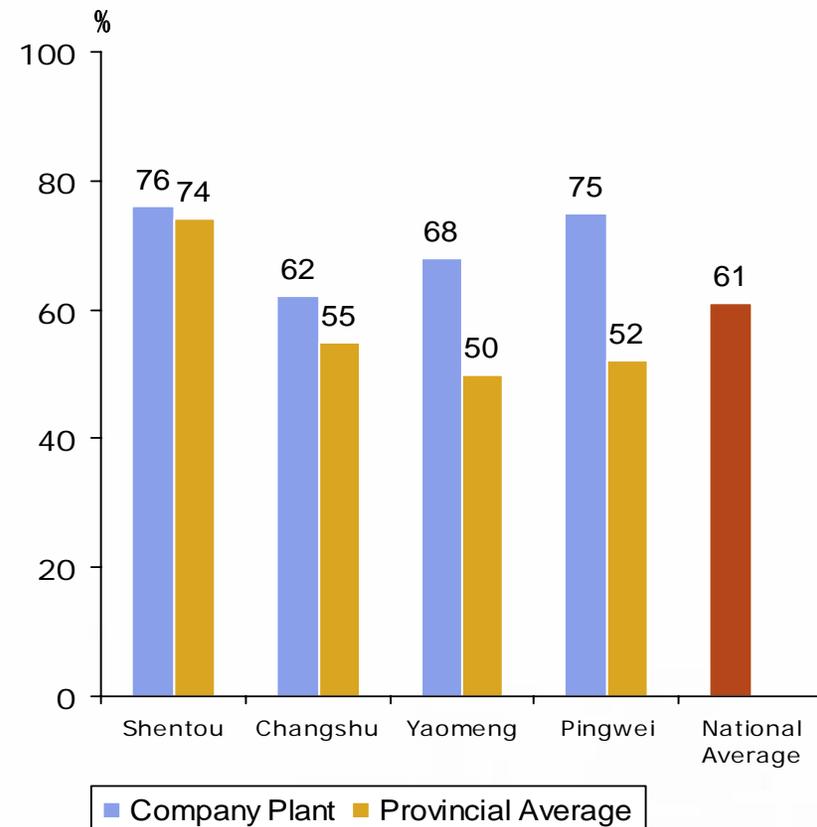


# Higher than Average Utilization Rate

## Gross Generation <sup>(1)</sup>



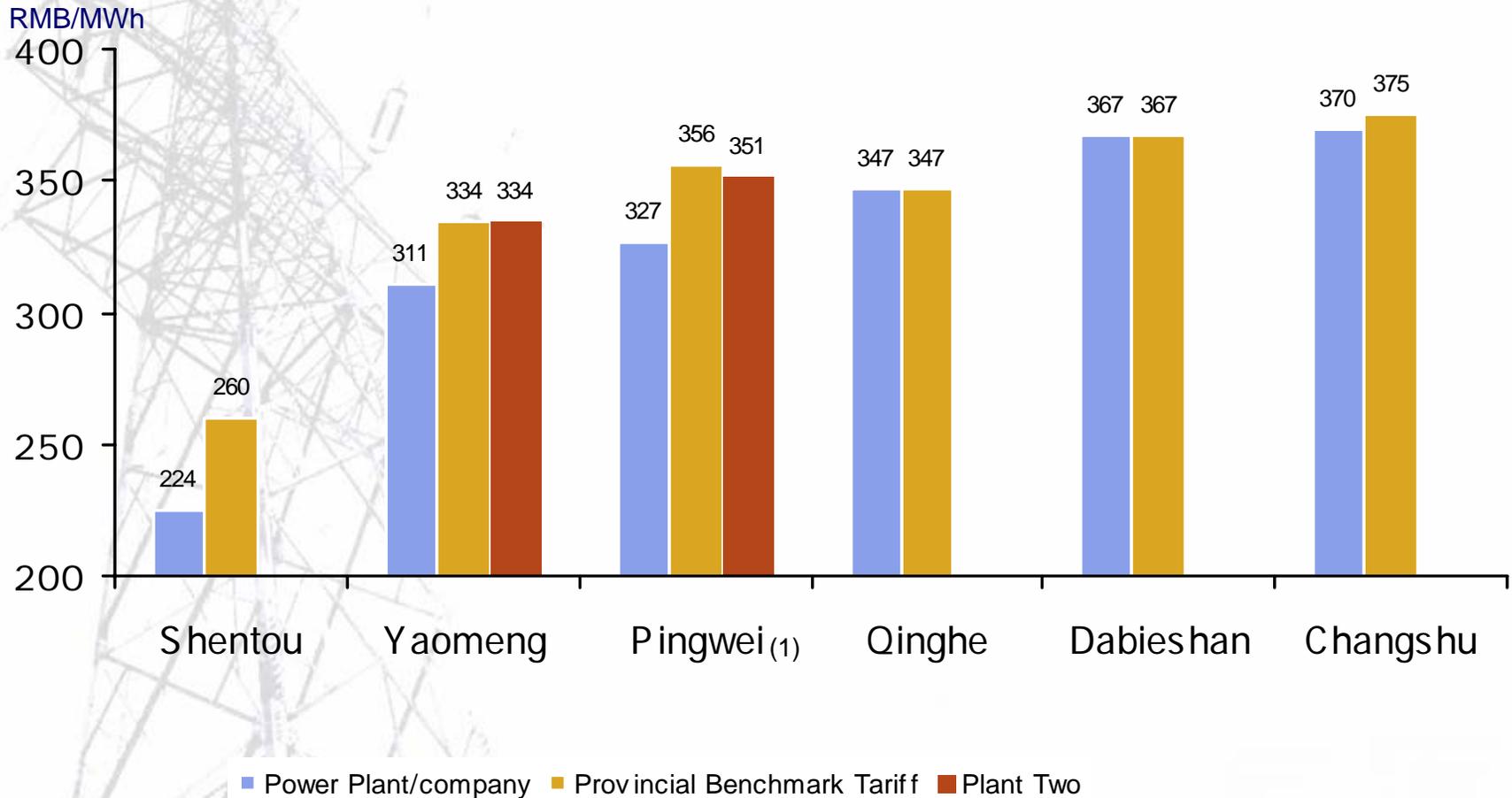
## Utilization Rate



note: (1) Data does not reflect results of 50% owned Changshu Power Plant..



# Tariff Comparison <sup>(2)</sup>



Note: (1) The Tariff of Pingwei II in 2007 was implemented under the temporary tariff of "Deliver electricity from Anhui to East" scheme, which is slightly lower than the local's benchmark tariff

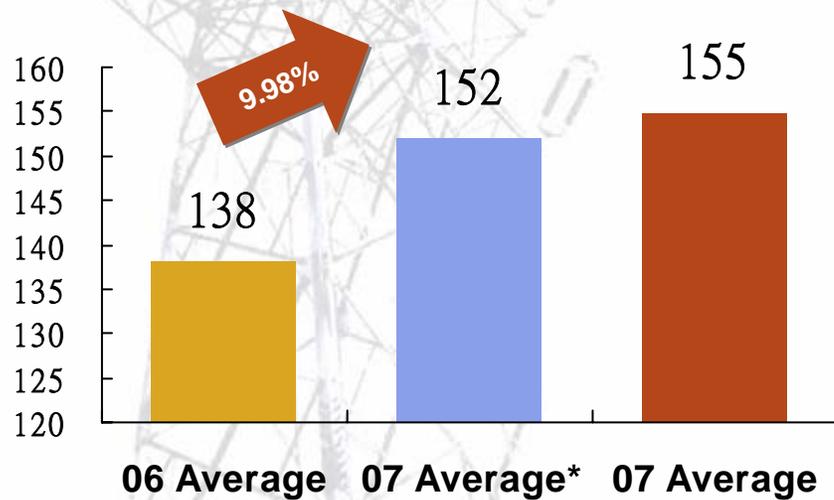
(2) the tariffs above include the VAT but not desulphurization tariff



# Unit Fuel Cost and Coal Consumption Rate

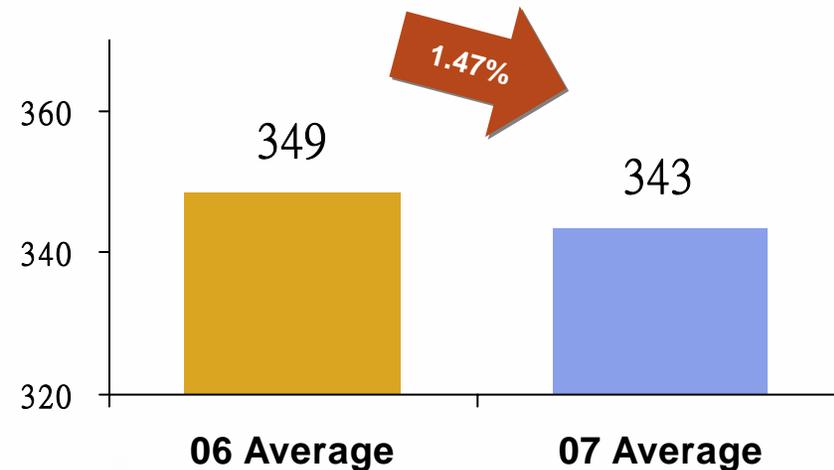
## Unit Fuel Cost

RMB / MWh



## Net Coal Consumption Rate

g/kWh



Note: \* representing the comparable figure that exclude the commissioned units within 2007



# Construction of New Plants

**March 19th**

**Pingwei #3 unit came on-stream**

**October 26<sup>th</sup>**

**Yaomeng #5 unit came on-stream**

**4 × 600MW units  
commissioned  
with  
construction  
cost of  
3300RMB/kW**

**November 24th**

**Pingwei #4 unit came on-stream**

**December 29th**

**Yaomeng #6 unit came on-stream**





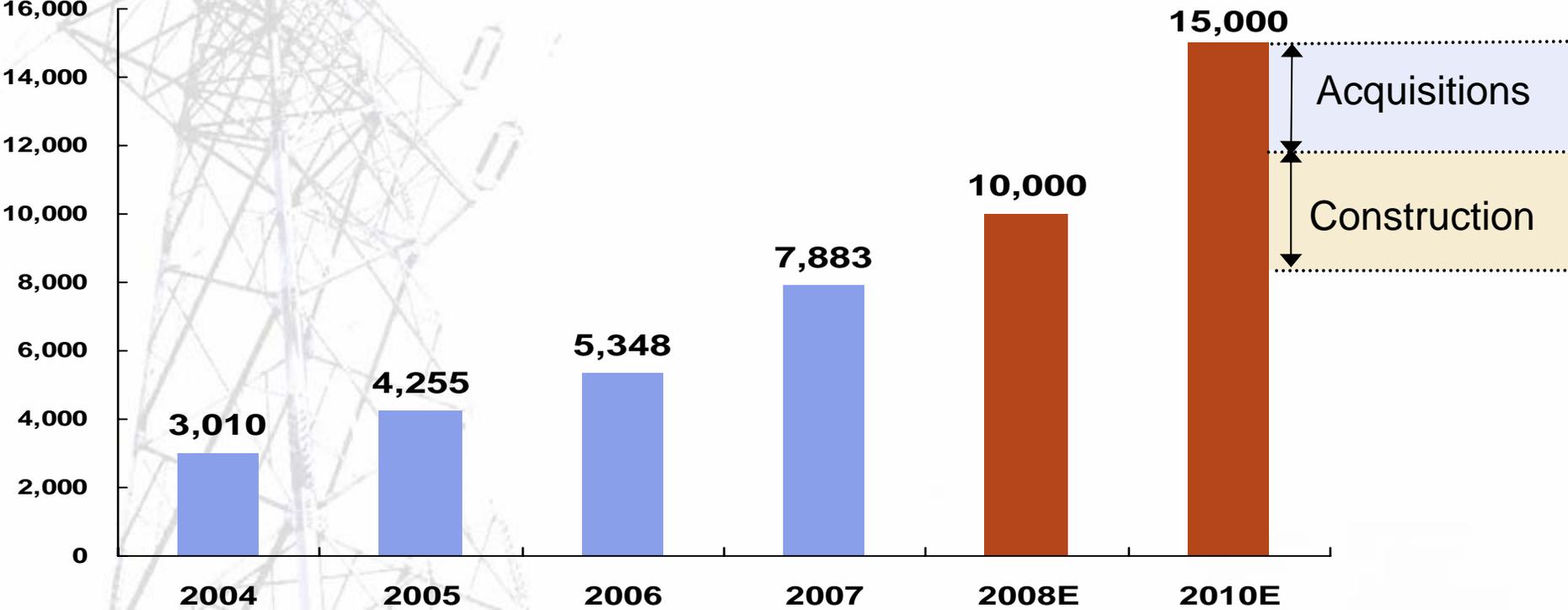
## Section 3

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**Future Development and Prospects**



# Future Capacity Growth

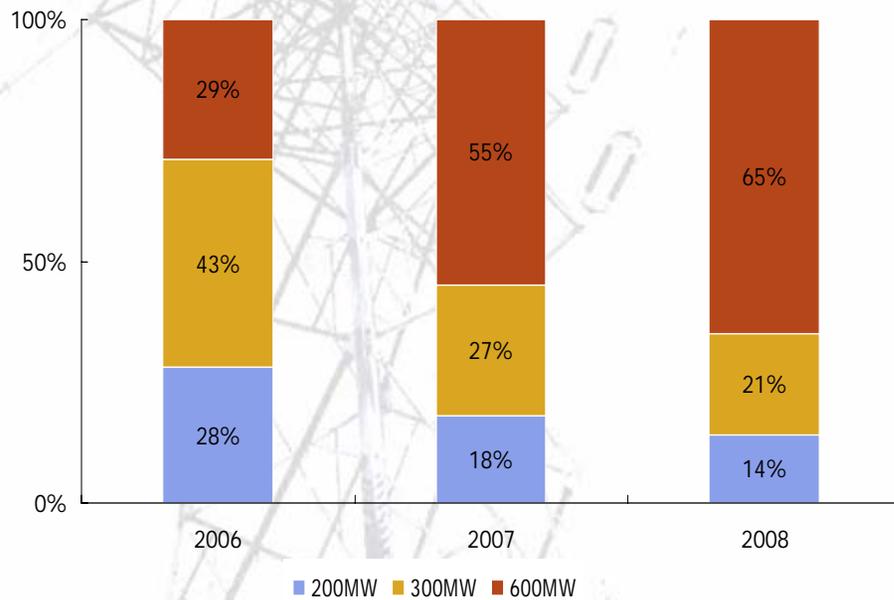


*note : The information are based on assumptions subject to various risks. No assurance can be given that future events will occur, that projections will be achieved, or that the company's assumptions are correct. Actual results may differ materially from those projected.*

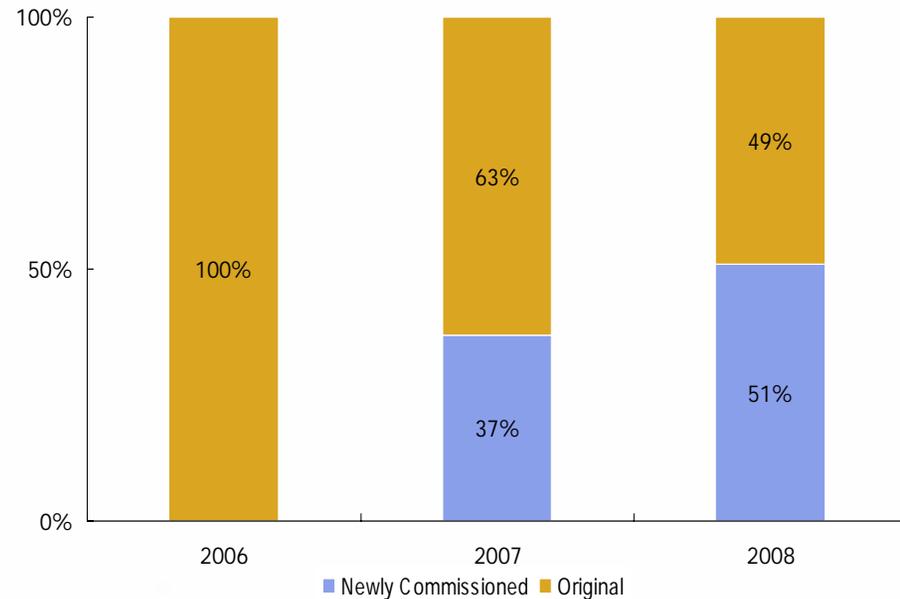


# Structure Adjustment--More Weight On Efficient Unit

## Units Category by Size



## Units Category by Commission Time



Note: Units capacity represented by Shanghai Power 21.92% interest is not included



# Structure Adjustment--More Balanced Asset Portfolio

## Cooperation with coal mines

Strengthen cooperation with the local coal mines in order to ensure coal supply and control coal cost.

## Large Scale Hydro Power Plants

Try to introduce the large scale hydro power plants, hedging against the risk of fuel cost surge.

## Coal-fired Power Plants

Continue to develop large capacity and efficient coal-fired power plants. Currently, the Company has three 600MW units under construction and has initiated preliminary works for several more.

# Prospects for 2008

## Key Growth Drivers

- Contributions from newly commissioned units
- Potential acquisition plan
- Re-launching the “fuel cost pass-through”
- Strict cost control and lowered coal consumption rate

## Operating Challenges

- Surging coal price
- Decreasing utilization hours
- Interest rate hikes





# China Power International Development Limited

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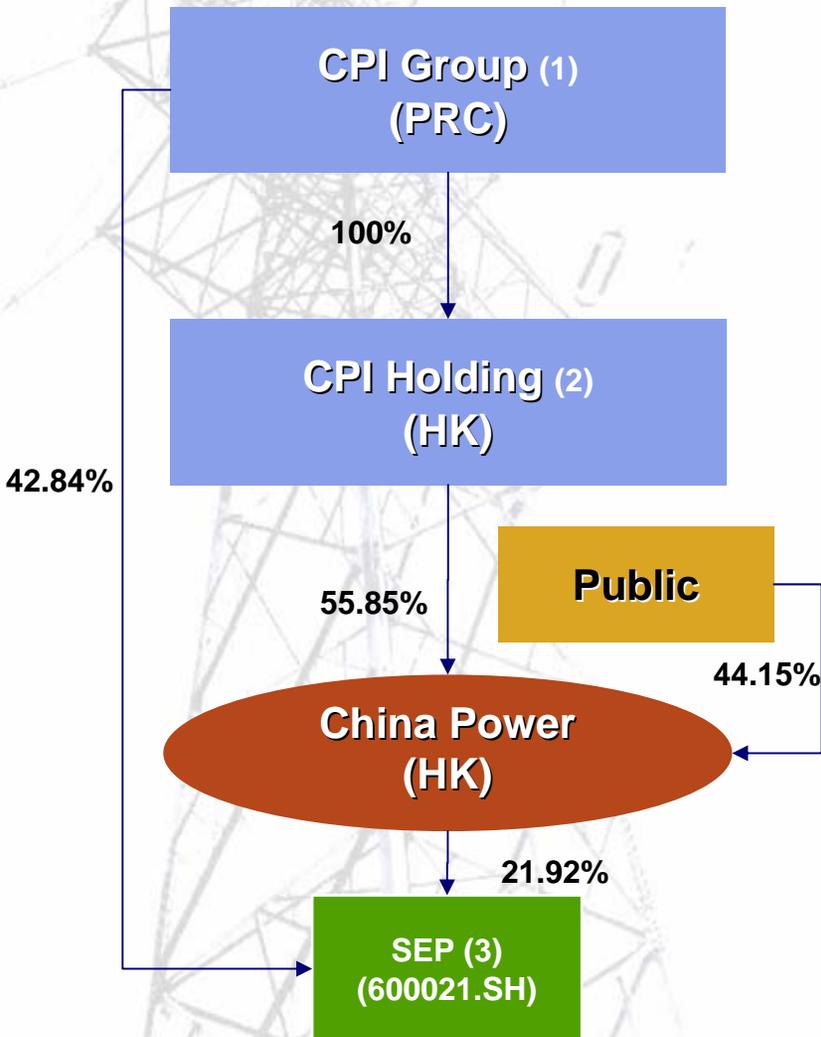
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# Appendices



# Corporate Structure



- One of the 5 national Gencos with over 43GW controlled installed capacity by the end of 07
- Strategic open pit coal mines with 20bnt coal reserves and appr. 30mt annual output
- Well balanced asset portfolio with more than 30% of hydro capacity
- One of the approved nuclear power developers in China

- Investment holding company
- New project Incubator company

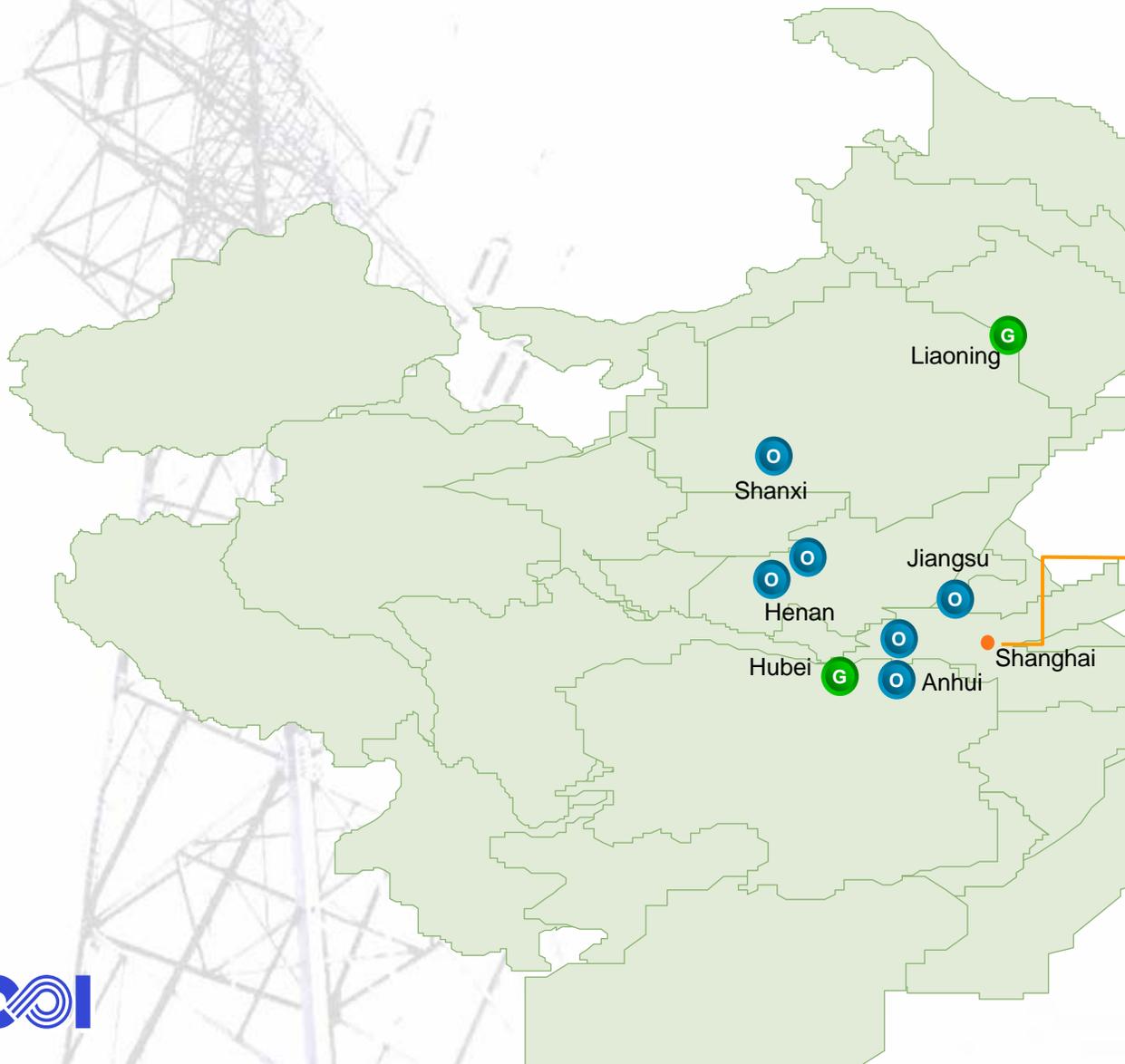
- Flagship of CPI Group, platform for overseas financing
- Only Hong Kong based among 5 national Gencos
- Preferential right to develop and acquire power assets

- An A-share Company
- The total attributable installed capacity is 5109 MW by the end of 07 and will achieve the target of 10000MW by 2010
- Growth platform in Shanghai and it's vicinity

Note: (1) CPI Group denotes China Power Investment Corporation  
 (2) CPI Holding holds interest in China Power through wholly-owned CPDL, a BVI incorporated company  
 (3) SEP denotes Shanghai Electric Power Co., LTD



# China Power's Quality Asset Portfolio



Operational Power Plants		
Pingwei:	1,230 *100%	1,230 MW
Pingwei II:	1,280 *100%	1,280 MW
Yaomeng:	1,210 * 100%	1,210 MW
Yaomeng II:	1,260 * 100%	1,260 MW
Shentou I:	1,200 * 100%	1,200 MW
Changshu:	1,230 * 50%	615 MW
<b>Total:</b>		<b>6,795MW</b>

21.92% Stake in SEP		
<b>SEP:</b>	<b>4,964 * 21.92%</b>	<b>1,088MW</b>

Greenfield Power Plants		
Dabieshan:	1,280 * 93%	1,190.4 MW
Qinghe:	600 * 100%	600MW

