2011 Annual Results Presentation

China Power International Development Limited

(code: 2380)

23 March 2012

Agenda

- 2011 Annual Results Highlights
- Business Review
- Future Development and Prospects
- Appendices




Section 1 2011 Annual Results Highlights

Operating Highlights

	2011	*2010*	*% of change*
Attributable capacity (MW)	**11,510**	**11,585**	**-0.65%**
Consolidated capacity (MW)	**12,346**	**11,146**	**11%**
——coal-fired	**7,660**	**7,060**	**8%**
——hydro	**4,686**	**4,086**	**15%**
Net generation (MWh)	**47,391,185**	**46,002,897**	**3.02%**
——coal-fired	**38,801,015**	**35,181,309**	**10.29%**
——hydro	**8,590,170**	**10,821,588**	**-20.62%**
Average utilization hours			
——coal-fired	**5,783**	**5,329**	**8.52%**
——hydro	**2,502**	**3,190**	**-21.56%**
Average realized tariffs (RMB/MWh)			
——coal-fired	**348.39**	**328.25**	**6.14%**
——hydro	**281.84**	**258.71**	**8.94%**
Net coal consumption rate(g/KWh)	**319.40**	**324.51**	**-1.57%**

Financial Highlights

(RMB '000)	*2011*	*2010*	*% of change*
Turnover and other income	16,316,504	14,621,862	11.59%
Fuel costs	(9,940,476)	(8,292,780)	19.87%
Other operating costs (net)	(4,102,599)	(3,766,486)	8.92%
Operating profit	2,273,429	2,562,596	-11.28%
Finance income	108,903	104,018	4.70%
Finance costs	(1,572,016)	(1,514,064)	3.83%
Share of profit/loss from associates	(4,073)	112,327	-103.63%
Share of losses of jointly-controlled entities	(24,024)	(18,395)	30.60%
Pre-tax profit	782,219	1,246,482	-37.25%
Taxation	(193,849)	(380,227)	-49.02%
Profit attributable to equity holders	505,202	666,892	-24.25%
EPS (RMB)	0.1	0.13	-23.08%

Balance Sheet and Capital Structure

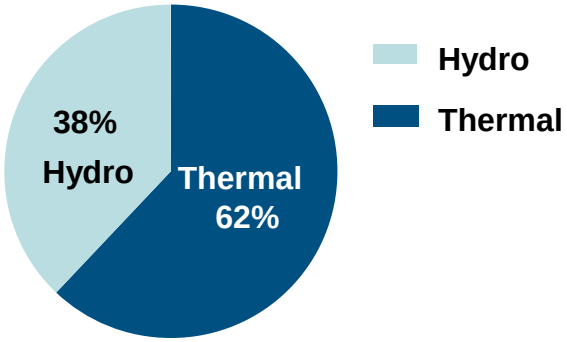
	2011	*2010 (Restated)*	*Change*
Total Assets *(RMB Million)*	**63,392**	**56,790**	**11.73%**
Total Liabilities*(RMB Million)*	**46,903**	**41,896**	**12.12%**
——long-term debts	**32,564**	**28,973**	**12.39%**
——short-term debts	**9,352**	**9,097**	**2.8%**
Total Equity*(RMB Million)* (including minority interest)	**16,489**	**14,894**	**10.71%**
Net Debt to Equity	**310.37%**	**303.08%**	**7.29**



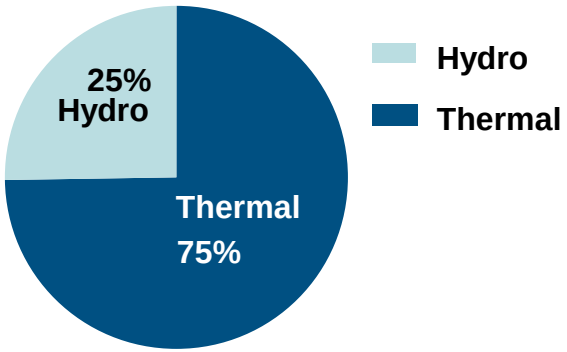

Section 2 Business Review

Installed Capacity

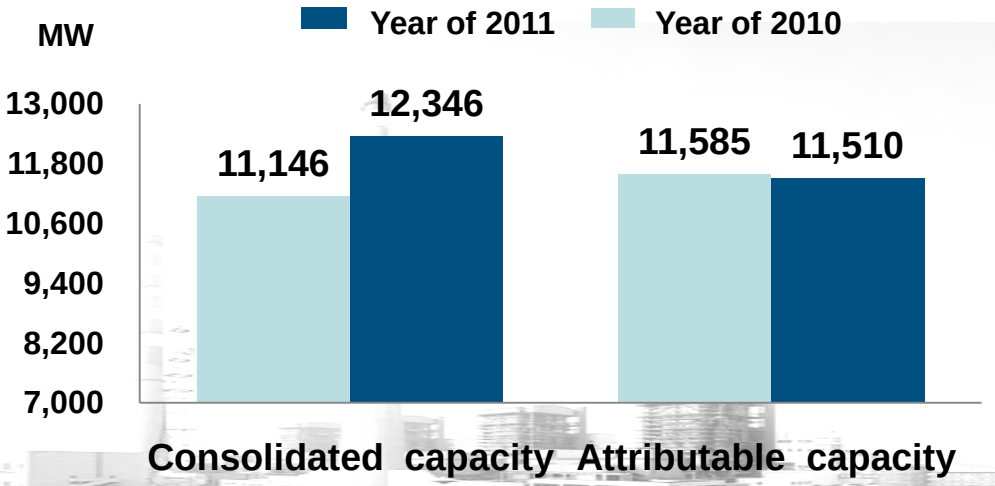
Consolidated Capacity :12,346MW



Attributable Capacity : 11,510MW



Capacity Change

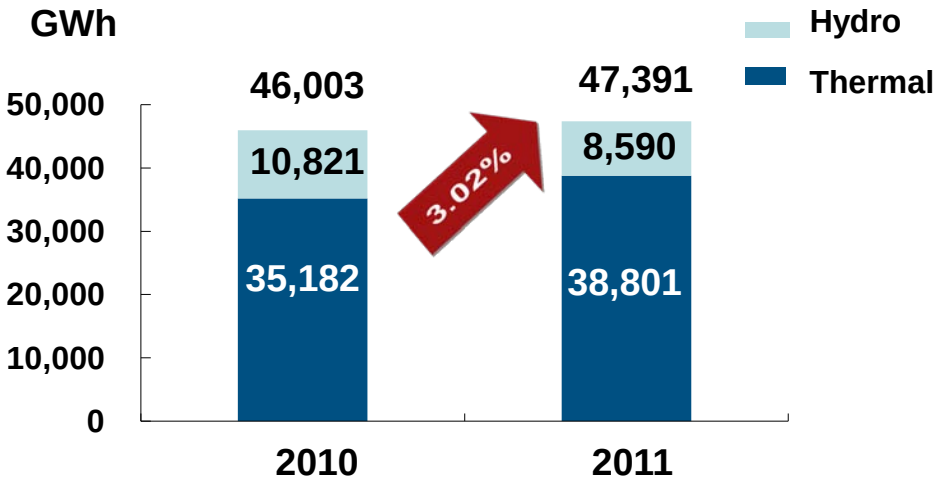


Capacity Addition (MW)		
Fuxi :	600 x 51%	Coal-fired
Heimifeng:	2x 300x 63%	pump-storage
Total:	**684 MW**	

Capacity Reduction (MW)		
Pingwei II:	1,280x 25%	Coal-fired
Dabieshan:	1,280x42%	Coal-fired
Total:	**858 MW**	

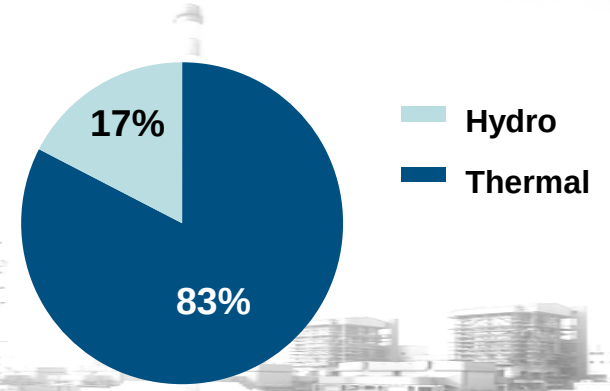
Power Generation and Utilization Hours

Net Power Generation

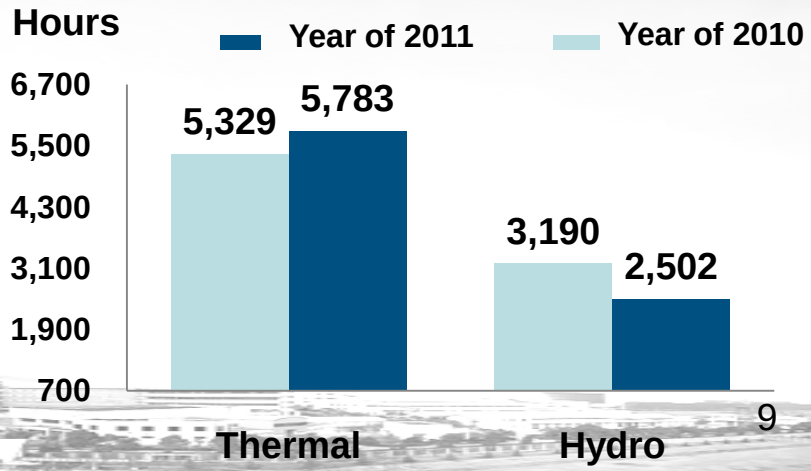


➢ Although the hydro power generation decreased due to drought ,total net generation increased mainly due to much better thermal power generation.

Gross Power Generation: 50,132 Gwh

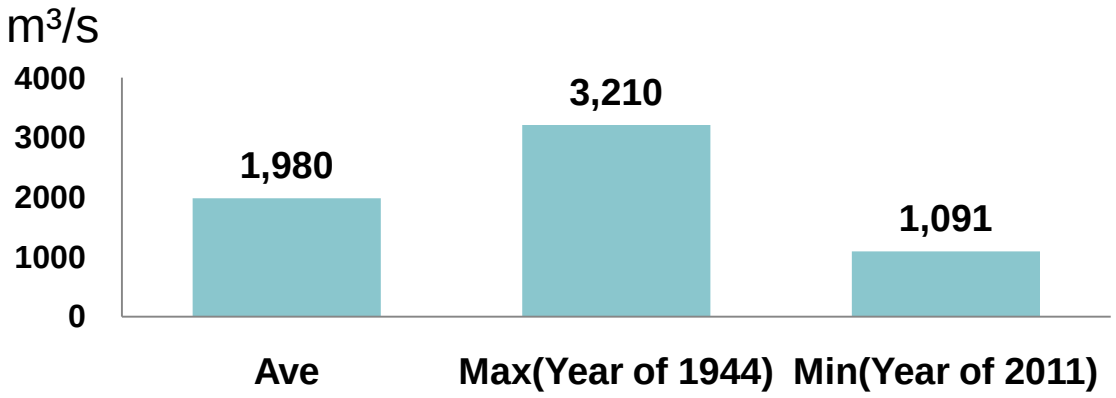


Utilization Hours



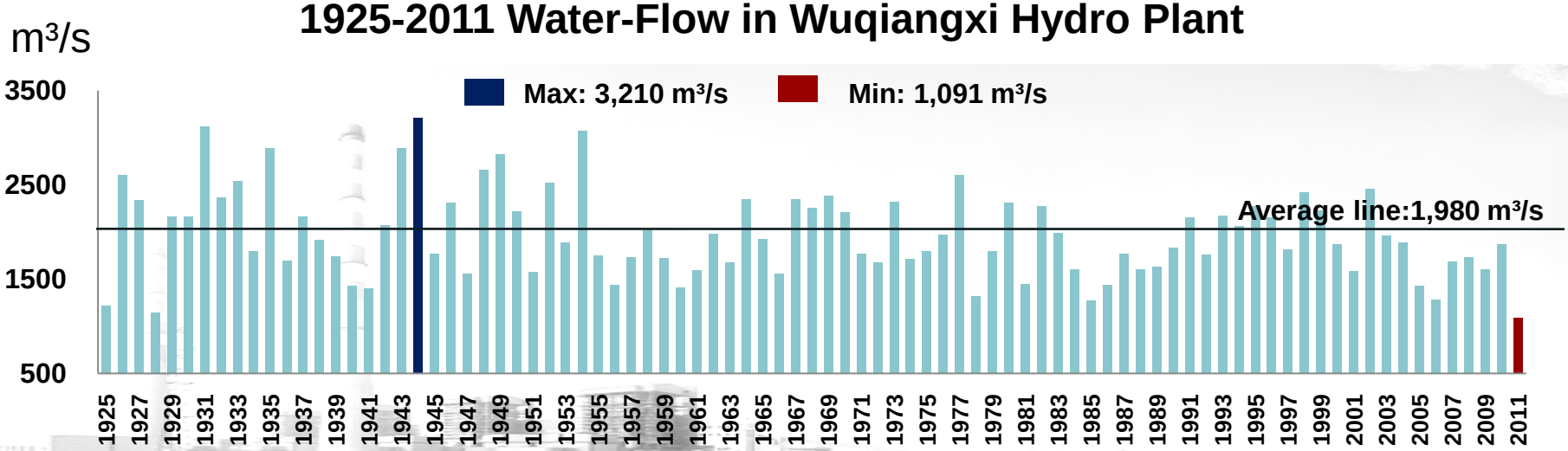
Hydrologic Data of Yuanjiang River

Statistics of Water-Flow in Wuqiangxi Hydro Plant



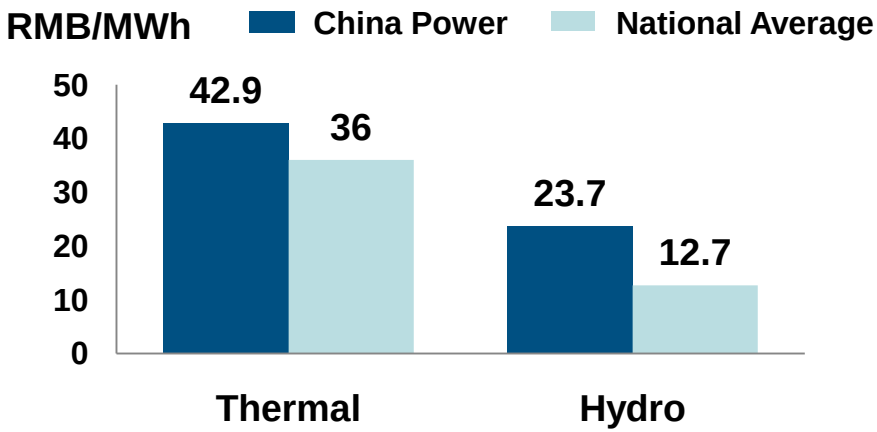
- The lowest water-flow since 1925.
- Periodicity in water-flow

1925-2011 Water-Flow in Wuqiangxi Hydro Plant



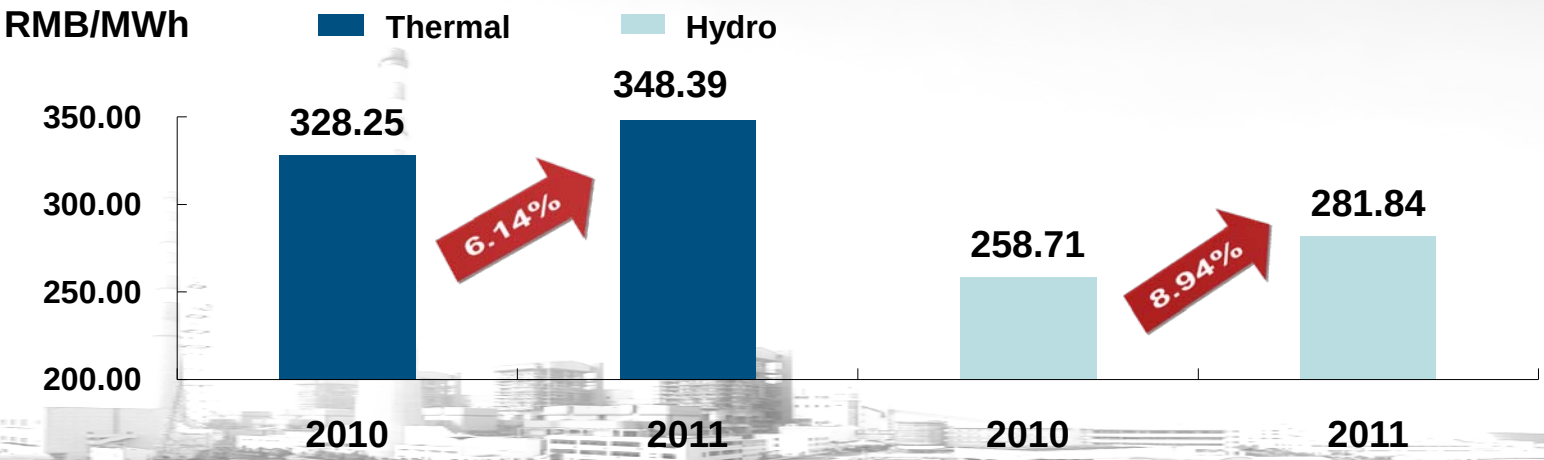
Tariff Hikes and Average Realized Tariffs

Tariff Hikes (VAT inclusive)



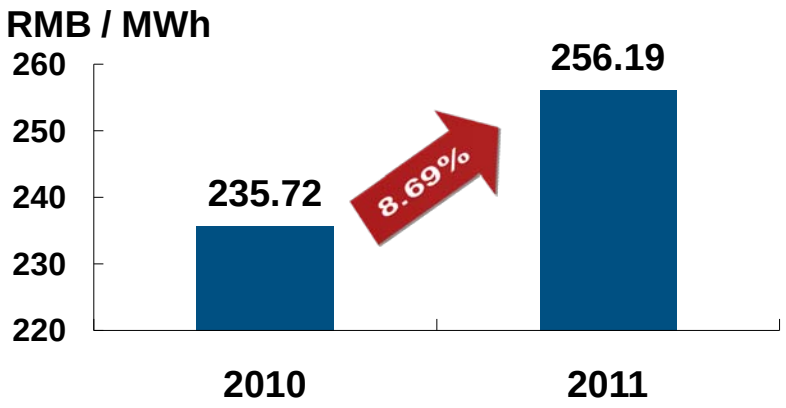
- The first tariff hike consisted of three adjustments which were effective from 1st January 2010, 10th April and 1st June 2011 respectively.
- The second tariff hike was effective from 1st December 2011.

Average Realized Tariffs (VAT exclusive)

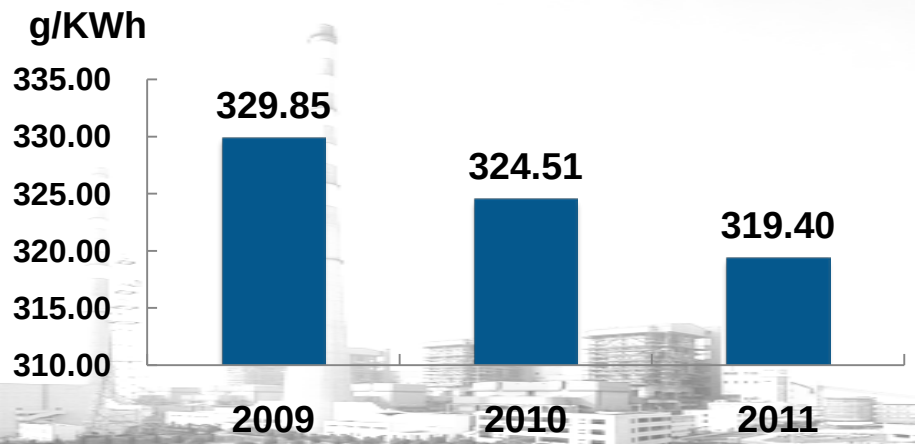


Unit Fuel Cost and Coal Consumption Rate

Unit Fuel Cost



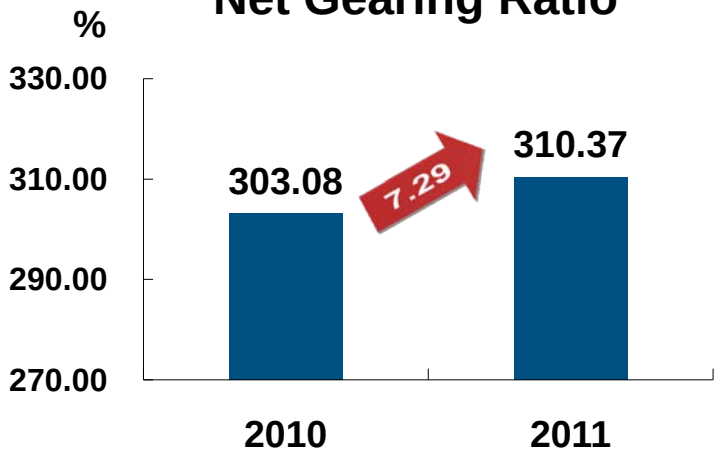
Net Coal Consumption Rate



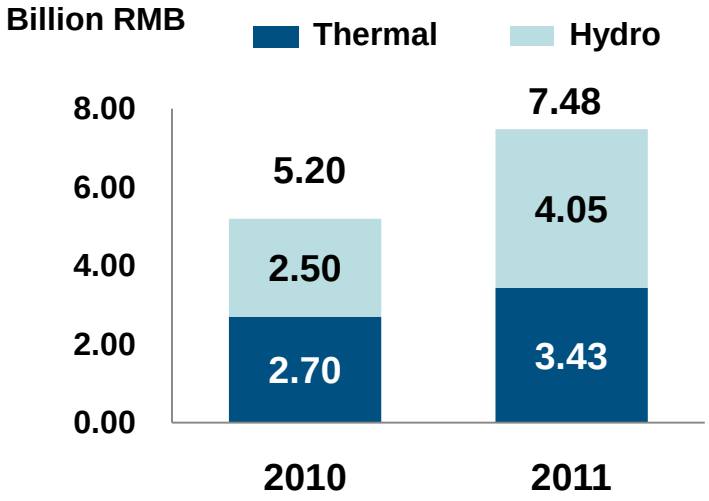
- The unit fuel cost increased by 8.69% yoy in 2011.
- Continue to improve coal consumption rate through introducing more efficient units, optimizing units operations and technical upgrades.

Financial Control

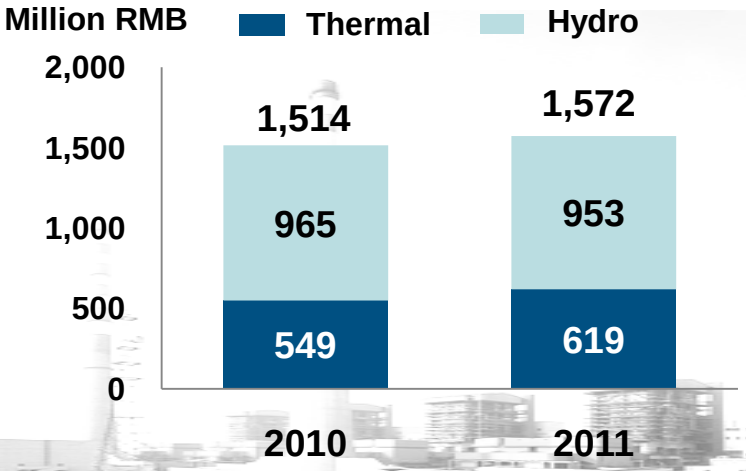
Net Gearing Ratio



Capital Expenditures



Finance Costs



Although interest bearing debts increased more than 4 billion RMB YOY, the finance costs increased only 58 million RMB or 3.8%.




Section 3 Future Development and Prospects

Policy Change Expected

Policy	**Based on the 2012 work reports, the government will: 1) deepen energy price reform and stably proceed with power tariff reform, 2) optimize tariff-setting mechanisms for hydro, 3) gradually straighten out of relationship between coal and power.**
Potentials	**1) Tariff gap between thermal and hydro may be reduced step by step; 2) Market-oriented tariff-setting mechanism will be introduced; 3) Electricity trade market will be promoted, including direct sales.**
Pilot Reform	**In Guizhou province, the government had been promoting tariff reform: 1) explore the direct sales; 2) straighten out the relations between coal and power; 3) increase tariff at appropriate time.**
Our Strategy	**Enhance core competency by improve our hydro and thermal asset portfolio in order to be better positioned in future competition.**

Enhance Hydro Power Asset Portfolio

Key Areas of Hydro Power Development

1. Focus on expanding hydro capacity in Northwest and Southwest China;
2. Further develop hydro power resources;
3. Try to improve profitability of the existing assets by increasing hydro power tariff step by step.

Important Hydro Power Projects

Location	Power Plants Under China Power	Capacity
Guizhou	Baishi	3×140MW
Hunan	Tuokou	4×200MW+2×15MW
Sichuan	Suoluogou I	10MW
Sichuan	Jiesigou	24MW

Improve Thermal Power Asset Portfolio

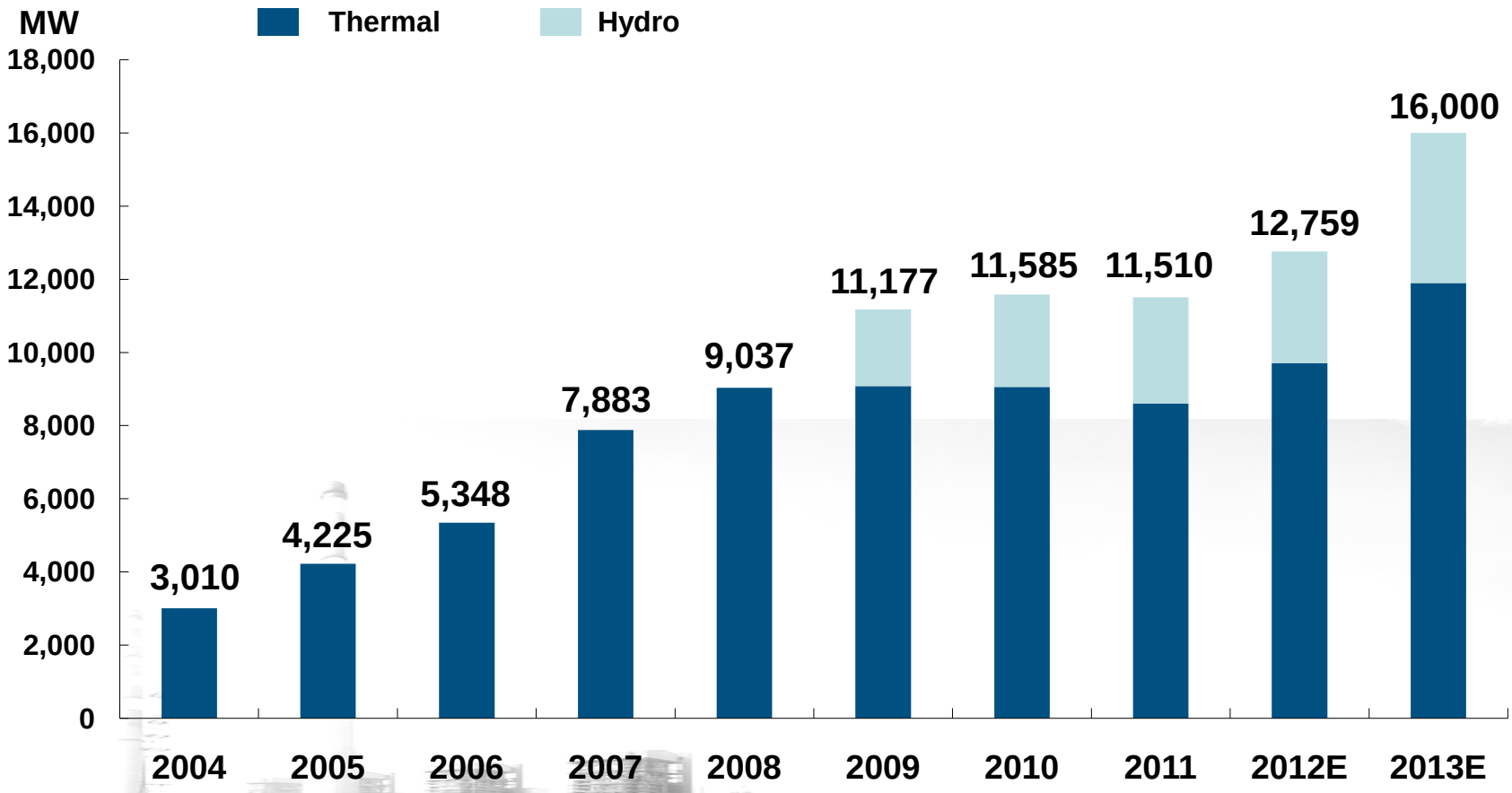
Key Areas of Coal-fired plant Development

1. Expand coal-fired capacity inYangtze River Delta, Pearl River Delta and Bohai Rim Region;
2. Promote the construction of 1000MW and 600MW thermal power units;
3. Upgrade 300MW thermal units into cogeneration units;
4. Replace the 200MW thermal units.

Important Coal-fired Power Projects

Location	Power Plants Under China Power	Capacity
Guangdong	Xintang	2×300MW
Shanxi	Shentou I	2×600MW
Jiangsu	Changshu	2×1000MW
Anhui	Pingwei Ⅲ	2×1000MW

Attributable Capacity Growth



Outlooks for 2012

Positive Opportunities

- **Benefits from last year's tariff hikes**
- **Stabilized coal price**
- **Possibly better water-flow in Yuanjiang River**

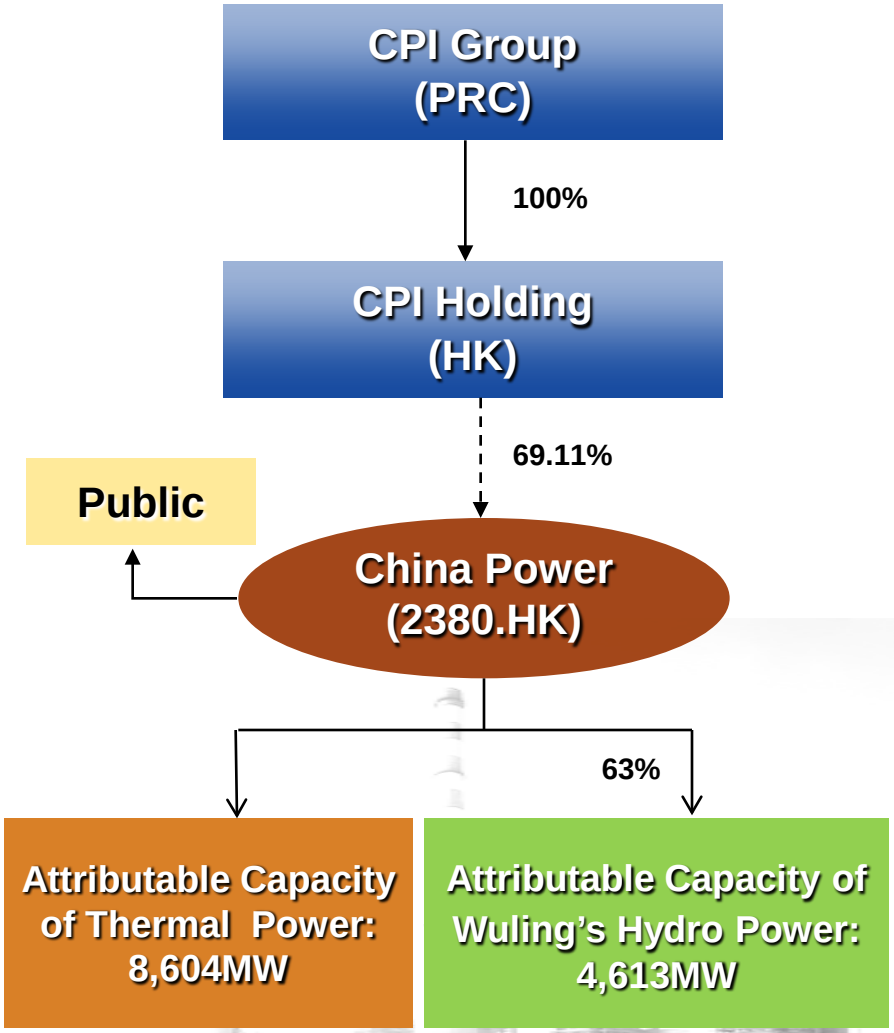
Operating Challenge

- **Slowing down power demand growth**




Section 4 Appendices

Corporate Structure



- One of the 5 national Gencos with over 76GW total installed capacity by the end of 2011.
- Open pit coal mines with more than 60mt output in 2011.
- Well balanced asset portfolio , 30% of clean energy capacity .
- The second largest aluminum producer in China.
- One of the three approved nuclear power developers in China.

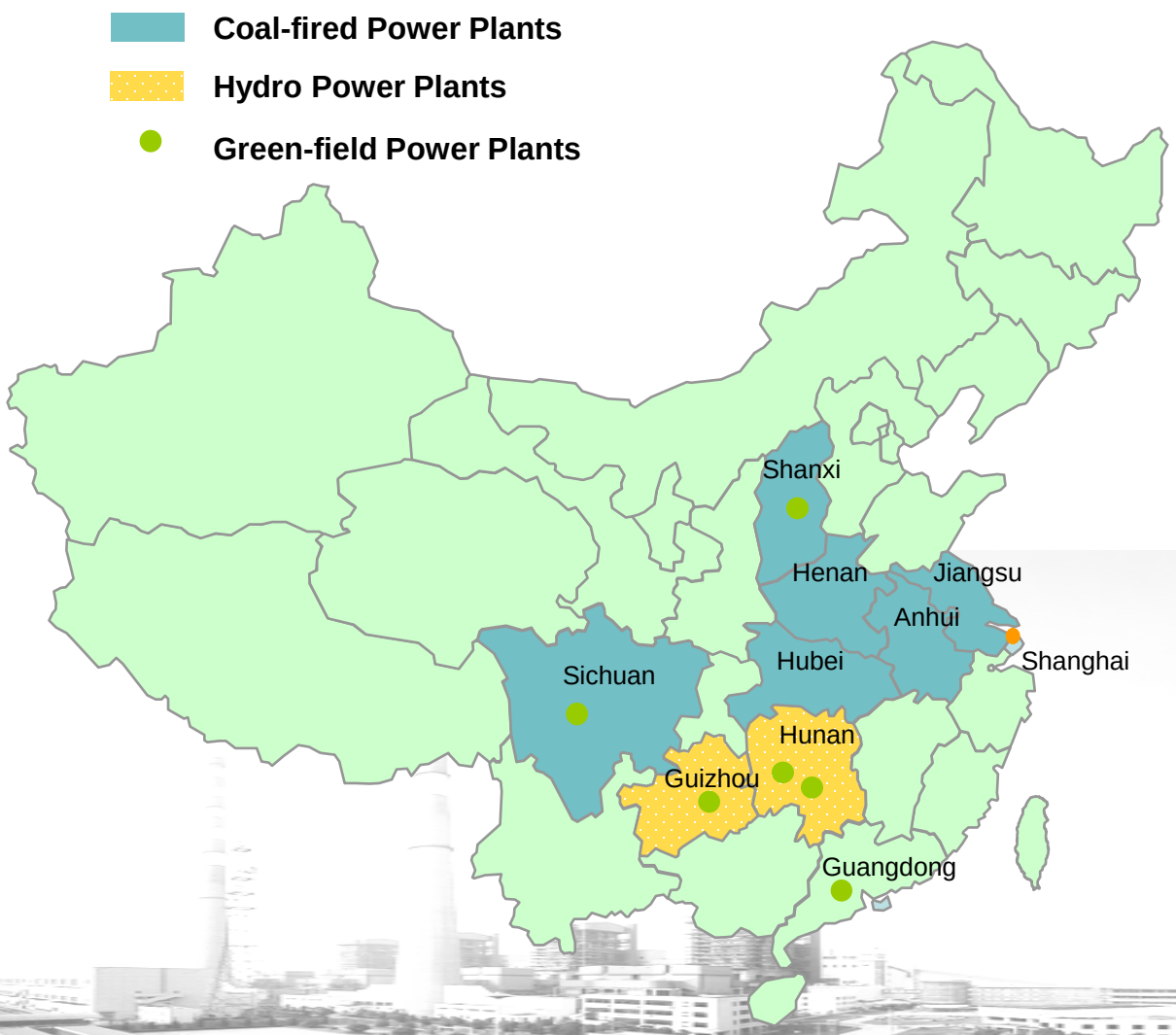
- Investment holding company.
- New project Incubator company.

- Flagship of CPI Group, platform for overseas financing.
- Only Hong Kong based among 5 national Gencos.
- Highest percentage of hydropower capacity among the Chinese IPPs listed in the Stock Exchange.

Wuling Power

- A leading hydro power company in China.
- Operation in Hunan, Guizhou and Sichuan province.
- Power plants in operation with total consolidated capacity of 4,686MW,.
- The attributable hydro capacity of China Power is 3,435MW.

China Power's Quality Asset Portfolio



Operational Power Plants(coal-fired)		
Pingwei:	1,230 * 100%	1,230 MW
Pingwei II:	1,280 * 75%	960 MW
Yaomeng:	1,210 * 100%	1,210 MW
Yaomeng II:	1,260 * 100%	1,260 MW
Shentou I:	800 * 100%	800 MW
Changshu:	1,320 * 50%	660 MW
Dabieshan:	1,280 * 51%	653 MW
Fuxi :	600 * 51%	306 MW
Total:		**7,079 MW**
63% Equity Interest in Wuling Hydro		
Wuling Power :	4,853* 63%	3,057MW
Green-field Power Plants		
Baishi (hydro):	420 * 95%*63%	251MW
Tuokou (hydro):	830 * 95% *63%	497 MW
Fuxi (coal-fired):	600 * 51%	306MW
Xintang (co-generation):	600 * 50%	300 MW
Shentou I (coal-fired):	1,200 * 80%	960 MW
Total:		**2,314 MW**
18.86% Stake in SEP		
SEP:	7,284* 18.86%	1,374MW




Thank you!

China Power International Development Limited

(code: 2380)

23 March 2012