



**China Power International Development Limited**

# **2015 Annual Results**



**April 2016**



# Disclaimer

---

This presentation and the information contained here in does not constitute or take the form of any recommendation for the purchase or sale of any securities of China Power International Development Limited (“China Power” or “the Company”), and does not constitute an offer to purchase or sell any securities of the Company, nor does it constitute the foundation or basis of any contract or commitment.

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained herein. Neither the Company nor any of the Company's advisors or representatives shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially.

This presentation includes several forward-looking statements regarding the Company's financial status, operating results and business, and several plans and targets of the Company's management. These forward-looking statements include foreseen and unforeseen risks, uncertainties or other factors, and these risks, uncertainties and other factors may lead to a material difference in the actual future results and performance of the Company from the results and performance explicitly or implicitly hinted in these forward-looking statements. These forward-looking statements are based on the Company's current and future business strategies, and assumptions made based on the political and economic environment where the Company operates in the future. The above forward-looking statements are a reflection of the views held by the Company's management on the day the data was published. No persons shall rely on these forward-looking statements. The Company shall not ensure the consistency of the forward-looking statements with the Company's future results or events.

The information contained in this presentation is provided to you in confidence, where the information shall not be forwarded or disclosed to any other person, and shall not be photocopied.

- **Annual Results Highlights**
- **Business Review**
- **Development and Prospects**
- **Financial Statements and Appendices**



---

# **Section 1      Annual Results Highlights**



# Annual Results Highlights

Income Statement	2015	2014	Change
Revenue (RMB'000)	20,196,670	20,447,151	-1.23%
Operating Profit (RMB'000)	7,861,789	5,889,793	33.48%
Profit Attributable to Owners of the Company (RMB'000)	4,149,018	2,765,886	50.01%
—Excluding the gain on disposal of Shanghai Power shares	3,321,811	2,765,886	20.1%
Basic EPS(RMB)	0.58	0.42	38.1%
Proposed DPS(RMB)	0.232	0.168	38.1%



# Annual Results Highlights

<b>Balance Sheet</b>	<b>31 Dec. 2015</b>	<b>31 Dec. 2014</b>	<b>Change</b>
Total Assets (RMB Million)	86,243	81,796	5.44%
Total Liabilities( RMB Million)	52,017	54,546	-4.64%
——long-term debts	32,461	32,958	-1.51%
——short-term debts	10,227	12,591	-18.78%
Total Equity(RMB Million) (including non-controlling interests)	34,226	27,250	25.6%
Debt Ratio(%)	60.31	66.69	-6.38
Net Debt to Shareholder's Equity(%)	150.66	203.18	-52.52
Net Debt to Total Equity(%)	120.26	163.02	-42.76



---

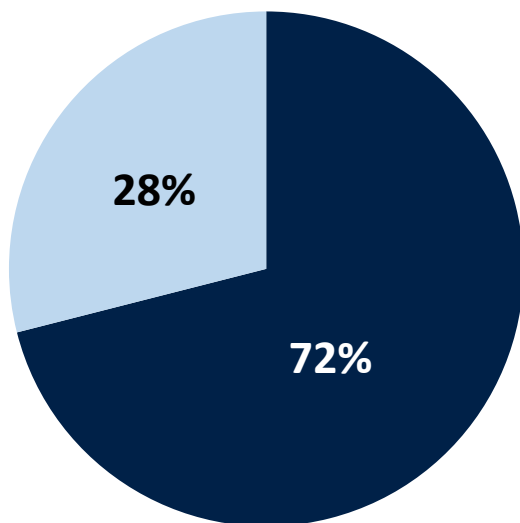
## **Section 2      Business Review**

# Revenue & Profit Structure

---

## Revenue

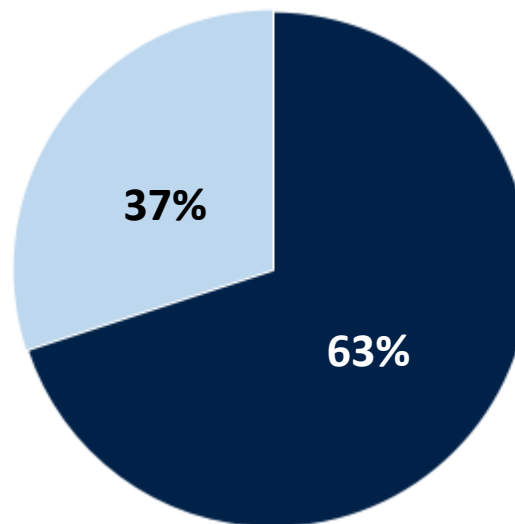
■ Coal-fired   ■ Clean Energy



**RMB 20,196,670**  
(RMB'000)

## Profit Attributable to Owners of the Company

■ Coal-fired   ■ Clean Energy



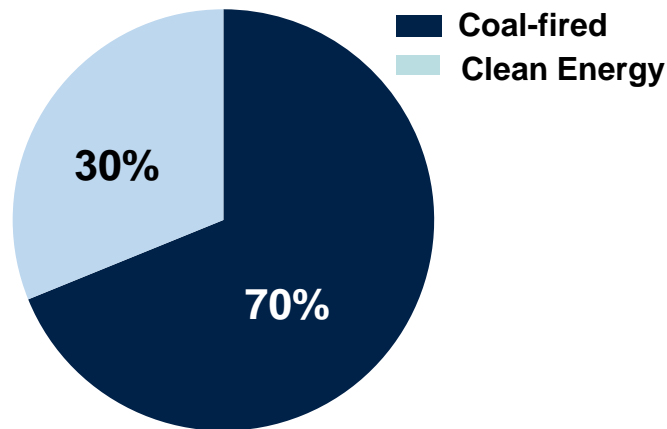
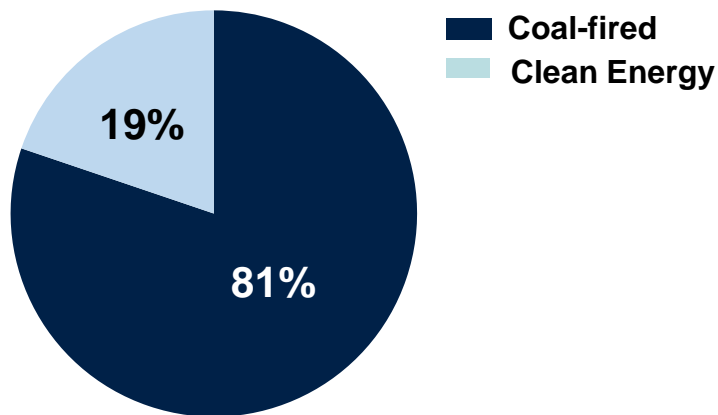
**RMB 3,321,811**  
(RMB'000)  
(Excluding the gain on disposal of Shanghai Power shares)



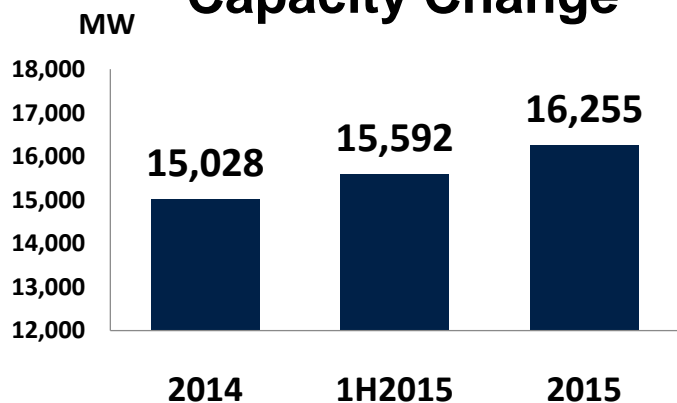
# Capacity

Attributable Capacity : 16,255MW

Consolidated Capacity : 17,041MW



## Capacity Change

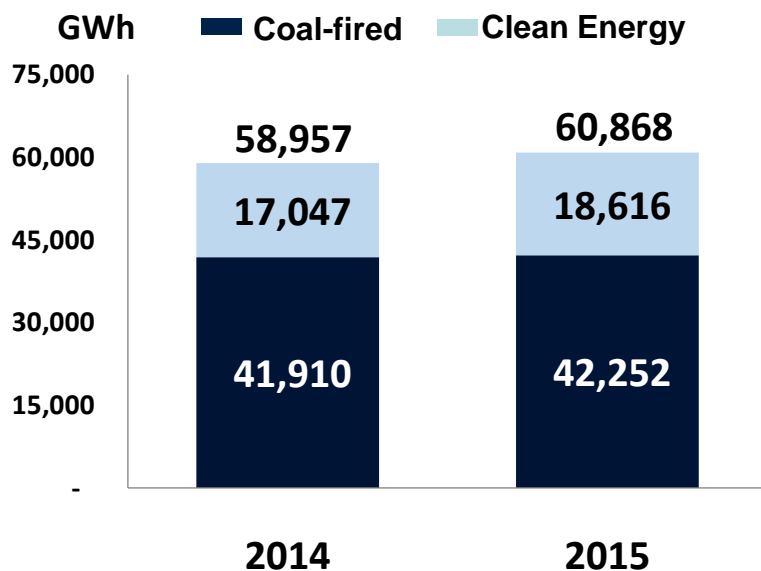


## Capacity Addition (MW)

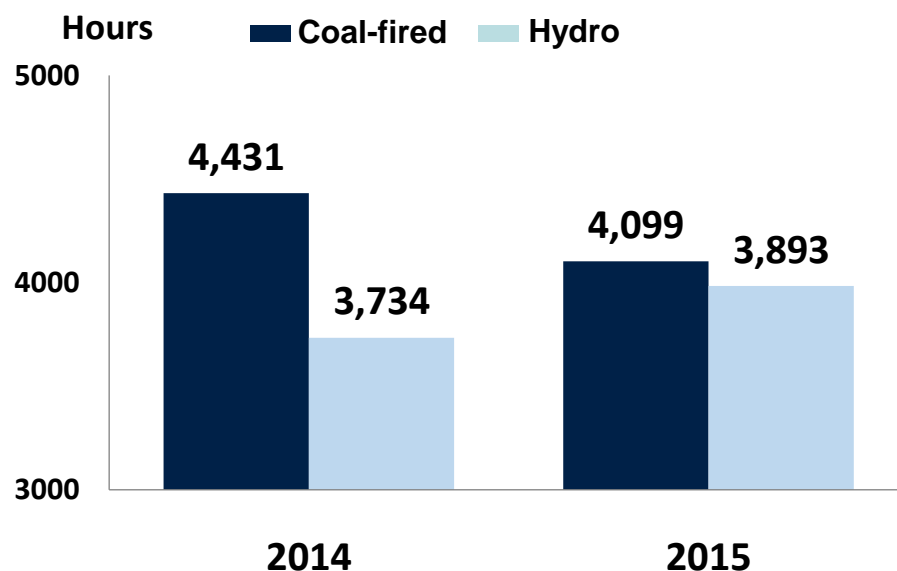
Yaoposhan	14 × 63%	Wind	Feb. 2015
Shanshan	49.5 × 63%	Wind	Mar. 2015
Pingwei III	1000 × 60%	Coal-fired	May. 2015
Suoluogou	24 × 63%	Hydro	Jun. 2015
Pingwei III	1000 × 60%	Coal-fired	Sept. 2015
Donggangling	50 × 63%	Wind	Dec. 2015

# Generation

## Net Power Generation



## Average Utilization Hours

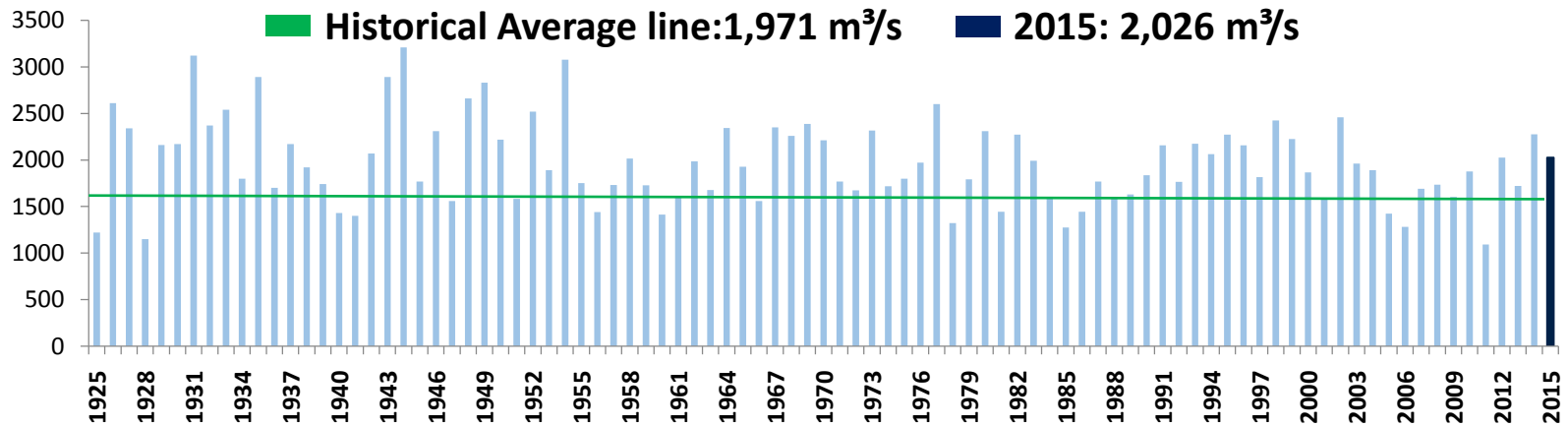


The increase of power generation was mainly due to the additional power contribution from the newly commissioned power plants and more hydro power generation.

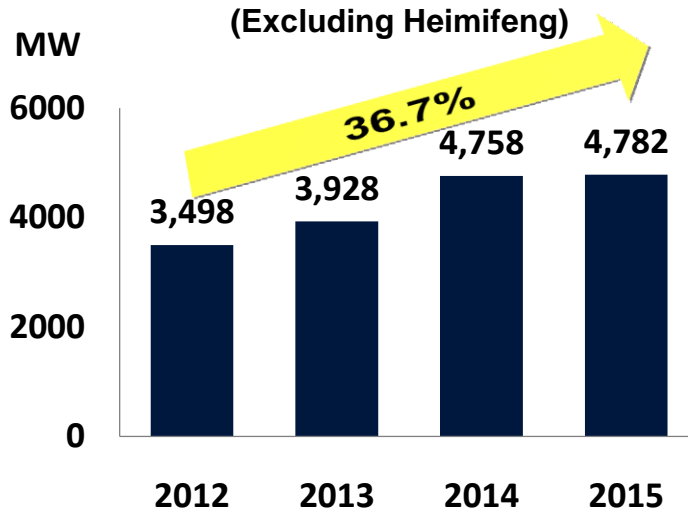


# Hydro: the Highest in History

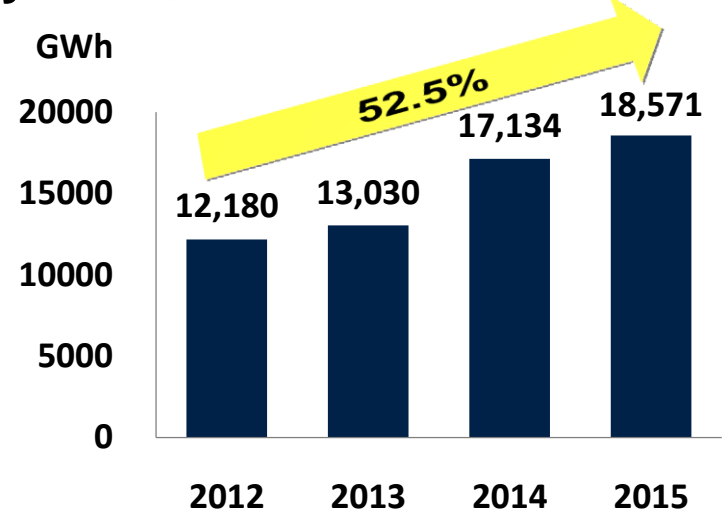
## Hydrologic Data of Yuanjiang River at Wuqiangxi (1925-2015 Yearly Basis)



## Consolidated Hydropower Capacity (Excluding Heimifeng)



## Hydropower Generation



# Hydro Power: Cascade Dispatchment



Yuanjiang River	Hydropower Stations	Capacity (MW)
Upstream	Sanbanxi	1,000
	Guazhi	150
	Baishi	420
	Tuokou	830
Midstream	Hongjiang	270
Downstream	Wuqiangxi	1,200
	Lingjintan	270

- Optimize the whole river cascade dispatching management.
- Achieve strong power generation growth and high utilization of existing hydropower plants.

# Coal-fired: Energy-Efficiency Upgraded

## Commissioning of Pingwei III



1,000KV UHV transmission line  
(Huainan-Shanghai)



1,000MW capacity

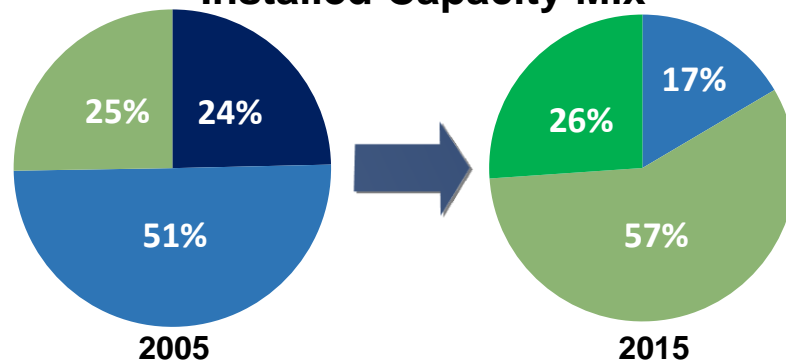


1,000KV electrical transformer

## Optimized Asset Structure (Including Changshu)



### Installed Capacity Mix

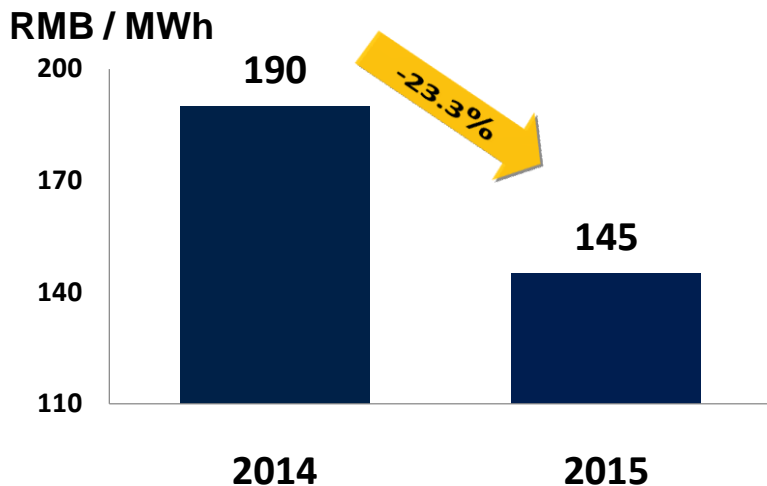


### Units Number

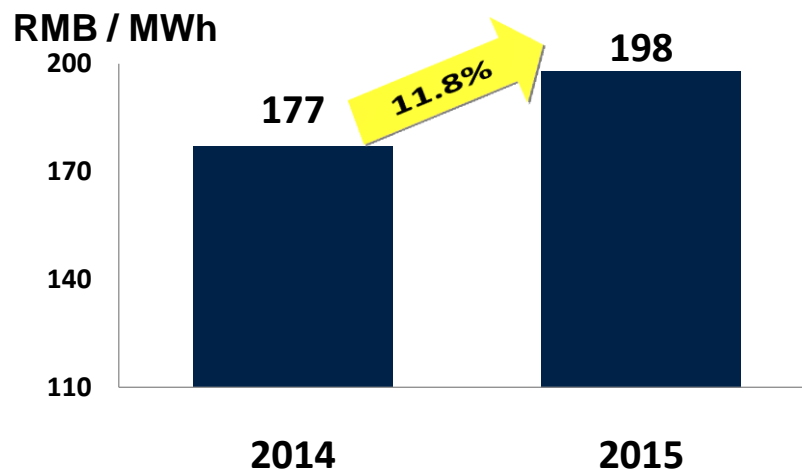
Units	2005	2015
200 MW	6	0
300 MW	8	8
600 MW	2	14
1,000 MW	0	4

# Tariffs and Unit Fuel Cost

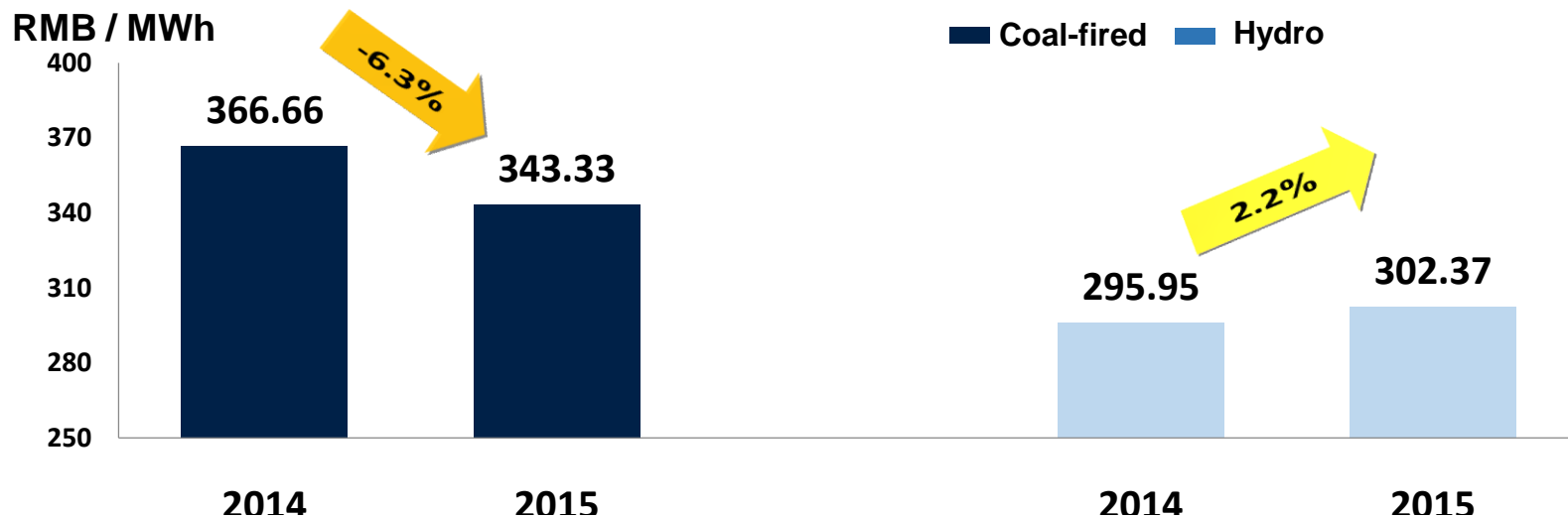
## Unit Fuel Cost



## Dark Spread

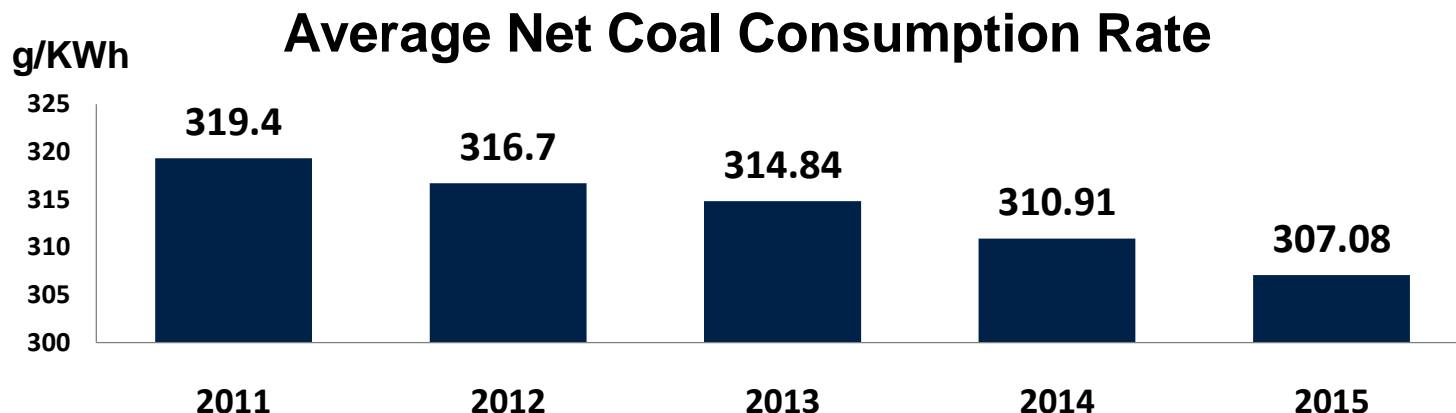


## Average Realized Tariffs

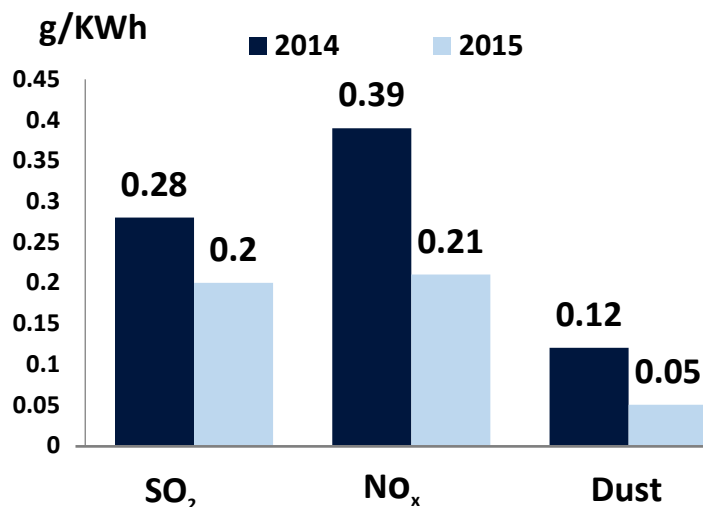




# Energy Saving and Emission Reduction



## Pollutant Emissions Reduction (2015, Coal-fired)



## Ultra-low Emission Upgrade

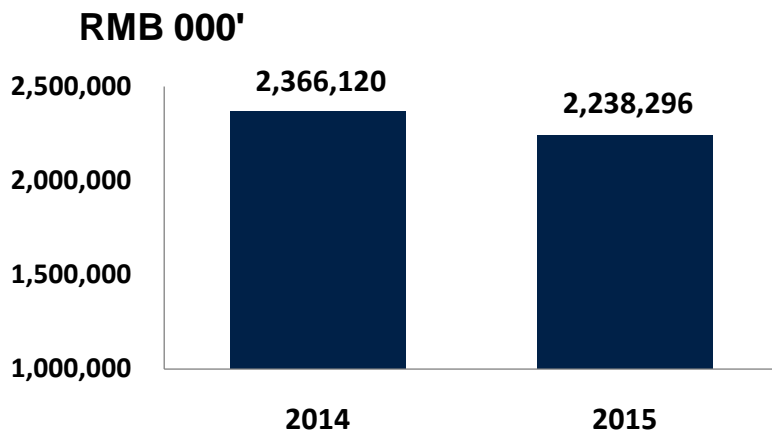
➤ 3 coal-fired units have completed ultra-low emission technical upgrade by the end of 2015.

Power Plant	Units	Capacity (MW)
Changshu	1	1,000
CP Shentou	1	600
Yaomeng	1	600

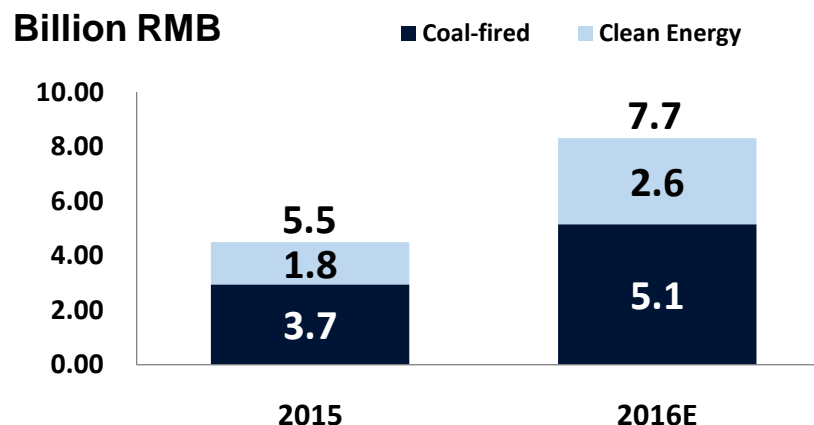
➤ Plan to upgrade all coal-fired units with ultra-low emission technology by the end of 2017.

# Financial Control

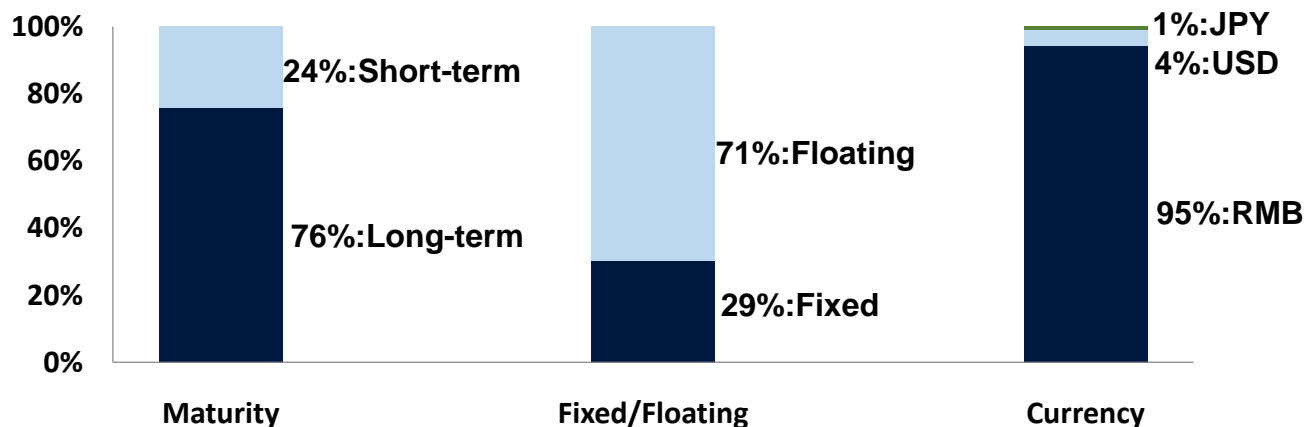
## Finance Costs



## Capital Expenditure



## Debt Profile



※ All of the USD debts were from US Commercial Paper and the USD/RMB exchange rate had been locked by hedging.

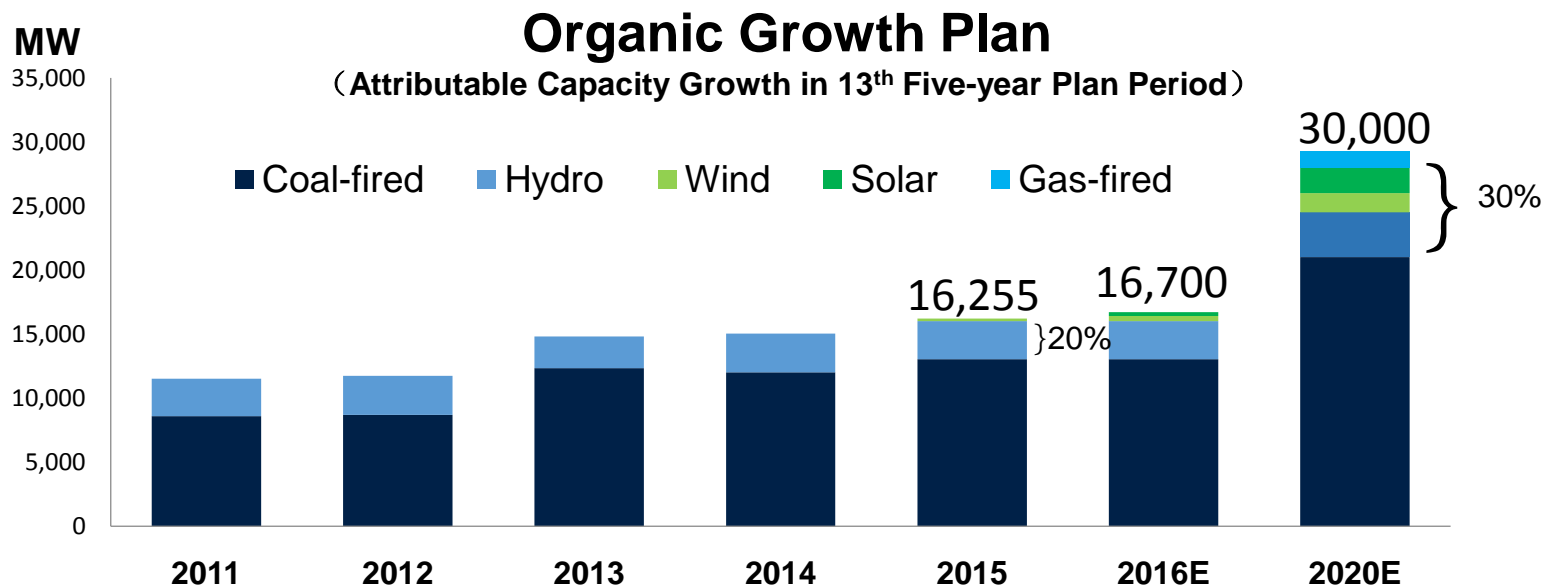




---

## **Section 3      Future Development and Prospects**

# Our Strategic Advantages



<b>Hydro</b>	<ul style="list-style-type: none"> <li>➤ Low-tariff clean energy</li> <li>➤ Higher percentage of hydropower capacity</li> </ul>
<b>Coal-fired</b>	<ul style="list-style-type: none"> <li>➤ Low-cost high efficiency</li> <li>➤ Mine-mouth and along UHV transmission lines</li> </ul>
<b>Other Clean Energy</b>	<ul style="list-style-type: none"> <li>➤ Develop wind/solar in regions with less curtailment</li> <li>➤ Gas-fired distributed energy</li> </ul>

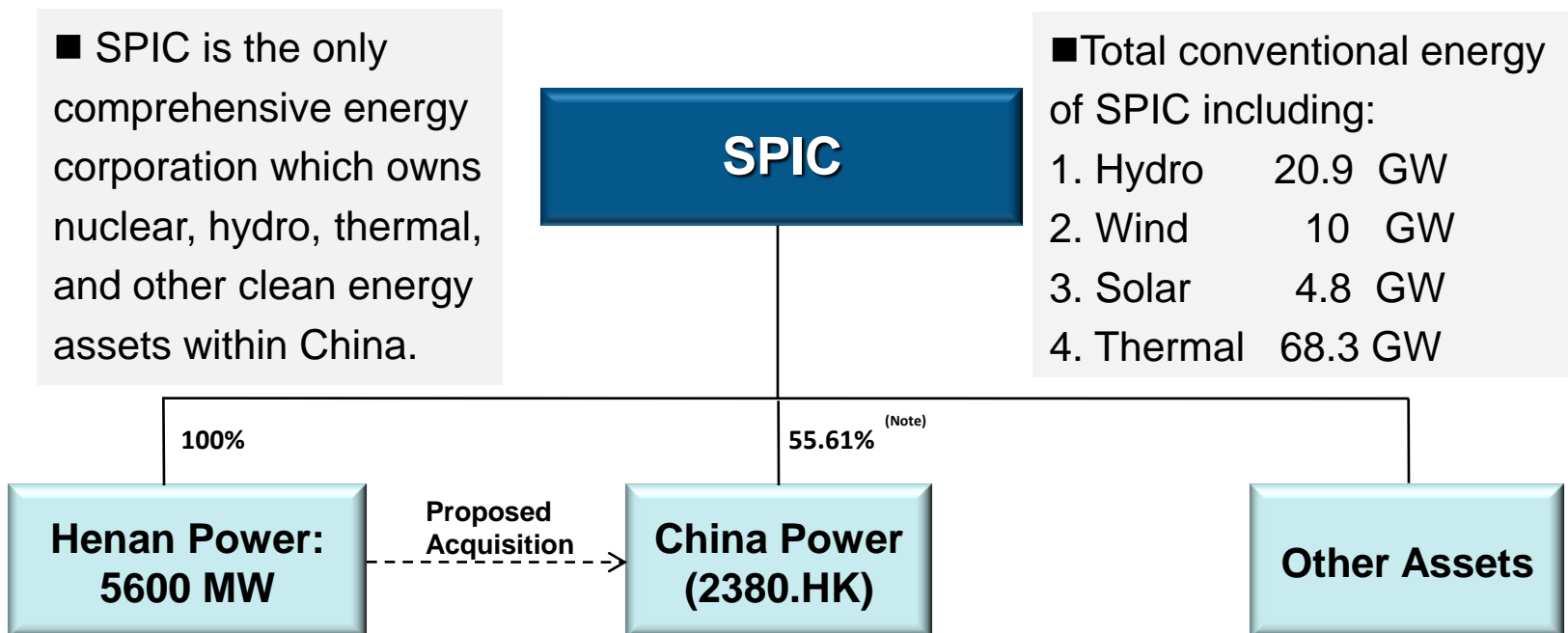
# Strong Pipelines



● Coal-fired		
Power Plants	Location	Remark
Pu'an, 2×660MW (Under construction)	Guizhou	East-West Power Transmission
CP Shentou II, 2×1,000MW (Approved)	Shanxi	Shanxi North--- Jiangsu UHV Lines
Dabieshan II, 2×660MW (Approved)	Hubei	Coal Transmission Railway

● Clean Energy		
Type	Mainly Located in	Remark
Hydro	Hunan, Sichuan, Yunnan	91MW Under Construction
Wind	Hunan, Xinjiang, Gansu	420MW Under Constrction
Solar	Shanxi, Henan, Anhui, Hubei, Liaoning, Xinjiang	271MW Under Construction
Gas-fired	Guangdong, Sichuan, Guizhou ,Guangxi	1,200MW, Pending for Approval

# Support from Parent Company



- SPIC will focus on accelerating asset securitization.
- China Power is the key platform for conventional energy assets reorganization within SPIC.
- The proposed acquisition of Henan power will present a strategic opportunity .

Note: As of the 2015 results announcement date

# Energy Services Business

---

(1)

## Electricity power retail

- First power retail subsidiary established in Anhui
- Capitalize on the opportunities from power industry reform

(2)

## Distributed energy

- Distributed solar & gas-fired generation
- Combined energy services subsidiaries established in Guangdong, Sichuan and Guizhou

(3)

## Value-Added Services

- Close to the end users
- Adapted to market
- Promote technology and institutional innovation



**China Power International Development Limited**

**Thank you!**





---

# Appendices



# Operating Highlights

---

	2015	2014	change
<b>Attributable capacity (MW)</b>	<b>16,255</b>	<b>15,028</b>	<b>8.16%</b>
<b>Consolidated capacity (MW)</b>	<b>17,041</b>	<b>14,903</b>	<b>14.35%</b>
—coal-fired	<b>12,010</b>	<b>10,010</b>	<b>19.98%</b>
—Clean energy	<b>5,031</b>	<b>4,893</b>	<b>2.82%</b>
<b>Net generation (MWh)</b>	<b>60,868,493</b>	<b>58,957,127</b>	<b>3.24%</b>
—coal-fired	<b>42,252,014</b>	<b>41,909,640</b>	<b>0.82%</b>
—clean energy	<b>18,616,479</b>	<b>17,047,487</b>	<b>9.2%</b>
<b>Average utilization hours</b>			
—coal-fired	<b>4,099</b>	<b>4,431</b>	<b>-7.49%</b>
—hydro	<b>3,893</b>	<b>3,734</b>	<b>4.26%</b>
<b>Average realized tariffs (RMB/MWh)</b>			
—coal-fired	<b>343.33</b>	<b>366.66</b>	<b>-6.36%</b>
—hydro	<b>302.37</b>	<b>295.95</b>	<b>2.17%</b>
<b>Net coal consumption rate(g/KWh)</b>	<b>307.08</b>	<b>310.91</b>	<b>-1.23</b>



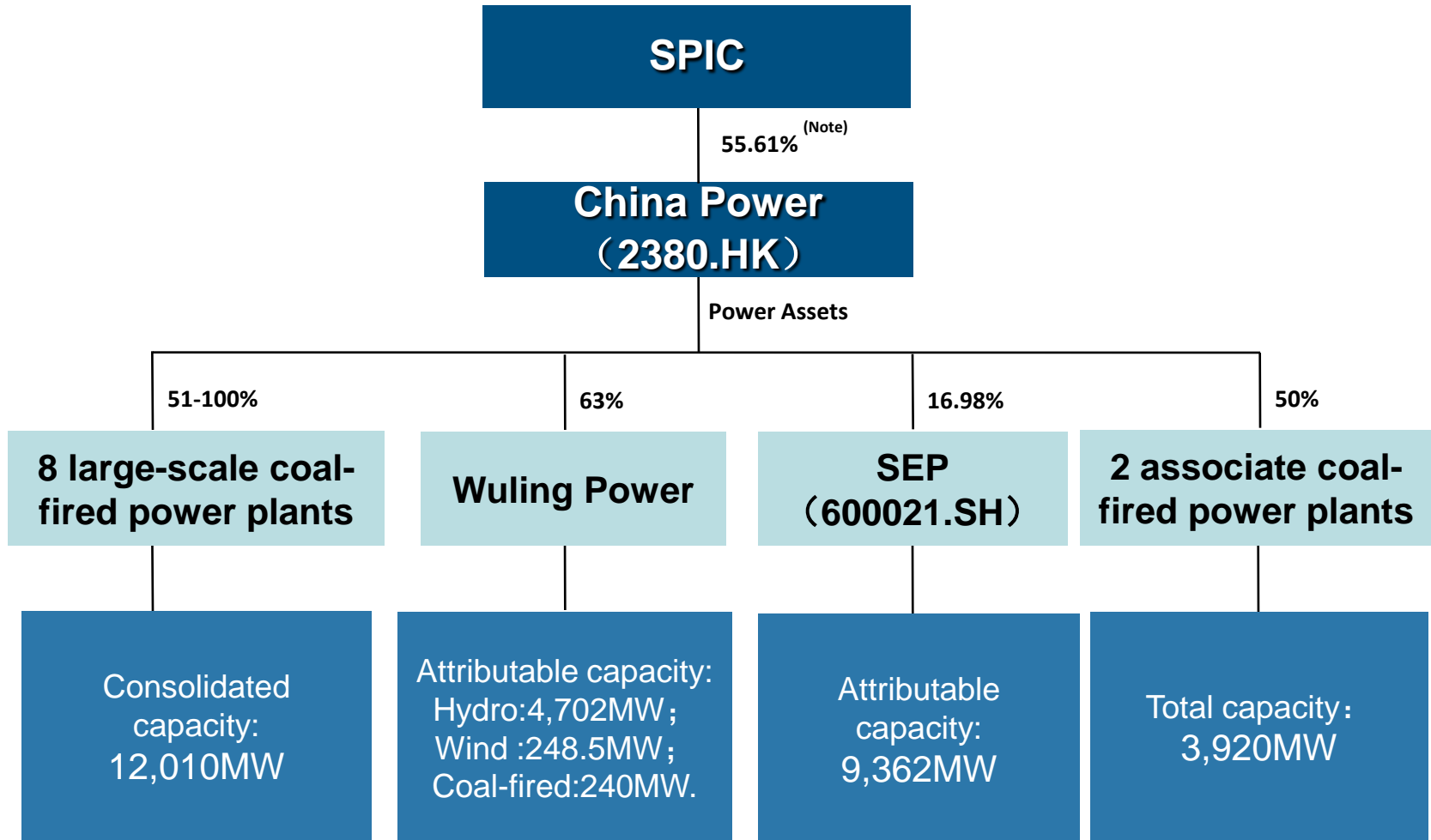


# Income Statement

<i>(RMB '000)</i>	2015	2014	change
Turnover and other income	20,748,543	20,844,136	-0.46%
Fuel costs	(6,141,811)	(7,941,928)	-22.67%
Other operating costs (net)	(6,744,943)	(7,012,415)	-3.81%
<b>Operating profit</b>	<b>7,861,789</b>	<b>5,889,793</b>	<b>33.48%</b>
Finance income	42,866	52,430	-18.24%
Finance costs	(2,238,296)	(2,366,120)	-5.40%
Share of profits of associates	740,551	640,374	15.64%
Share of profits of joint ventrues	146,114	86,270	69.37%
<b>Pre-tax profit</b>	<b>6,553,024</b>	<b>4,302,747</b>	<b>52.30%</b>
Taxation	(1,223,426)	(660,215)	85.31%
<b>Profit for the period</b>	<b>5,329,598</b>	<b>3,642,532</b>	<b>46.32%</b>
<b>Profit attributable to equity holders</b>	<b>4,149,018</b>	<b>2,765,886</b>	<b>50.01%</b>
<b>Basic EPS (RMB)</b>	<b>0.58</b>	<b>0.42</b>	<b>38.10%</b>



# Corporate Structure



Note: As of the 2015 results announcement date

# Coal-fired Asset Distribution

- Locations of coal-fired assets
- Plants under construction
- SEP



Plants	Capacity(MW)	Equity	Location
<b>Holding coal-fired power plants</b>			
Pingwei:	2×630	100%	Anhui
Pingwei II :	2×640	75%	Anhui
Pingwei III :	2×1,000	60%	Anhui
Yaomeng :	3×300+1×310+2×630	100%	Henan
Dabieshan:	2×640	51%	Hubei
Fuxi:	2×600	51%	Sichuan
CP Shentou:	2×600	80%	Shanxi
Wuhu:	2×660	100%	Anhui
<b>Associate coal-fired power plants</b>			
Changshu:	2×1,000+4×330	50%	Jiangsu
Xintang:	2×300	50%	Guangdong
<b>Coal-fired power plants under construction</b>			
Pu'an :	2×660	100%	Guizhou
<b>● Shanghai Electric Power</b>			
SEP:	9,362	16.98%	East China



# Clean-Energy Asset Distribution of Wuling Power

■ Locations of clean energy

● Associate coal-fired power plants



Plants	Capacity(MW)	Equity	Location
<b>Hydro power plants</b>			
Wuqiangxi:	1,200	100%	Hunan
Sanbanxi:	1,000	100%	Guizhou
Tuokou:	830	95%	Hunan
Baishi:	420	95%	Guizhou
Lingjintan:	270	100%	Hunan
Hongjiang:	270	95%	Hunan
Wanmipo:	240	100%	Hunan
Guazhi:	150	95%	Guizhou
Others:	402	91-100%	Hunan/Sichuan
<b>Wind farms</b>			
Tuokexun:	49.5	100%	Xinjiang
Buerjin:	49.5	100%	Xinjiang
Shanshan :	49.5	100%	Xinjiang
Yaoposhan:	50	100%	Hunan
Donggangling:	50	100%	Hunan
<span style="color: blue;">●</span> Associate coal-fired power plants			
Liyujiang:	2×300	40%	Hunan