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China Power International Development Limited

中國電力國際發展有限公司

(incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 2380)

CONTINUING CONNECTED TRANSACTION

Renewal of a Property Lease Agreement

On 13 July 2012, the Company entered into the Property Lease Agreement with CPI Holding in relation to a renewal of tenancy for the Premises.

CPI Holding is the controlling shareholder of the Company which is interested in approximately 69% of the issued share capital of the Company as at the date of this announcement and therefore is a connected person of the Company as defined in the Listing Rules. Accordingly, the Property Lease Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

The maximum annual rent payable by the Company to CPI Holding under the Property Lease Agreement amounts to US\$2,745,600 (equivalent to approximately HK\$21,333,312). The applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) exceed 0.1% but less than 5%. Accordingly, the Property Lease Agreement is subject to announcement and reporting requirements but is exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules. Details of the Property Lease Agreement will be included in the next published annual report and accounts of the Company pursuant to Rule 14A.45 of the Listing Rules.

The Directors (including the independent non-executive Directors) are of the view that as far as the shareholders of the Company are concerned, the Property Lease Agreement is entered into in the ordinary course of the Company's business, on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Board announces that the Company entered into the Property Lease Agreement on 13 July 2012 with CPI Holding in relation to a renewal of tenancy for the Premises.

PROPERTY LEASE AGREEMENT

Date

13 July 2012

Parties

- (i) The Company (the lessee); and
- (ii) CPI Holding (the lessor).

Principal terms and annual cap

Address:	Premises on the 6th to 9th and 11th to 13th Floors, East Building, Hui Huang Shi Dai Plaza, 56 North West Fourth Ring Road, Haidian District, Beijing, PRC.
Area:	8,800 square metres
Use:	Office
Lease term:	1 September 2012 to 31 August 2015
Annual rent:	US\$2,745,600 (equivalent to approximately HK\$21,333,312) or US\$26 per square metre per month (equivalent to approximately HK\$202 per square metre per month).
Payment method:	Rental of US\$1,372,800 should be prepaid within 30 days from the date of commencement of the lease term, thereafter, in March and September each year the rental of US\$1,372,800 should be prepaid semi-annually.

REASONS FOR THE TRANSACTION

The Premises being rented under the Property Lease Agreement are to be used by the Company as its office in Beijing, the PRC. The rent is determined after arm's length negotiations and is more favourable than the market rent for other comparable office buildings. The Directors are of the view that the terms of the Property Lease Agreement are no less favourable to the Group than the terms available from independent third parties.

The Directors (including the independent non-executive Directors) are of the view that as far as the shareholders of the Company are concerned, the Property Lease Agreement is entered into in the ordinary course of the Company's business, on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

“Company”	China Power International Development Limited, a company incorporated in Hong Kong whose shares are listed on the Stock Exchange
“CPDL”	China Power Development Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of CPI Holding
“CPI Group”	中國電力投資集團公司 (China Power Investment Corporation*), a wholly State-owned enterprise established by 中華人民共和國國務院 (the State Council of the PRC*)
“CPI Holding”	China Power International Holding Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of CPI Group
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China (for the purpose of the announcement excluding the Special Administrative Regions of Hong Kong and Macau and Taiwan)
“Premises”	Premises on the 6th to 9th and 11th to 13th Floors, East Building, Hui Huang Shi Dai Plaza, 56 North West Fourth Ring Road, Haidian District, Beijing, PRC
“Property Lease Agreement”	the agreement entered into between the Company and CPI Holding for leasing the Premises on 13 July 2012
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America

* *English or Chinese translation, as the case may be, is for identification only*

This announcement contains translation between United States dollars and Hong Kong dollars at a fixed rate of US\$1.00 to HK\$7.77.

By order of the Board
China Power International Development Limited
Li Xiaolin
Chairman

Hong Kong, 13 July 2012

As at the date of this announcement, the directors of the Company are: executive directors Li Xiaolin and Gu Dake, non-executive directors Guan Qihong and Wang Zichao, and independent non-executive directors Kwong Che Keung, Gordon, Li Fang and Tsui Yiu Wa, Alec.