



## 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 Hong Kong Companies Ordinance)*

(Stock Code: 2380)

#### PRICE SENSITIVE INFORMATION

The Board announces that there is a change in accounting policy in respect of its investments in Shanghai Power.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made in accordance with Rule 13.09(1) of the Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

References are made to the announcement of China Power International Development Limited (the “Company”) of 28 August 2007.

The board of directors (the “Board”) of the Company announces that there is a change in accounting method on 上海電力股份有限公司 (Shanghai Electric Power Co., Ltd.\*) (“Shanghai Power”), whereby the Company is no longer treating Shanghai Power as its associated company with effect from 22 December 2007 as the directors consider that the Company is no longer able to exercise significant influence over Shanghai Power. Accordingly, the Company will cease to account for Shanghai Power using equity method of accounting as required under Hong Kong Accounting Standard 28 “Investments in Associates” and will recognise its investment in Shanghai Power as “Available-for-sale investments” in accordance with Hong Kong Accounting Standard 39 “Financial Instruments: Recognition and Measurement”. Consequently, the Company will account for its interest in Shanghai Power based on the fair value of Shanghai Power’s shares. Changes in fair value of Shanghai Power’s shares will be recognised in the Company’s equity under “Reserves of available-for-sale investments”. Should the fair value of Shanghai Power’s shares experience any significant or prolonged decline in value and become lower than the Company’s cost of investment, such decline in value may be regarded as an impairment and will be dealt with in the Company’s profit and loss account.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

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

Hong Kong, 31 December 2007

*As at the date of this announcement, the directors of the Company are: executive directors Li Xiaolin and Hu Jiandong, non-executive directors Wang Binghua and Gao Guangfu, and independent non-executive directors Kwong Che Keung, Gordon, Li Fang and Tsui Yiu Wa, Alec.*