



China Power International Development Limited

2017 Interim Results Presentation

**For the Six Months Ended
30 June 2017**





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



Section 1 Interim Results Highlights



Interim Results Highlights

Income Statement	1H2017	1H2016	Change
Revenue (RMB 000's)	9,144,490	10,141,152	-9.83%
Fuel costs(RMB 000's)	(4,219,730)	(2,576,690)	+63.77%
Operating Profit (RMB 000's)	1,680,338	3,865,262	-56.53%
Profit Attributable to Owners of the Company (RMB 000's)	425,138	1,926,078	-77.93%
Basic EPS(RMB)	0.06	0.26	-76.92%



Interim Results Highlights

Balance Sheet	30 Jun 2017	31 Dec 2016	Change
Total Assets (RMB Millions)	94,501	91,187	+3.63%
Total Liabilities(RMB Millions)	60,541	56,592	+6.98%
——long-term debts	31,801	31,416	+1.23%
——short-term debts	19,198	16,319	+17.64%
Total Equity(RMB Millions) (including non-controlling interests)	33,960	34,595	-1.84%
Total Liabilities to Total Assets(%)	64.06	62.06	+2.00ppts
Net Debt to Shareholder's Equity(%)	182.82	168.43	+14.39ppts
Net Debt to Total Equity(%)	142.67	132.75	+9.92ppts

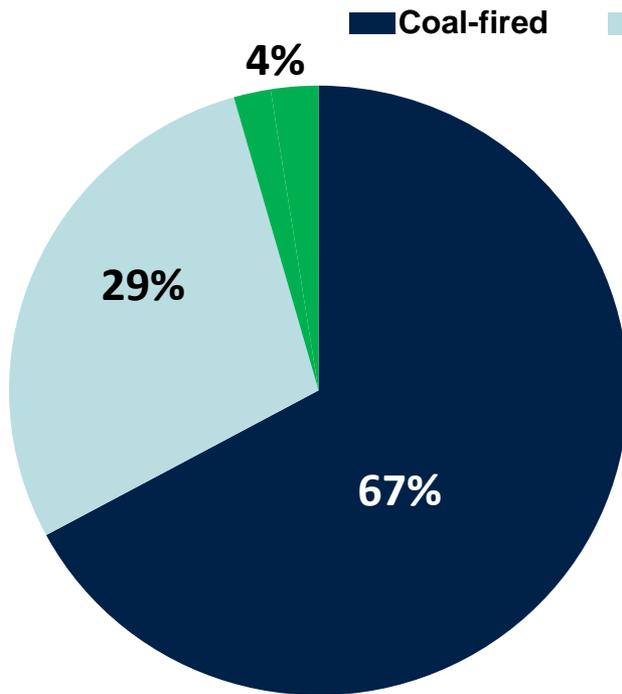


Section 2 Business Review



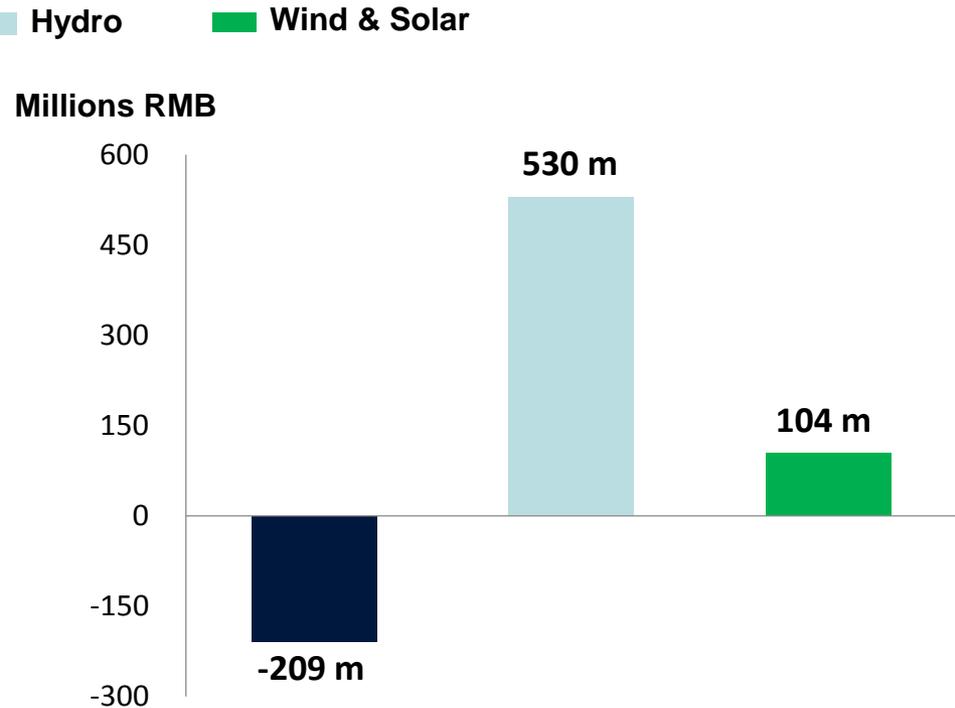
Revenue & Profit Structure

Revenue



9,144,490
(RMB 000's)

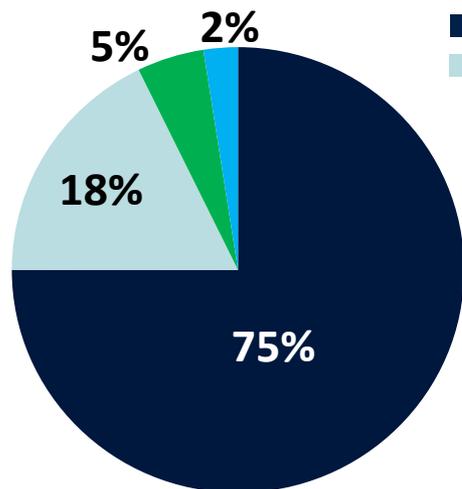
Profit Attributable to Owners of The Company



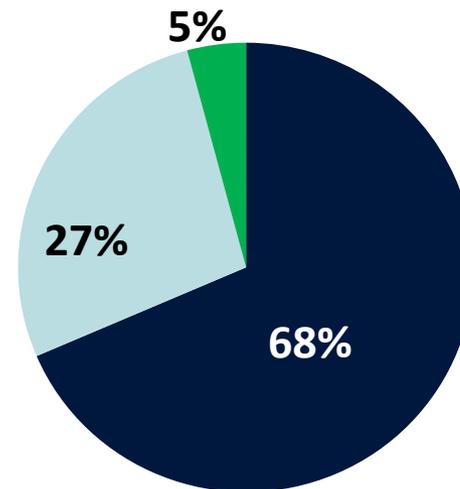
425,138
(RMB 000's)

Attributable Capacity : 16,844MW

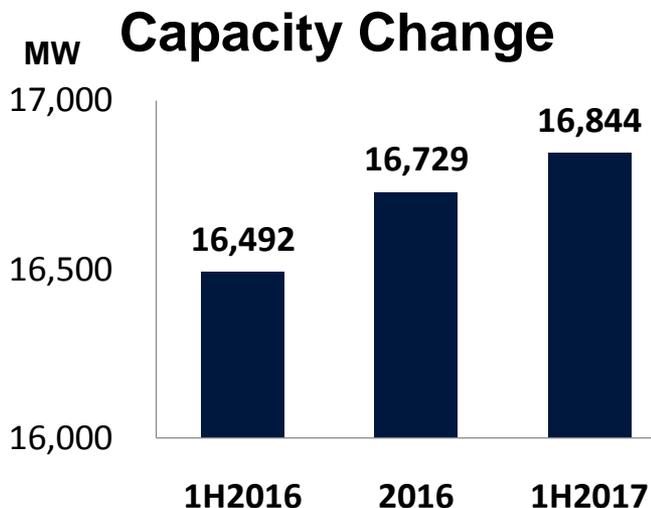
Consolidated Capacity : 17,680MW



■ Coal-fired ■ Wind & Solar
■ Hydro ■ Gas-fired



※ All the gas-fired power capacity are attributable to Shanghai Power



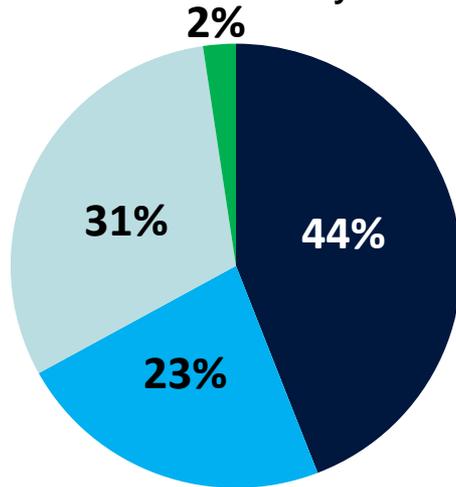
Commissioning of New Plants in 1H2017			
New Plants	Capacity(MW)	Type	Location
Jiesigou	24 × 44.1%	Hydro	Sichuan
Daqingshan	50 × 63%	Wind	Hunan
Xinshao Longshan	50 × 63%	Wind	Hunan
Yiyang	20 × 44.1%	Solar	Henan
Xiangtan	11 × 44.1%	Solar	Hunan
Fushan	45 × 50%	Solar	Jiangsu



Generation

Net Power Generation

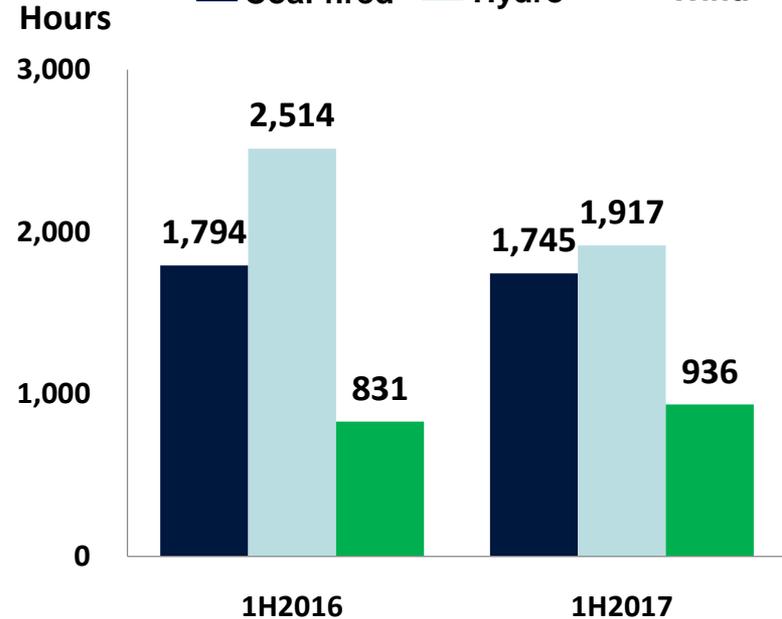
- Coal-fired — Planned Volume
- Coal-fired — Direct Power Supply Volume
- Wind & Solar
- Hydro



1H 2017 Total : 29,640 GWh

Average Utilization Hours

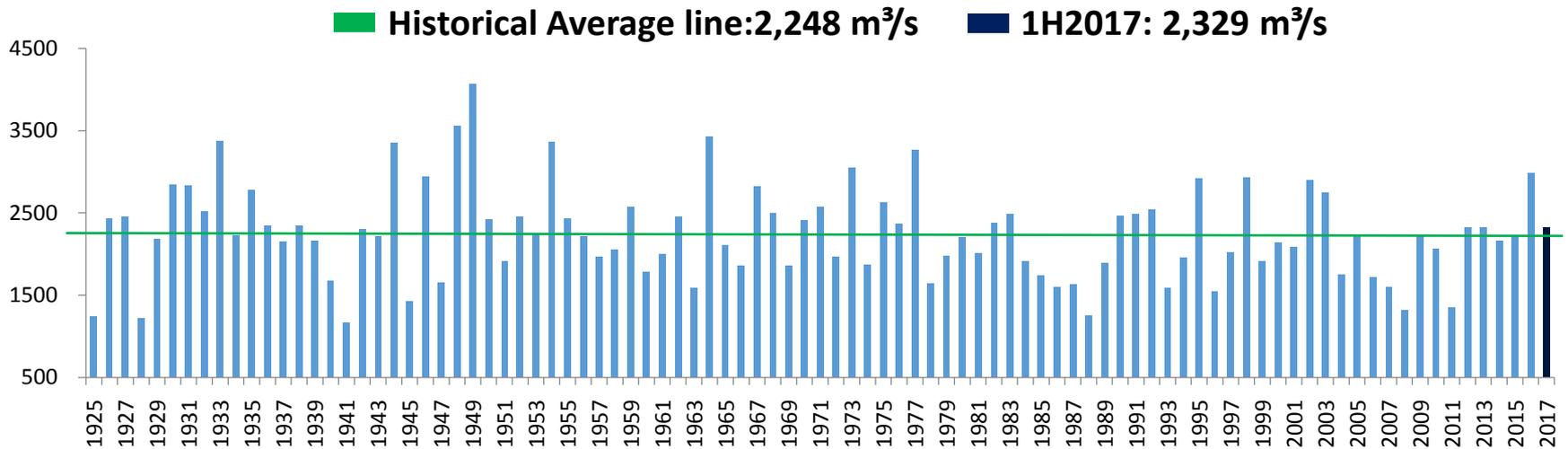
- Coal-fired
- Hydro
- Wind



- 1.The hydropower utilization hours dropped yoy in 1H 2017 due to less water flow (With a high base in 1H 2016).
- 2.The coal-fired power utilization hours fell slightly due to the suspensions of some generating units for overhaul maintenance and ultra-low emission upgrade.
- 3.The wind power utilization hours were up 12.6% due to the lower curtailment in Xinjiang and Gansu.

Hydropower Output

Water Flow data of Yuanjiang River at Wuqiangxi Power Station (First Half of 1925-2017)



Hydropower Cascade Dispatching



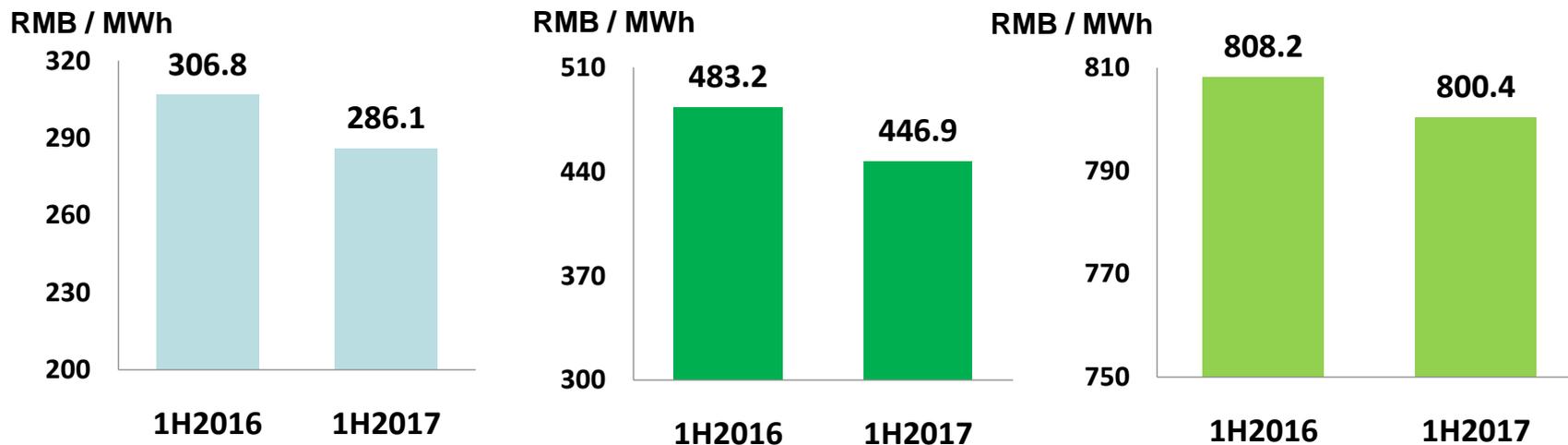
● Hydropower Plants on Yuanjiang river

1. The water flow level in 1H 2017 was in line with historical average.
2. Take full advantage of the whole-river cascade dispatching management.
3. To remain at the average level.

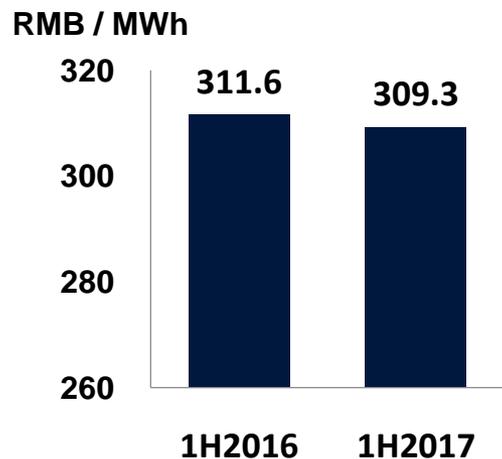
Tariffs and Unit Fuel Cost

Clean Energy Realized Tariffs

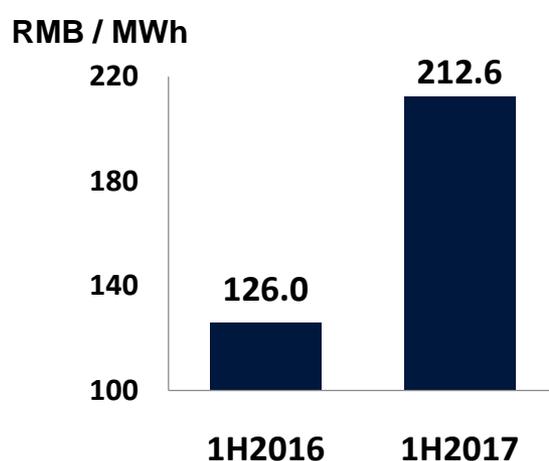
Hydro Wind Solar



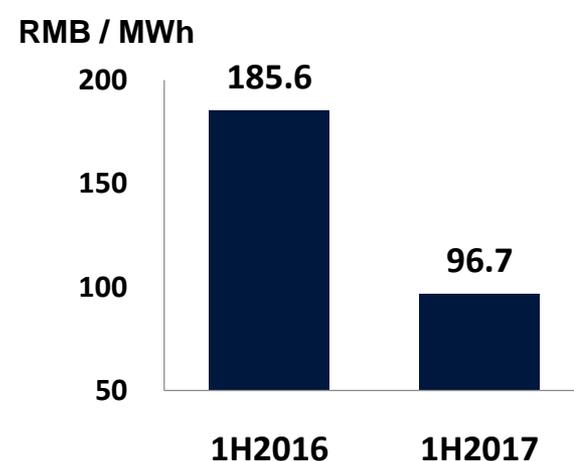
Coal-fired Realized Tariff



Unit Fuel Cost



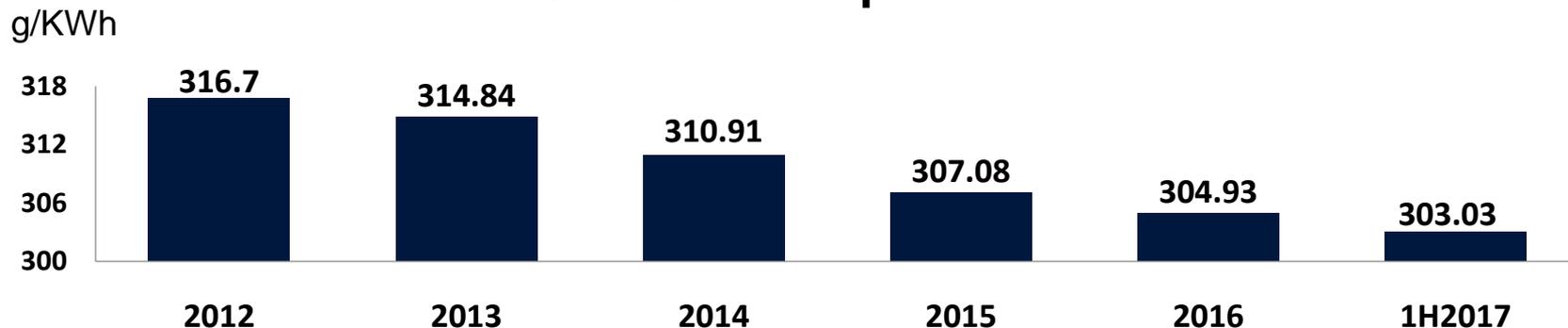
Dark Spread



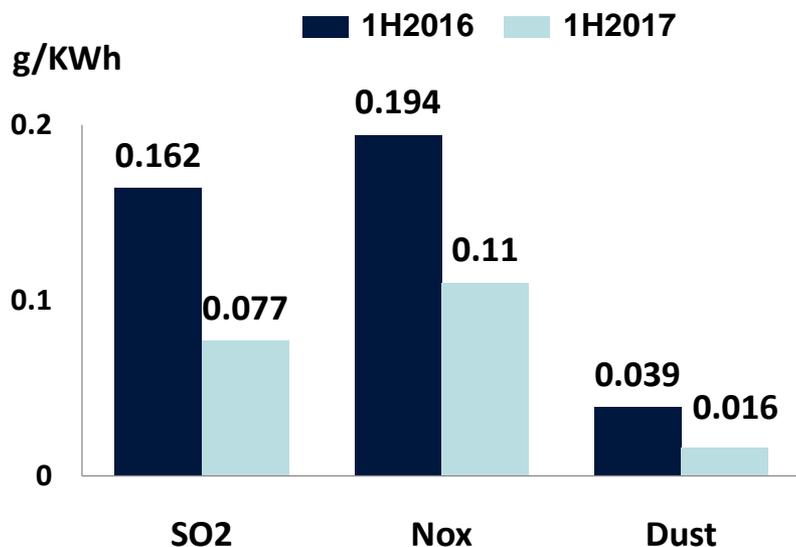


Energy Saving and Emission Reduction

Net Coal Consumption Rate



Pollutant Emissions Reduction (Coal-fired Units)



Ultra-low Emission Upgrade

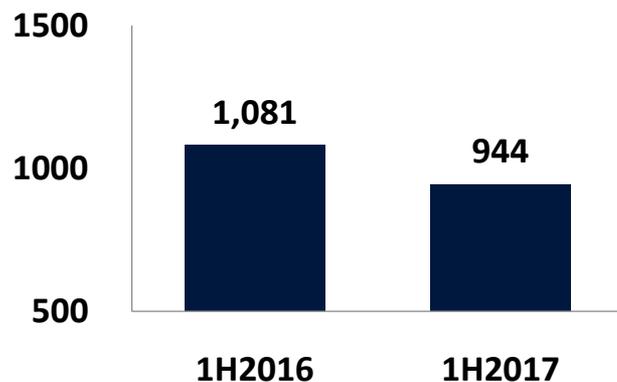
➤ 21 coal-fired units have completed ultra-low emission technical upgrade by the end of June 2017 (Among which :17 units have gotten ultra-low emission tariffs).

Year	Units	Total Capacity (MW)
2015	3	2,230
2016	14	8,320
1H 2017	4	2,260
Total	21	12,810

※ Including Changshu Power.

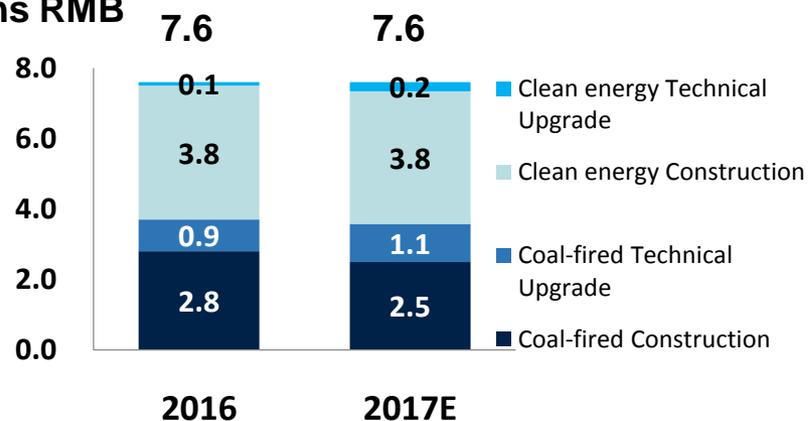
Finance Costs

Millions RMB

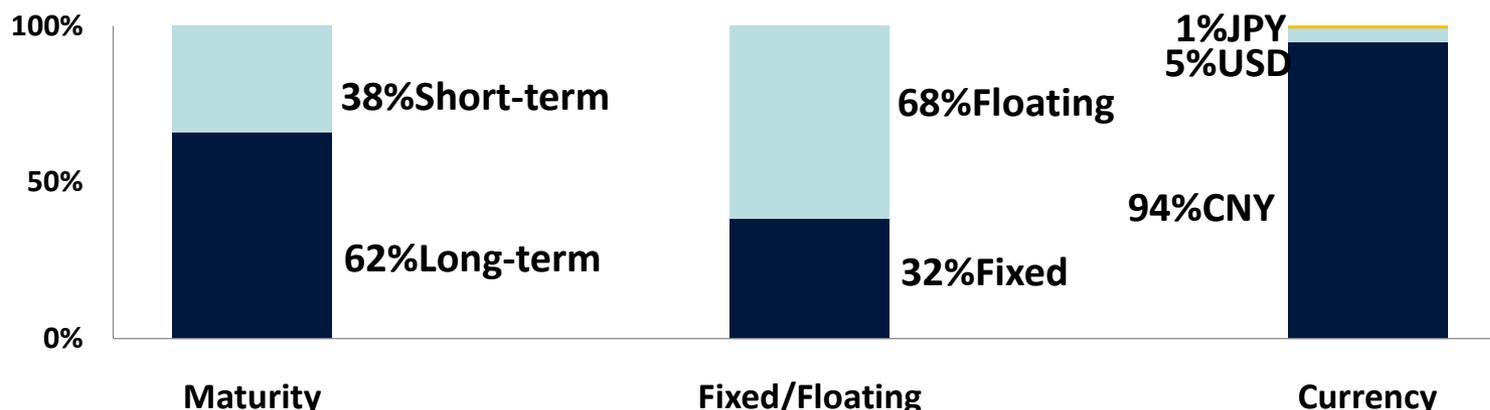


Capital Expenditure

Billions RMB



Debt Profile



※ The USD debts were from US Commercial Notes and USD loans.



Section 3 Future Development and Prospects



Strategies of The Company

(1) → Build up Cleaner Fuel Mix

- Enhance the proportion of renewables and obtain more green certificates.
- Accelerate the ultra-low emission upgrade progress.
- Achieve low-carbon operation and prepare for national carbon market.

(2) → Adapt to Power Sector Reform

- Focus on energy service business and be close to end users.
- Participate in power distribution and retailing companies.
- Set up the power bidding institution to manage Direct Power Supply.

(3) → Promote Technology Innovation

- Promote the R&D of new technologies on energy storage, modern power grid networks, energy internet, and energy conservation.

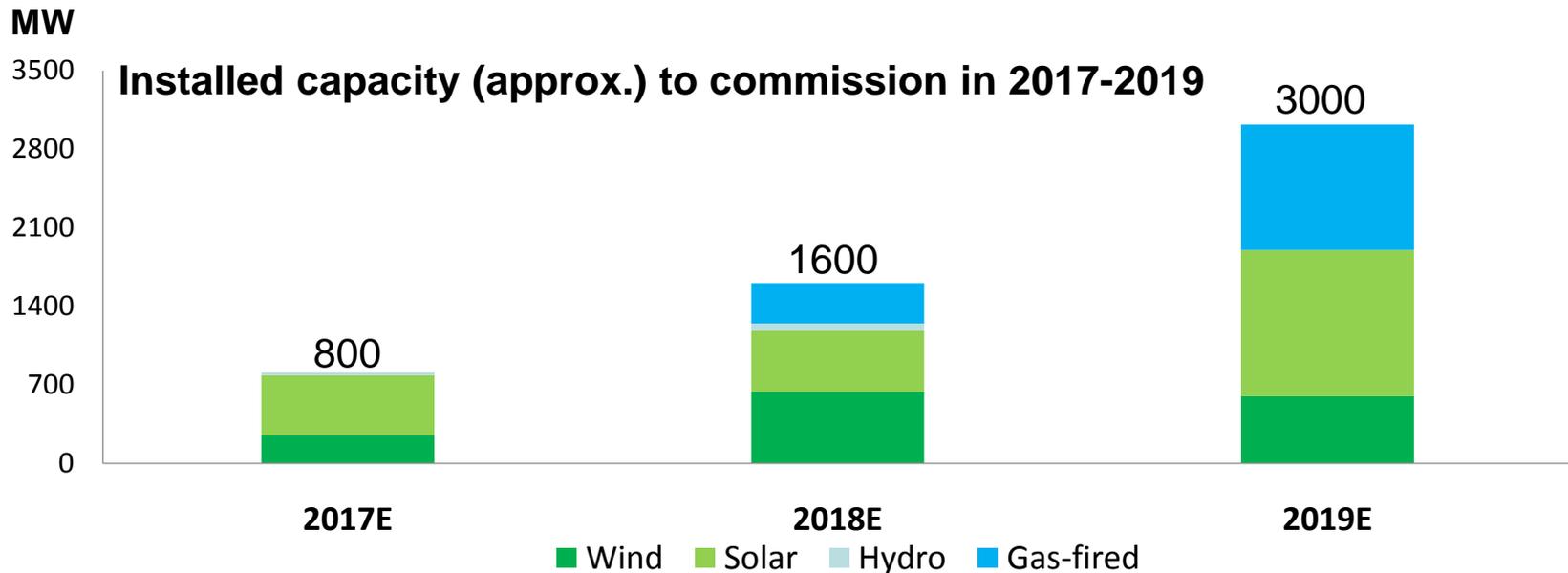
(4) → Explore the Overseas Market

- Strengthen the ability in developing overseas businesses.



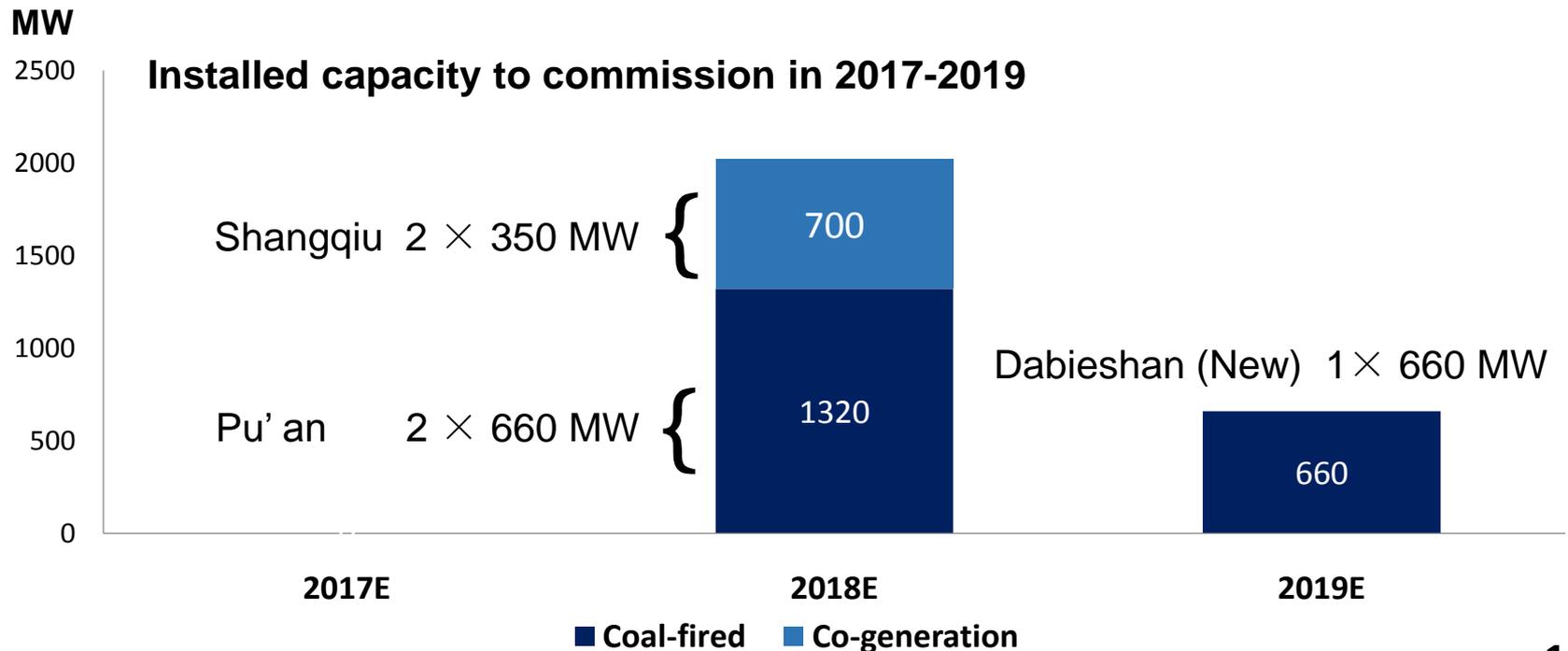
Clean Energy Pipeline Projects

- Actively develop renewable energy and distributed gas-fired projects. Hydropower capacity growth will mainly come from capacity expansion of existing plants.
- Investment hurdle rates for new solar/wind power are no less than 13%/12% equity IRR.
- 1H 2017 ROE for solar & wind was 6%. (2017E ROE: no less than 12%)



Coal-fired Pipeline Projects

- Postpone construction of some coal-fired plants.
- Control capex of coal-fired development.
- Select quality co-generation plants.

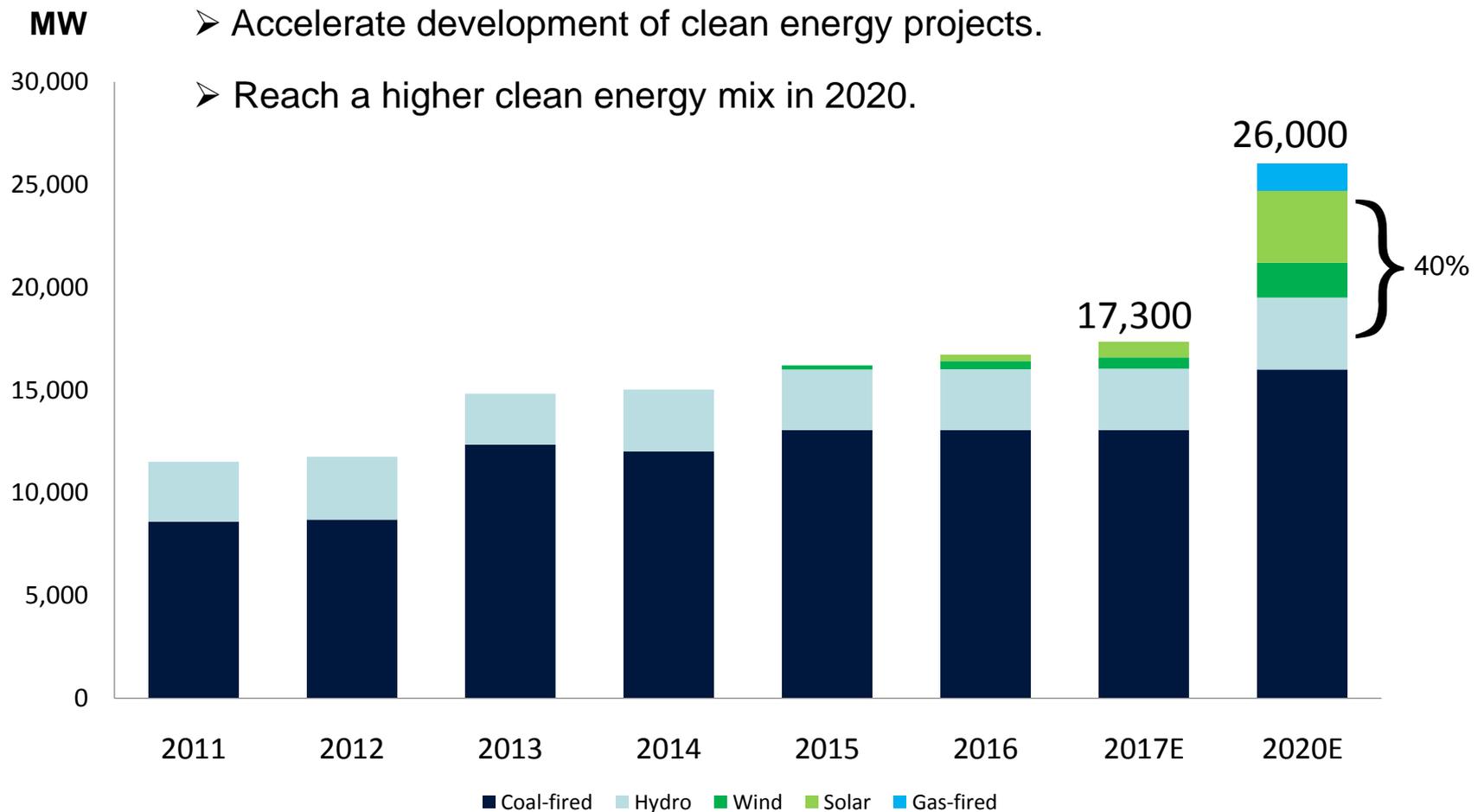




Energy Service Business

- Tap on the power distribution and retailing businesses.
- Participate in local energy service market .
- Develop CCHP distributed gas-fired programs.
- Establish market-oriented operating models.

Organic Attributable Capacity Growth





Financial Statements and Appendices



Operating Highlights

	1H2017	1H2016	change
Attributable capacity (MW)	16,844	16,492	2.13%
Consolidated capacity (MW)	17,680	17,217	2.69%
——coal-fired	12,010	12,010	-
——Clean energy	5,670	5,207	8.89%
Net generation (MWh)	29,639,547	32,550,127	-8.94%
——coal-fired	19,849,770	20,453,916	-2.95%
——clean energy	9,789,777	12,096,211	-19.07%
Average utilization hours			
——coal-fired	1,745	1,794	-2.73%
——hydro	1,917	2,514	-23.75%
Average realized tariffs (RMB/MWh)			
——coal-fired	309.28	311.59	-0.74%
——hydro	286.11	306.80	-6.74%
Net coal consumption rate(g/KWh)	303.03	302.91	+0.12g



Income Statement

<i>(RMB '000)</i>	1H2017	1H2016	change
Revenue	9,144,490	10,141,152	-9.83%
Fuel costs	(4,219,730)	(2,576,690)	63.77%
Other operating costs (net)	(3,244,422)	(3,699,200)	-12.29%
Operating profit	1,680,338	3,865,262	-56.53%
Finance income	26,285	9,386	180.04%
Finance costs	(943,613)	(1,080,692)	-12.68%
Share of profits of associates	136,546	325,523	-58.05%
Share of profits of joint ventrues	5,955	91,071	-93.46%
Pre-tax profit	905,511	3,210,550	-71.80%
Taxation	(165,512)	(600,357)	-72.43%
Profit for the period	739,999	2,610,193	-71.65%
Profit attributable to equity holders	425,138	1,926,078	-77.93%
EPS (RMB)	0.06	0.26	-76.92%

Corporate Structure

■ SPIC is the only comprehensive energy corporation which owns nuclear, hydro, thermal, and other clean energy assets within China.

SPIC

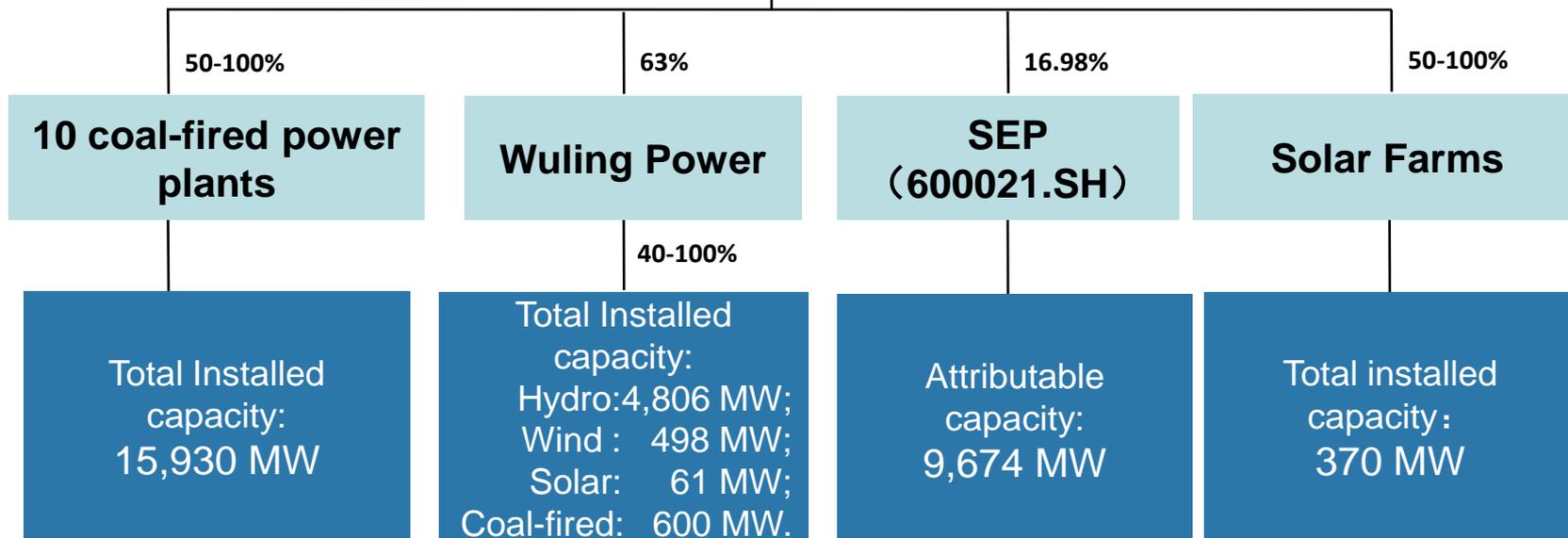
55.61%

**China Power
(2380.HK)**

Power Assets

■ Total conventional energy of SPIC including:

- 1. Hydro 21.7 GW
- 2. Wind 12.5 GW
- 3. Solar 8.6 GW
- 4. Thermal 71.5 GW



※ The Company holds 12.17% stakes in Sichuan Energy Investment.



Thermal Power Plants Distribution

- Existing Plants Located
- Plants under construction
- SEP



Plants	Capacity(MW)	Equity	Locations
In Operation			
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
Changshu:	2×1,000+4×330	50%	Jiangsu
Xintang(co-gen):	2×300	50%	Guangdong
Liyujiang:	2×300	25%	Hunan
Under Construction			
Pu'an :	2×660	100%	Guizhou
Shangqiu(co-gen) :	2×350	100%	Henan
Dabieshan (New):	2×660	51%	Hubei
Shanghai Electric Power			
● SEP:	9,673	16.98%	East China

Hydropower Plants Distribution

- Existing Plants Located
- Plants under construction



Plants	Capacity(MW)	Equity	Locations
In Operation			
Wuqiangxi:	1,200	63%	Hunan
Sanbanxi:	1,000	63%	Guizhou
Tuokou:	830	59.9%	Hunan
Baishi:	420	59.9%	Guizhou
Lingjintan:	270	63%	Hunan
Hongjiang:	270	59.9%	Hunan
Wanmipo:	240	63%	Hunan
Guazhi:	150	59.9%	Guizhou
Others:	426	91-100%	Hunan/Sichuan
Under Construction			
Luoshuidong:	35	63%	Hunan
Mawo:	32	63%	Hunan

Non-hydro Renewable Energies Distribution

- Existing Wind and Solar Farms Located
- Wind and Solar farms under construction



Plants	Capacity(MW)	Equity	Locations
Wind Farms in Operation			
Tuokexun:	49.5	63%	Xinjiang
Buerjin:	49.5	63%	Xinjiang
Shanshan :	99	63%	Xinjiang
Yaoposhan:	50	63%	Hunan
Donggangling:	50	63%	Hunan
Gulang:	100	44.1%	Gansu
Daqingshan	50	63%	Hunan
Longshan	50	63%	Hunan
Solar Farms in Operation			
Solar Farms:	431	44.1-100%	
Wind and Solar Farms Under Construction ●			
Wind Farms:	539.9	32.1-63%	
Solar Farms:	460	44.1-100%	



China Power International Development Limited

Thank you!

