



FOR IMMEDIATE RELEASE

16 March 2006

**China Power International Development Limited announces its 2005 Annual Results  
Turnover amounted to RMB4,362 million Up approximately 30.13%**

Financial Highlights

- Attributable installed capacity achieved 4,255MW, representing an increase of approximately 41.36% as compared with the previous year
- Gross generation reached 20.144 billion kWh, representing an increase of approximately 28.27% as compared with that of the previous year
- Total output was 18.701 billion kWh, representing an increase of approximately 26.90% as compared with that of the previous year
- Turnover amounted to RMB4,361,718, representing an increase of approximately 30.13% as compared with that of the previous year
- Profit attributable to shareholders was RMB661,904, representing an increase of approximately 4.1% as compared with that of the previous year
- Basic earnings per share was RMB0.21
- A final dividend of RMB0.079 per share was recommended

(16 March 2005, Hong Kong) The board of directors (the “Board”) of China Power International Development Limited (“China Power” or the “Company”, stock code: 2380) is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2005. For the year ended 31 December 2005, the consolidated turnover of the Company was approximately RMB4,362 million, representing an increase of approximately 30.13% as compared to that of the previous year. The consolidated net profit amounted to RMB662 million (including the share of profit of the associated company), representing an increase of approximately 4.1% as compared with that of the previous year. Earnings per share was RMB0.21.

The Board has recommended a final dividend of RMB0.079 per share.

“The continued growth of the PRC economy has driven the national power sector to go through a phase of rapid growth. Although the high price of coal has exerted pressure on the increasing fuel cost, the Company nevertheless achieved a steady and rapid growth during the year and successfully accomplished its operating goals in the reporting period under the leadership of the Board and the synergy of the management.” said Mr. Wang Binghua, the Chairman of China Power in reviewing the results for the year.



The Company owns and operates three high-capacity coal-fired power plants under commercial operation in which the Company holds 100% equity interest, namely, Anhui Huainan Pingwei Electric Power Generating Company Limited (“Pingwei Power Plant”), Shanxi Shentou Power Generating Company Limited (“Shentou I Power Plant”) and Pingdingshan Yaomeng Power Generating Company Limited (“Yaomeng Power Plant”); and the Company also owns 50% of the equity interest of, and operates, Jiangsu Changshu Electric Power Generating Company Limited (“Changshu Power Plant”). As of 31 December 2005, the total installed capacity of the four power plants and the attributable installed capacity of the Group were 4,870MW and 4,255MW respectively.

During the reporting period, the power generation of the Group increased steadily. Gross generation amounted to approximately 20.144 billion kWh, representing an increase of approximately 28.27% as compared with the previous year, and total output was approximately 18.701 billion kWh, representing an increase of approximately 26.90% over that of the previous year. The increase in power generation was attributable to the increasing demand for electricity, the increase in installed capacity, the instillation of a mentality of “every watt counts”, the optimization of the maintenance schedule of the generation units, and the improvement of reliability of the generation units.

During the reporting period, the Company successfully completed the acquisition of Shentou I Power Plant, which was the first acquisition project since its listing. After the acquisition, the Group’s total installed capacity increased by approximately 40%. The acquisition provided the Company with attractive opportunities to expand both its scale and coverage of operation and strengthened the Company’s profitability, risk resistance and competitiveness. It is believed that this attractive transaction and its potential profit will facilitate the Company in maximizing the value for shareholders.

In addition, the six 600 MW generation units of Pingwei Power Plant II, Yaomeng Power Plant II and Huanggang Dabieshan Power Plant were all duly approved by the State. The construction of the new power plant projects has commenced and is progressing smoothly.

Thanks to the fuel cost pass-through policy implemented by the PRC during the reporting period, the Group enhanced its tariff initiatives and made efforts to finalize its policy for tariff management, which has achieved good results. The Company also expanded its capacity through technical upgrades to reduce coal consumption.

Looking ahead, Ms. Li Xiaolin, the Vice Chairman and Chief Executive Officer of China Power said, “The power sector in the PRC is undergoing rapid development and reform which improved significantly the environment for demand and supply of electricity. With the coal price stabilizing gradually and the gradual implementation of on-grid bidding, along with the regulations and policies addressing environmental protection and renewable energy launched by the government, 2006 is a year of opportunity and challenge for China Power. In the coming year, with the full support of CPI Holding and CPI Group, China Power will leverage on the advantage of centralized management on the nine power plants with a total installed capacity of 7,400 MW (including those owned and managed by the Company) in order to further control the operating cost. China Power will capture the



advantage of the vicinity of the newly constructed and existing power plants which will strengthen resource sharing and synergy so as to reduce construction and operating cost. China Power will also capture the fuel cost pass-through policy in order to adjust the currently low tariffs upwards to a more reasonable level so as to reasonably compensate the fuel cost. More importantly, the Company will continue to proactively identify the quality assets of CPI Group or others for acquisition so as to achieve its rapid expansion through acquisition and new establishments, thus creating better value for shareholders as a whole.”

— End —

For inquiries, please contact:

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Appendix 1

**Audited Consolidated Profit and Loss Account**  
**For the year ended 31 December 2005**

	Year ended 2005 RMB'000	31 December 2004 RMB'000 (Restated)
Turnover	4,361,718	3,352,001
Other income	76,002	21,873
Fuel costs	(2,652,216)	(1,825,875)
Depreciation	(320,488)	(325,641)
Staff costs	(315,112)	(262,428)
Repairs and maintenance	(184,436)	(141,559)
Consumables	(63,357)	(51,321)
Other operating expenses, net	(204,017)	(158,918)
Operating profit	698,094	608,132
Finance costs	(76,917)	(77,285)
Share of profit in an associated company	122,480	150,805
Profit before taxation	743,657	681,652
Taxation	(82,448)	(46,413)
Profit for the year	<u>661,209</u>	<u>635,239</u>
Attributable to:		
Equity holders of the Company	661,904	635,813
Minority interests	(695)	(574)
	<u>661,209</u>	<u>635,239</u>
Earnings per share attributable to the equity holders of the Company for the year		
— basic	<u>0.21</u>	<u>0.27</u>
— diluted	<u>0.21</u>	<u>0.27</u>



Appendix 2

**Audited Consolidated Balance Sheet**  
As at 31 December 2005

	As at 31 December	
	2005 RMB'000	2004 RMB'000 (Restated)
<b>Assets</b>		
Non-current assets		
Property, plant and equipment	5,343,209	3,526,136
Leasehold land prepayment	18,904	--
Goodwill	166,939	--
Prepayment for construction of power plants	1,845,647	614,126
Interest in an associated company	835,860	849,539
Deferred income tax assets	12,893	13,795
	<u>8,223,452</u>	<u>5,003,596</u>
Current assets		
Inventories	265,871	114,512
Accounts receivable	803,779	644,183
Prepayments, deposits and other receivables	143,234	174,893
Amount due from an intermediate holding company	8,308	15,352
Dividends receivable from an associated company	75,962	32,861
Cash and cash equivalents	2,187,943	3,064,224
	<u>3,485,097</u>	<u>4,046,025</u>
<b>Total assets</b>	<u>11,708,549</u>	<u>9,049,621</u>
<b>Equity</b>		
Capital and reserves attributable to the Company's equity holders		
Share capital	3,323,100	3,323,100
Reserves	3,485,289	2,902,178
	<u>6,808,389</u>	<u>6,225,278</u>
Minority interests	11,044	2,726



**Audited Consolidated Balance Sheet**  
*As at 31 December 2005 (Cont'd)*

Total equity	6,819,433	6,228,004
<b>Liabilities</b>		
Non-current liabilities		
Long-term bank borrowings	2,713,500	1,153,000
Long-term payable to China Power Investment Finance Company	393,110	--
Long-term payable to Shanxi Electric Power Corporation	19,979	--
	<u>3,126,589</u>	<u>1,153,000</u>
Current liabilities		
Accounts payable	286,644	237,218
Other payables and accrued charges	468,171	328,824
Amount due to ultimate holdings company	91,665	5,129
Current portion of long-term bank borrowings	400,000	261,000
Short-term bank and other borrowings	487,500	592,676
Profit distributions payable to an intermediate holding company	--	212,169
Taxation payable	28,547	31,601
	<u>1,762,527</u>	<u>1,668,617</u>
Total liabilities	<u>4,889,116</u>	<u>2,821,617</u>
Total equity and liabilities	<u>11,708,549</u>	<u>9,049,621</u>
Net current assets	<u>1,722,570</u>	<u>2,377,408</u>
Total assets less current liabilities	<u>9,946,022</u>	<u>7,381,004</u>