



For immediate release

17 August 2005

## China Power announces 2005 Interim Results

### Financial Highlights

- Attributable installed capacity amounted to 3,055 MW
- Total electricity generation was 7,402,816 MWh, representing a decrease of 6.7% as compared with the corresponding period of last year
- Turnover amounted to RMB1,645,742,000, representing a decrease of 1% as compared with the corresponding period of last year
- Unaudited consolidated net profit was RMB250,087,000, representing a decrease of 32% as compared with the corresponding period of last year
- Basic earnings per share were RMB0.08

(17 August 2005 – HONG KONG) The board of directors (the "Board") of China Power International Development Limited ("China Power" or the "Company", Stock Code: 2380) hereby announces the unaudited operating results of the Company and its subsidiaries (the "Group" or "We") for the six months ended 30 June 2005. Without any significant increase in installed capacity during the reporting period, the Group recorded an unaudited consolidated turnover of approximately RMB1,645,742,000 and a net profit of approximately RMB250,087,000 for the six months ended 30 June 2005, representing a decrease of 1% and 32% respectively over the same period of last year. The basic earnings per share were RMB0.08.

The directors of the Company do not recommend the payment of any interim dividend for the six months ended 30 June, 2005.

"In 2005, the robust Chinese economy forged ahead with full steam and recorded a growth in gross domestic product (GDP) of 9.5% in the first half of the year. As there has been a continuously strong demand for electricity, electricity generation in the same period also increased by 13.2% as compared with the corresponding period of last year. However, along with the increasing demand of electricity, coal prices remained high during the reporting period. Meanwhile, the delayed implementation of Coal-Electricity Price Linkage Mechanism in May failed to compensate the increase in coal prices on time. This led to a tough pressure on the Company's operation during the first half of the year," said Mr. Wang Binghua, Chairman of China Power, while reviewing the interim results of the first half of year 2005.

The Group owns and operates three high-capacity coal-fired power plants under commercial operation, namely Anhui Huainan Pingwei Electric Power Generating Company Limited (“Pingwei Power Plant”) (100% ownership) and Pingdingshan Yaomeng Power Generating Company Limited (“Yaomeng Power Plant”) (100% ownership) and Jiangsu Changshu Electric Power Generating Company Limited (“Changshu Power Plant”, 50% ownership). As at 30 June 2005, the total installed capacity of the three power plants was 3,670 MW, while the installed capacity attributable to the Group was 3,055 MW. In the first half of 2005, the gross electricity generation of the Group was 7,402,816 MWh and there was 6,928,642 MWh of electricity sold.

In anticipation of the delay in the implementation of Coal-Electricity Price Linkage Mechanism, the Company had scheduled majority of maintenance, overhauls and technical upgrading works in the first half of 2005. Therefore, electricity generation recorded a lesser amount than the corresponding period of last year. As a result of the technical upgrading, the efficiency of the respective No. 2 generating units of Pingwei Power Plant and Changshu Power Plant have achieved an increase in power generation by 30MW respectively, while coal consumption rate for each single generating unit has decreased by approximately 14g/kWh.

In May 2005, the long-awaited Coal-Electricity Price Linkage Mechanism was eventually implemented nationwide by National Development and Reform Commission. In this round of tariff adjustment, the Group was one of the companies that enjoyed relatively high tariff increases, namely, an average tariff increase of 16.6%, or RMB43.4 per MWh(inclusive of value added tax).

The construction works of the planned Pingwei Power Plant II and Huanggang Dabieshan Power Plant, are among the major construction projects of the PRC in 2005 and enjoy the preferential support of the PRC, which have been progressing well and on schedule; while Yaomeng Power Plant II is expected to complete its approval process in the second half of 2005.

On 9 June 2005, the Group announced a proposed acquisition of the electricity generating business of one of the power plants entrusted to be managed by the Group, Shentou I Power Plant, which is located in Shanxi Province of PRC. The transaction was subsequently approved unanimously by independent shareholders at the extraordinary general meeting held on 21 July 2005. The earnings of Shentou I Power Plant will be included in the Group’s results from 1 July 2005 and thus would enhance the earnings of the Group in the second half of 2005 as compared with the first half of the year. .

“As majority of the maintenance and technical upgrading works have been completed in the first half of the year, we are confident that the Group will be able to meet the electricity generation plan for 2005, and will be well prepared for coping with the peak summer power demand efficiently and economically. More importantly, we will strive for the best achievable operating results for our shareholders while maintaining our high safety production standards in the second half of 2005. At the same time, with the strong support of China Power Investment Corporation, the ultimate parent of the Company, China Power will strive persistently to look for quality assets either from within its parent group or from outside to achieve its fast pace expansion and thus provide an excellent return to shareholders,” said Ms. Li Xiaolin, Vice-Chairman and Chief Executive Officer of China Power, in forecasting the future of China Power.

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**China Power International Development Limited**  
**Unaudited Consolidated Income Statement**  
For the six months ended 30 June 2005

	<b>For the Six Months ended 30 June 2005 RMB'000</b>	For the Six Months ended 30 June 2004 RMB'000
Turnover	1,645,742	1,664,927
Total operating expenses	(1,405,382)	(1,316,288)
Other operating revenue	28,086	2,023
Profit from operations	268,446	350,662
Finance costs	(36,001)	(40,098)
Share of profit of an associated company	51,175	83,922
Profit before taxation	283,620	394,486
Taxation	(33,533)	(24,658)
Net profit	250,087	369,828
Minority interests	225	141
Profit attributable to shareholders	<b>250,312</b>	369,969
Profit distributions	-	-
Dividend	-	-
Earnings per share		
-Basic	<b>RMB0.08</b>	RMB0.18
-Diluted	<b>RMB0.08</b>	N/A