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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)

POTENTIAL DISCLOSEABLE TRANSACTION

Proposed Disposal of Equity Interests in

(1) Huanggang Dabieshan Power Company Limited* and

(2) Huainan Pingwei No.2 Electric Power Generating Company Limited*

The Board is pleased to announce that on 14 June 2011, in order to promote coal and electricity joint operation, the Company has put 42% of the equity interests of Dabieshan Company and 25% of the equity interests of Pingwei Company II to open tender for sale on the China Beijing Equity Exchange. As at the date of this announcement, the Company holds 93% of Dabieshan Company and 100% of Pingwei Company II.

In the event that the Company enters into definitive agreements in respect of the Proposed Disposals with the successful bidder following completion of the open tender process, the Proposed Disposals may constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

As the open tender process is not yet completed and the Proposed Disposals may or may not proceed, shareholders and potential investors of the Company are advised to exercise caution when dealing with securities of the Company.

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

PROPOSED DISPOSALS

The Board announces that on 14 June 2011, in order to promote coal and electricity joint operation, the Company has put 42% of the equity interests of Dabieshan Company and 25% of the equity interests of Pingwei Company II to open tender for

sale on the China Beijing Equity Exchange. The target bidders for the Proposed Disposals are large scale state-owned coal production enterprises. As at the date of this announcement, the Company holds 93% of Dabieshan Company and 100% of Pingwei Company II.

The terms of the open tender as published on the China Beijing Equity Exchange are as follows:

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| Tender period: | The open tender is expected to close on 11 July 2011 (if no bid is received after the expiry of the tender period, the tender period will be extended by five business days). |
| Consideration for 42% equity interests of Dabieshan Company: | RMB393,899,000 |
| Consideration for 25% equity interests of Pingwei Company II: | RMB350,000,000 |
| Bidder eligibility criteria: | <ol style="list-style-type: none">1. Large scale state-owned coal production enterprise with annual production of 50 million tons or above and was legally established and operating for more than 50 years.2. In a sound financial position with proof of bank balance amount of not less than RMB800,000,000 as at 31 May 2011.3. Has a good commercial reputation and has no record of non-compliance or breach of law.4. Recorded a profit in its audited financial statements for each of the years ended 2008, 2009 and 2010. |

Conditions:

1. A bidder is required, within three business days of the confirmation of its eligibility to bid, either (a) to pay into the designated account of the China Beijing Equity Exchange 30% of the total consideration in respect of the Proposed Disposals or (b) to provide a bank guarantee in the same amount in favour of the Company as guarantee payment.
2. The bidder is required to undertake to provide not less than 50% of the coal required by Dabieshan Company each year at the most favourable price in the relevant region.
3. The bidder is required to undertake to provide not less than seven million tons of the coal required by Pingwei Power Plant I and Pingwei Power Plant II each year at the most favourable price in the relevant region.
4. The bidder is required to undertake to participate in the development of Pingwei Power Plant III and other investment projects.
5. The Dabieshan Disposal and the Pingwei Disposal are inter-conditional. The bidder is required to undertake to acquire from the Company 25% equity interests of Pingwei Company II and 42% equity interests of Dabieshan Company simultaneously.

Definitive agreements:

The successful bidder is required to enter into definitive agreements with the Company within five business days after the result of the open tender has been confirmed.

Payment of
consideration:

The balance of the consideration (after deduction of the 30% guarantee payment made by the bidder) to be settled in full within five business days following the signing of the definitive agreements.

Upon completion of the Proposed Disposals, the Company will hold 51% of the equity interests of Dabieshan Company and 75% of the equity interests of Pingwei Company II.

As the open tender process is not yet completed and the Proposed Disposals may or may not proceed, shareholders and potential investors of the Company are advised to exercise caution when dealing with securities of the Company.

INFORMATION ON DABIESHAN COMPANY

Dabieshan Company was incorporated on 17 December 2003 in the PRC with limited liability. It has a registered capital of RMB815,526,000. Dabieshan Company is held by the Company, 湖北省能源集團有限公司 (Hubei Energy Group Company Limited*), 麻城市國有資產經營有限公司 (Macheng State-owned Assets Management Company Limited*) and 黃岡市投資公司 (Huanggang City Investment Company*) as to 93%, 3%, 2% and 2% respectively.

Dabieshan Company is principally engaged in the generation and sale of electricity. It holds and operates Dabieshan Power Plant, a coal-fired power plant located in Huanggang city, Hubei Province. As at 31 December 2010, it has a total installed capacity of 1,280 MW. Its gross generation for the years ended 31 December 2010, 2009 and 2008 was 5,436,057MWh, 4,957,139MWh and 1,589,526MWh respectively.

Based on the audited financial statements of Dabieshan Company prepared in accordance with the then prevailing PRC accounting principles, Dabieshan Company had a net asset value of approximately RMB597,727,000 as at 31 December 2010 and a net loss of approximately RMB79,705,000 for the year ended 31 December 2010.

Dabieshan Company will remain a subsidiary of the Company upon completion of the Dabieshan Disposal.

INFORMATION ON PINGWEI COMPANY II

Pingwei Company II was incorporated on 17 November 2003 in the PRC with limited liability. It has a registered capital of US\$104,153,000. Pingwei Company II is principally engaged in the generation and sale of electricity. It holds and operates Pingwei Power Plant II, a coal-fired power plant located in Huainan city, Anhui. As at 31 December 2010, it has a total installed capacity of 1,280 MW. Its gross generation for the years ended 31 December 2010, 2009 and 2008 was 7,284,690MWh, 6,929,600MWh and 7,633,850MWh respectively.

Based on the audited financial statements of Pingwei Company II prepared in accordance with the then prevailing PRC accounting principles, Pingwei Company II had a net asset value of approximately RMB824,659,000 as at 31 December 2010 and a net profit of approximately RMB235,385,000 for the year ended 31 December 2010.

Pingwei Company II will remain a subsidiary of the Company upon completion of the Pingwei Disposal.

INFORMATION ON THE GROUP

The Company is the listed flagship company outside the PRC of CPI Group. The CPI Group is one of the five national power generation groups in China, and operates power plants of CPI Group spread across 28 provinces, municipalities and autonomous regions in the PRC. CPI Holding is wholly-owned by CPI Group and owns and operates coal-fired and hydroelectric power plants in the PRC. As at the date of this announcement, CPI Group, through CPI Holding, owns approximately 69% of the issued share capital of the Company.

The principal business of the Group is to develop, construct, own, operate and manage large power plants in the PRC. The Company owns and operates high-capacity coal-fired power plants and hydro-power plants. The Company also manages on behalf of its controlling shareholders two other power plants, which are situated in Liaoning and Anhui.

REASONS FOR AND BENEFITS OF THE PROPOSED DISPOSALS

Coal price has been increasing continuously as the rapid development of the domestic economy has resulted in a continuous increase in the demand for primary energy by all industries. Due to the present inflation forecast, it is difficult to rationalise the coal and electricity pricing system in the short run.

The State encourages joint operation of coal and electricity enterprises so as to establish a stable demand and supply relationship, and achieve a reasonable allocation of benefits and sharing of market risks.

Due to present internal and external conditions, the promotion by the Company of coal and electricity joint operation is beneficial in respect of ensuring fuel supply, the dilution of operational risk and increasing the current and long term profitability of our power plants within the relevant regions.

Coal and electricity joint operation will help Pingwei Power Plant I and Pingwei Power Plant II in obtaining continuous and stable coal supply at favourable prices

under major coal supply contracts and ensuring the profitability of their operating companies. It is also expected that due to the favourable coal prices, coal supply to Dabieshan Company under major coal supply contracts will also increase substantially, which will effectively alleviate its operational pressure.

The model of coal and electricity joint operation will maintain the competitive advantage of the Company as a whole and therefore will be beneficial to the future development of Pingwei Power Plant III.

The proceeds from the Proposed Disposals will further improve the liquidity and financial position of the Group.

GENERAL

It is currently expected that the Proposed Disposals will constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

This announcement is made pursuant to Rule 13.09 of the Listing Rules. The Company will comply with the applicable Listing Rules if and when it enters into the Proposed Disposals.

Further details in respect of the Proposed Disposals are available on the website of the China Beijing Equity Exchange at www.cbex.com.cn.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Anhui”	Anhui Province of the PRC
“Board”	the board of Directors of the Company
“China Beijing Equity Exchange”	北京產權交易所 (China Beijing Equity Exchange)
“Company”	China Power International Development Limited, a company incorporated in Hong Kong whose shares are listed on the Hong Kong Stock Exchange
“CPI Group”	中國電力投資集團公司 (China Power Investment Corporation*), a wholly State-owned enterprise established by SASAC

“CPI Holding”	China Power International Holding Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of CPI Group
“Dabieshan Company” or “Dabieshan Power Plant”	黃岡大別山發電有限責任公司 (Huanggang Dabieshan Power Company Limited*)
“Dabieshan Disposal”	the proposed disposal by the Company of 42% of the equity interests of Dabieshan Company
“Director(s)”	director(s) of the Company
“Group”	the Company and its Subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Liaoning”	Liaoning Province of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“MWh”	megawatt-hour, which is equal to one thousand kilowatt-hours
“Pingwei Company II” or “Pingwei Power Plant II”	淮南平圩第二發電有限責任公司 (Huainan Pingwei No.2 Electric Power Generating Company Limited*)
“Pingwei Disposal”	the proposed disposal by the Company of 25% of the equity interests of Pingwei Company II
“Pingwei Power Plant I”	the phase I power plant under 淮南平圩發電有限責任公司 (Huainan Pingwei Electric Power Generating Company Limited*)
“Pingwei Power Plant III”	the proposed phase III power plant development project in the region of Huainan city, Anhui
“PRC” or “China”	the People’s Republic of China (for the purpose of this announcement excluding Hong Kong, Macau Special Administrative Region and Taiwan)

“Proposed Disposals”	the proposed disposal by the Company of 42% of the equity interests of Dabieshan Company and 25% of the equity interests of Pingwei Company II
“RMB”	Renminbi, the lawful currency of the PRC
“SASAC”	中華人民共和國國務院國有資產監督管理委員會 (State-owned Assets Supervision and Administration Commission of the State Council of the PRC*)
“Subsidiary”	has the meaning given to it under the Listing Rules
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent.

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

Hong Kong, 14 June 2011

* *English translation is for identification only*

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