

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



(a sino-foreign joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 991)

ANNOUNCEMENT

CONNECTED TRANSACTION

TRANSFER AGREEMENT

The Board is pleased to announce that the Company entered into the Transfer Agreement with CDC on 2 April 2008, pursuant to which the Company agreed to transfer its 35% equity interest in Lusigang Power Company to CDC at the consideration of RMB108,450,000 (equivalent to HK\$120.5 million). Upon completion of the Equity Transfer, the Company will own 55% equity interest in Lusigang Power Company.

CONNECTED TRANSACTION

As at the date of this announcement, CDC held approximately 33.74% of the issued share capital of the Company. Accordingly, CDC is a connected person of the Company under the Listing Rules and therefore the Equity Transfer constitutes a connected transaction of the Company. As each of the applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) is more than 0.1% but less than 2.5%, the Equity Transfer is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules and does not require the approval by the independent shareholders of the Company. The Company will disclose the relevant details in the next published annual report and accounts of the Company in accordance with the relevant requirements as set out in Rule 14A.45 of the Listing Rules.

TRANSFER AGREEMENT

Date

2 April 2008

Parties to the Transfer Agreement

Transferor: the Company

Transferee: CDC

Major Terms of the Transfer Agreement

Interest to be transferred

Pursuant to the Transfer Agreement, the Company agreed to sell and CDC agreed to purchase the Company's 35% equity interest in Lusigang Power Company.

Consideration

The consideration of the Equity Transfer is RMB108,450,000 (equivalent to HK\$120.5 million) and has been determined by the arm's length negotiation between the parties after taking into account the valuation of Lusigang Power Company attributable to such 35% equity interest held by the Company as at 31 January 2008, as conducted by an independent valuer.

According to the afore-mentioned valuation, the assessed value of all of the equity interest of shareholders of Lusigang Power Company as at 31 January 2008 was RMB309,860,000 (equivalent to HK\$344.3 million).

CDC agreed to pay the consideration of the Equity Transfer to the Company on a lump-sum basis by way of cash within 30 days from the effective date of the Transfer Agreement.

Conditions

The Transfer Agreement will become effective on the date of fulfilling all of the following conditions:-

- (i) obtaining the relevant approval from the relevant authorities of the PRC (if applicable);

- (ii) fulfilling the relevant requirements of the articles of association of Lusigang Power Company;
- (iii) obtaining the approval from the general meeting of Lusigang Power Company;
- (iv) obtaining the approval from the relevant approval authorities of the Company; and
- (v) obtaining the approval from the relevant approval authorities of CDC.

As at the date of the announcement, the above-mentioned conditions numbered (iii) and (iv) haven been satisfied.

Information relating to Lusigang Power Company

Lusigang Power Company was incorporated at Nantong, Qidong City in Jiangsu Province in September 2003, of which 90% and 10% of its equity interest are held by the Company and Nantong Zhonghe Share Holding Co., Ltd. respectively. The registered capital of Lusigang Power Company amounts to RMB132 million. Lusigang Power Company is a project company which makes preparation for constructing and operating Lusigang Power Plant with 4 x 600 MW coal-fired power generation units. At present, Lusigang Power Company is still entrusted the construction of the project relating to the development of the afore-mentioned 4 x 600 MW coal-fired power generation units. Therefore, no revenue nor net profit (both before and after taxation and extraordinary items) were derived by Lusigang Power Company for the two years ended 31 December 2006 and 31 December 2007, respectively.

Upon completion of the Equity Transfer, the Company will own 55% equity interest in Lusigang Power Company and the results of Lusigang Power Company will continue to be consolidated into the accounts of the Company.

The net book value of the assets of Lusigang Power Company as at 31 January 2008 based on PRC GAAP was approximately RMB267,222,200

Information relating to the Company

The Company is principally engaged in the development and operation of power plants, the sale of electricity and thermal power, and the repair and testing of power equipment and power related technical services, with its main service areas in the PRC.

Information relating to CDC

CDC is a state-owned enterprise; its main scope of operations are the development, investment, construction, operation and management of power energy, organisation of power (thermal) production and sales, power technology development and consultation, and so forth.

REASONS FOR AND BENEFITS OF ENTERING INTO THE TRANSFER AGREEMENT

The sales proceeds from the Equity Transfer will be used by the Company as working capital to facilitate its business development and business diversification. Further, the Company considers that the funds obtained by the Company from the Equity Transfer can also enhance its capability in business development so as to achieve smooth coordination and progress on the future development of the Company.

The Company expects to realise a gain of RMB14,922,230 from the Equity Transfer which is calculated based on the differences between the value of the consideration (i.e., RMB108,450,000) and the net book value of the 35% equity interest of shareholders of Lusigang Power Company based on PRC GAAP as at 31 January 2008 (i.e., RMB93,527,770).

The Directors (including the independent non-executive Directors) are of the view that the terms of the Transfer Agreement were on normal commercial terms after arm's length negotiation between the parties, and that the terms of the Transfer Agreement are fair and reasonable and in the best interests of the Company and its shareholders as a whole.

CONNECTED TRANSACTION

As at the date of the Announcement, CDC held approximately 33.74% of the issued share capital of the Company. Accordingly, CDC is a connected person of the Company under the Listing Rules and therefore the Equity Transfer constitutes a connected transaction of the Company. As each of the applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) is more than 0.1% but less than 2.5%, the Equity Transfer is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules and does not require the approval by the independent shareholders of the Company. The Company will disclose the relevant details in the next published annual report and accounts of the Company in accordance with the relevant requirements as set out in Rule 14A.45 of the Listing Rules.

DEFINITIONS

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

“A Share(s)”	the domestic ordinary share(s) of the Company with a nominal value of RMB1.00 each
“Board”	the board of directors of the Company
“CDC”	China Datang Corporation, a state-owned enterprise established under the laws of the PRC and a controlling Shareholder of the Company holding approximately 33.74% of the issued share capital of the Company as at the date of the announcement
“Company”	Datang International Power Generation Co., Ltd., a sino-foreign joint stock limited company incorporated in the PRC on 13 December 1994, of which the H Shares are listed on The Stock Exchange of Hong Kong Limited and The London Stock Exchange Limited and the A Shares are listed on the Shanghai Stock Exchange
“Directors”	the directors of the Company
“Equity Transfer”	the transfer of 35% equity interest of Lusigang Power Company by the Company to CDC pursuant to the Transfer Agreement
“H Share(s)”	the overseas listed foreign shares of the Company with a nominal value of RMB1.00 each
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Lusigang Power Company”	Jiangsu Datang International Lusigang Power Generation Company Limited
“PRC”	the People’s Republic of China

“RMB”	Renminbi, the lawful currency of the PRC
“Transfer Agreement”	the transfer agreement dated 2 April 2008 entered into by the Company and CDC relating to the Equity Transfer
“%”	per cent.

Note: Unless otherwise specified and for reference only, the conversion of Hong Kong dollars into Renminbi is based on the exchange rate of HK\$1= RMB0.9 in this announcement.

By Order of the Board
Zhou Gang and Mok Chung Kwan, Stephen
 Joint Company Secretaries

Beijing, the PRC, 2 April 2008

As at the date of this announcement, the Directors are:

Zhai Ruoyu, Zhang Yi, Hu Shengmu, Fang Qinghai, Zhou Gang, Liu Haixia, Guan Tiangang, Su Tiegang, Ye Yonghui, Li Gengsheng, Xie Songlin, Liu Chaoan*, Yu Changchun* and Xia Qing**

** Independent non-executive Directors*