



Asia Power Corporation Limited

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For Immediate Release

NEWS RELEASE

Asia Power Reports Revenue Increase in 1H08 to S\$74.4 Million Despite High Coal Prices

- Revenue increased by approximately S\$8.6 million
- Hydropower plants' operations and sales of power related products contributed to gross profit increase

Financial Highlights (in S\$m)	6 months ended 30 June 2008		
	1H 2007	1H 2008	% Change
Revenue	65.8	74.4	+13.0
Gross Profit	18.7	20.4	+8.8
Net Profit for the Year	12.2	12.7	+3.6
Net Profit Attributable to Shareholders of the Company	6.6	7.4	+12.5

Singapore, August 8, 2008 – **Mainboard-listed Asia Power Corporation Limited** (“Asia Power” or “Group”) (亚洲电力投资股份有限公司), which is principally involved in the ownership, management and operation of renewable energy power plants in the People’s Republic of China (“PRC”), is pleased to announce its positive set of results for the half year ended 30 June 2008 (“1H08”).

For the period under review, the Group registered a commendable growth of 13.0% in revenue from S\$65.8 million in 1H07 to S\$74.4 million in 1H08. The growth is mainly attributed to the Group's operation of its only coal-fired power plant, Xinbao Heat and Power Co., Ltd ("Xinbao"), and sales of power related products.

In a similar vein, gross profit in 1H08 posted a jump of 8.8% to score S\$20.4 million as compared to S\$18.7 million in the previous corresponding period. The higher gross profit is largely due to the Group's hydropower plants' operations and sales of power related products.

Cost of sales increased from S\$47.1 million in 1H07 to S\$54.0 million in 1H08. This increase is in line with higher revenue generated by the Group's power related product division, and higher coal prices due to under supply and over demand of coal in the PRC market. As a result, Xinbao could only maintain similar gross profit despite higher revenue in 1H08.

Mr Sha Guangwen (沙广文), Executive Director and Chief Executive Officer of Asia Power commented, "Given the current sky high coal prices that many other power companies are faced with, we are very glad that we can still achieve a respectable revenue increase of S\$8.6 million despite this coal price phenomenon. This is partly due to the types of coal we use – lignite and bituminous coal, which are not subjected to high fluctuations in prices like that of most other types of coal. "

In correspondence to higher revenue generated in 1H08, administrative expenses increased by S\$1.1 million. The Group also benefited from an increase in its share of profit of associates from S\$1.8 million in 1H07 to S\$2.3 million in 1H08.

Overall, the Group's net profit after tax in 1H08 inched slightly upward by 3.6% to S\$12.7 million in 1H08 as compared to S\$12.2 million in 1H07. More impressively, net profit attributable to shareholders of the Company increased by 12.5% from S\$6.6 million in 1H07 to S\$7.4 million in 1H08.

Net asset value per ordinary share for 1H08 also rose by 10.7% to 23.49 cents as compared to 21.21 cents in 1H07 due to a higher current asset balance.

Despite the placement of 40 million shares issued and shares issued upon employee share options exercised, earnings per share were maintained at 1.09 cents largely due to a stronger net profit in the period under review.

Mr Sha also added, "In June 2008, the PRC government implemented an unexpected 4.5 percent hike in electricity prices. We see this as a positive sign for the Group, and this may develop into a beneficial trend for power companies, especially given the currently high market price for coal. Moreover, our income continues to be well backed by our hydropower plants, which remains our focus for further developments."

Barring any unforeseen circumstances, the Group is optimistic about the Group's performance for the remaining fiscal year ahead.

About Asia Power Corporation Limited

Listed on the Mainboard of Singapore Exchange since October 1999, Asia Power Corporation Limited is principally involved in the investment, management and operation of renewable energy power plants in China. With a focus on hydro power electricity generation plants, the Group, as of 31 Dec 2007, has invested in eight power plants with a total installed capacity of 549.1 MW and one power-related technology company in China.

Issued on behalf of Asia Power Corporation Ltd. by iGlobal Consultancy Pte Ltd

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