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大唐国际发电股份有限公司

DATANG INTERNATIONAL POWER GENERATION CO., LTD.

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

(Stock Code: 991)

ANNOUNCEMENT OF 2009 INTERIM RESULTS

OPERATING AND FINANCIAL HIGHLIGHTS:

- Operating revenue amounted to approximately RMB20,684 million, representing an increase of 18.90% over the first half of 2008.
- Net profit attributable to equity holders of the Company amounted to approximately RMB722 million, representing an increase of 53.04% over the first half of 2008.
- Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0613, representing an increase of approximately RMB0.0211 per share over the first half of 2008.

I. COMPANY RESULTS

The board of directors (the "Board") of Datang International Power Generation Co., Ltd. (the "Company") hereby announces the unaudited consolidated operating results of the Company and its subsidiaries (the "Group") prepared in conformity with the International Financial Reporting Standards ("IFRS") for the six-months ended 30 June 2009 (the "Period"), together with the unaudited consolidated operating results of the first half of 2008 (the "Corresponding Period Last Year") for comparison. Such operating results have been reviewed and confirmed by the Company's audit committee (the "Audit Committee").

Operating revenue of the Group for the Period was approximately RMB20,684 million, representing an increase of approximately 18.90% as compared to the Corresponding Period Last Year. Net profit attributable to equity holders of the Company was approximately RMB722 million, representing an increase of approximately 53.04% as compared to the Corresponding Period Last Year. Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0613, representing an increase of approximately RMB0.0211 per share as compared to the Corresponding Period Last Year.

The Board does not recommend any payment of interim dividend for 2009.

Please refer to the unaudited financial information set out in the Appendix for details of the consolidated operating results of the Group.

II. MANAGEMENT DISCUSSION AND ANALYSIS

The Group is one of the largest independent power generation companies in the People's Republic of China (the "PRC"), which is primarily engaged in power generation businesses with its main focus on coal-fired power generation. As at 30 June 2009, the Group managed a total installed capacity of 27,790.2MW. The power generation businesses of the Group are primarily distributed in the North China Power Grid, the Gansu Power Grid, the Zhejiang Power Grid, the Yunnan Power Grid, the Fujian Power Grid, the Guangdong Power Grid, the Chongqing Power Grid, the Qinghai Power Grid, the Jiangxi Power Grid and the Liaoning Power Grid.

During the Period, the Group continued the implementation of the development strategy of "pursuing the power generation business as its core development whilst complementing with synergistic diversifications", and pushed forward power-related upstream and downstream projects such as coal mining, coal chemical, railway construction and shipping at a steady pace in accordance with plans.

During the Period, impacted by the global financial crisis, the PRC's economy was faced with tough challenges, realising a growth of approximately 7.1% Gross Domestic Product (GDP) which represented a decrease of approximately 3.3 percentage-points as compared to the Corresponding Period Last Year. Although power demand saw a rebound in May and June this year, power consumption during the Period saw a decline as compared to the Corresponding Period Last Year and utilisation hours of power generation facilities were lower than that in the Corresponding Period Last Year. These factors have affected the profitability of power companies. During the Period, the consolidated average on-grid tariff of the Group saw an increase over the Corresponding Period Last Year, and the Group, with reference to the changes in the market environment, took initiatives in planning budgets, implemented measures to expand income sources and reduce expenditure, as well as ensuring steady, safe and orderly production and operation management. As a result, the Group achieved a significant growth in profit as compared to the Corresponding Period Last Year.

A. Management’s review on the operating results of various businesses (Financial data are presented according to the PRC Accounting Standards. For segment information, please refer to note 8 to the unaudited financial information attached.)

1. Power generation businesses

(1) Business review

(i) Maintained stable power production

During the Period, the operational generating units of the Group maintained safe and stable operation. No casualties or incidents regarding the production facilities occurred to the Group during the course of power production. The equivalent availability factor of operational generating units amounted to 93.41%, maintaining at relatively high levels.

During the Period, total power generation of the Group amounted to approximately 61.3117 billion kWh, representing a decrease of approximately 1.51% as compared to the Corresponding Period Last Year. Total on-grid power generation of the Group amounted to approximately 57.7371 billion kWh, representing a decrease of approximately 1.47% over the Corresponding Period Last Year. The slight decreases in total power generation and on-grid power generation year-on-year were mainly attributable to a significant decrease in utilisation hours of the Group’s power generation facilities as compared to the Corresponding Period Last Year, primarily due to the impact of the PRC’s macro-economy.

Details of the power generation of the Group during the Period (Unit: billion kWh):

No.	Power plant/company	Power generation for the first half year of 2009	Growth (%)
1	Gao Jing Thermal Power Plant	1.3539	-22.78%
2	Dou He Power Plant	3.5957	-33.91%
3	Xia Hua Yuan Power Plant	0.6924	-2.36%
4	Zhang Jia Kou Power Plant	6.2422	-16.88%
5	Tianjin Datang International Panshan Power Generation Company Limited ("Panshan Power Company")	3.1572	-9.53%
6	Inner Mongolia Datang International Tuoketuo Power Generation Company Limited ("Tuoketuo Power Company")	8.8999	-9.87%
7	Shanxi Datang International Yungang Thermal Power Company Limited ("Yungang Thermal Power Company")	2.1242	44.38%
8	Hebei Datang International Tangshan Thermal Power Company Limited ("Tangshan Thermal Power Company")	1.9276	-16.71%
9	Shanxi Datang International Shentou Power Generation Company Limited ("Shentou Power Company")	2.3104	-27.56%
10	Gansu Datang International Liancheng Power Generation Company Limited ("Liancheng Power Company")	1.4367	-33.34%
11	Hebei Datang International Wangtan Power Generation Company Limited ("Wangtan Power Company")	3.2426	-12.89%
12	Zhejiang Datang International Wushashan Power Generation Company Limited ("Wushashan Power Company")	5.9703	-5.53%
13	Guangdong Datang International Chaozhou Power Generation Company Limited ("Chaozhou Power Company")	3.3272	-4.60%

No.	Power plant/company	Power generation for the first half year of 2009	Growth (%)
14	Fujian Datang International Ningde Power Generation Company Limited ("Ningde Power Company")	3.4914	-0.40%
15	Yunnan Datang International Honghe Power Generation Company Limited ("Honghe Power Company")	1.5756	-24.53%
16	Jiangxi Datang International Xinyu Power Generation Company Limited ("Xinyu Power Company")	0.8181	-6.34%
17	Shanxi Datang International Yuncheng Power Generation Company Limited ("Yuncheng Power Company")	2.9647	34.45%
18	Inner Mongolia Datang International Hohhot Thermal Power Generation Company Limited ("Hohhot Thermal Power Company")	0.4586	119.22%
19	Chongqing Datang International Pengshui Hydropower Development Company Limited ("Pengshui Hydropower Company")	2.6167	157.09%
20	Yunnan Datang International Nalan Hydropower Development Company Limited ("Nalan Hydropower Company")	0.2045	18.48%
21	Yunnan Datang International Lixianjiang Hydropower Development Company Limited ("Lixianjiang Hydropower Company")	1.2857	181.27%
22	Inner Mongolia Datang International Duolun Hydropower Multiple Development Company Limited ("Duolun Hydropower Company")	0.0041	27.49%
23	Qinghai Datang International Zhiganglaka Hydropower Generation Development Company Limited ("Zhiganglaka Hydropower Company")	0.3570	58.10%
24	Hebei Datang International Huaze Hydropower Development Company Limited ("Huaze Hydropower Company")	0.0090	2.27%
25	Inner Mongolia Datang International Zhuozi Windpower Company Limited ("Zhuozi Windpower Company")	0.0549	12.50%
26	Inner Mongolia Datang International Tuoketuo No. 2 Power Generation Company Limited ("Tuoketuo No. 2 Power Company")	2.9386	Not Applicable
27	Liaoning Datang International Jinzhou Thermal Power Generation Company Limited ("Jinzhou Thermal Power Company")	0.1967	Not Applicable
28	Shandong Datang International Dongying Wind Power Generation Company Limited ("Dongying Windpower Company")	0.0078	Not Applicable
29	Shanxi Datang International Zuoyun Wind Power Company Limited ("Zuoyun Windpower Company")	0.0480	Not Applicable
	Total	61.3117	-1.51%

(ii) Steadily advanced with energy savings and emissions reduction

During the Period, coal consumption of the Group amounted to approximately 326.8g/kWh, representing a decrease of approximately 5.67g/kWh over the Corresponding Period Last Year, while the consolidated electricity consumption rate of power plants amounted to approximately 5.86%. Desulphurisation facilities operation rate and consolidated desulphurisation efficiency rate reached approximately 99.82% and 95.07%, respectively, representing increases of approximately 2.44 and 2.06 percentage-points year-on-year. Emission rates of sulphur dioxide, nitrogen oxides, smoke ash and waste water amounted to approximately 0.418, 1.586, 0.151 and 154g/kWh, respectively, representing decreases of approximately 72.06%, 27.97%, 41.47% and 24.88% year-on-year, which were significant decreases over the Corresponding Period Last Year.

(iii) Achieved results in expanding income sources and reducing expenditure

During the Period, utilisation hours of the Group's generating units declined significantly due to sluggish power demand. Faced with the tough operating environment, the Group persisted in increasing revenues and reducing expenses at the same time; implemented various measures simultaneously to unearth potentials; and embarked on work to increase production and generate revenue at the opportune moment when the PRC economy stabilised and rebounded. Meanwhile, benefitting from the two tariff hikes in the second half of 2008, power sales of the Group increased by approximately RMB1,329 million year-on-year, representing an increase of approximately 7.84%.

(iv) New projects commenced production as scheduled

During the Period, the Group delegated management responsibilities level-by-level according to production commencement targets, thereby ensuring that new generating units with a total capacity of approximately 2,653.5MW commenced production successfully for power generation. Of such new capacity, 1,860MW, 735MW and 58.5MW were attributable to coal-fired units, hydropower units and wind power units, respectively.

(2) Major financial indicators and analysis

(i) Operating revenue

Revenues from power and heat sales of the Group accounted for approximately 89.27% of the total operating revenue of the Group. Sales revenue from principal power generation business accounted for 88.42% of the total operating revenue.

During the Period, revenues from power and heat sales of the Group amounted to approximately RMB18,289 million and RMB176 million, respectively, representing increases of approximately 7.84% and 54.46% over the Corresponding Period Last Year. Of the revenues, revenue from power sales increased by approximately RMB1,329 million, which was mainly attributable to the two on-grid tariff adjustments in the second half of 2008.

(ii) Operating costs

During the Period, operating costs of power and heat generation of the Group increased by approximately RMB325 million and RMB3 million respectively as compared to the Corresponding Period Last Year to approximately RMB14,499 million and RMB261 million, respectively, representing increases of approximately 2.29% and 0.97%, respectively. Including which, fuel costs accounted for approximately 63.34% of the operating costs of power and heat generation of the Group. As coal consumption declined caused by the year-on-year decrease of power generation, fuel costs decreased by approximately RMB494 million over the Corresponding Period Last Year, representing a decrease of approximately 5.02%. Depreciation expenses accounted for approximately 23.90% of the costs of power and heat generation, realising an increase of approximately RMB667 million over the Corresponding Period Last Year, representing an increase of approximately 23.33%. The increase was mainly attributable to the commencement of operation of certain generating units in the second half of 2008 and the Period.

(iii) Operating profit

During the Period, operating profit from power generation amounted to approximately RMB3,790 million while gross margin was approximately 20.72%, representing an increase of approximately 4.30% over the Corresponding Period Last Year.

2. Coal chemical business

Duolun Coal Chemical Project, a project developed and constructed by the Group with a controlling interest, is located in Duolun County, Xilinguole League in the Inner Mongolia Autonomous Region. The project uses the brown coal from Shengli Coal Mine in Inner Mongolia as raw materials. It produces chemical products with the world's advanced technologies, including the pulverised coal gasification technology, the synthetic gas purification technology, the large-scale methanol synthesis technology, the methanol-to-propylene technology and the propylene polymerisation technology. It is a most advanced coal chemical project adopting clean, efficient and high value-added utilisation of coal. The ultimate products of the project are 460,000 tonnes of polypropylene per year and other by-products.

The project is in the process of construction and it is expected that the project will become a new source of profit growth of the Group upon its successful development and construction.

3. Coal business

(1) Business review

The East Unit 2 coal mine of Shengli Coal Mine, developed and constructed by the Group, is located in the central area of Shengli Coal Mine in Inner Mongolia, with a planned production scale reaching 60 million tonnes. The coal produced will be mainly used as raw materials for coal chemical projects and coal-based gas projects including Duolun Coal Chemical Project and Kesheketeng Qi Coal-based Natural Gas Project. Including which, the Phase 1 project pertains to a production scale of 10 million tonnes and has been approved by the relevant PRC authorities. During the Period, production of coal has commenced.

Meanwhile, the Group is also proceeding with the preliminary development works on the Phase 2 and Phase 3 projects of the East Unit 2 coal mine of Shengli Coal Mine in Inner Mongolia, Wujianfang Coal Mine and Kongduigou Coal Mine. The successful development of the above-mentioned coal mine projects will increase the coal self-sufficiency ratio of the Group's power plants.

(2) Major financial indicators and analysis

(i) Operating revenue

During the Period, operating revenue from the coal business amounted to approximately RMB2,117 million, accounting for approximately 10.24% of the total operating revenue of the Group, representing an increase of approximately RMB1,908 million over the Corresponding Period Last Year. The increase in operating revenue, apart from the sales of self-produced coal of the Group, was mainly attributable to the growth in coal sales business of Beijing Datang Fuel Company Limited ("Fuel Company"), a wholly-owned subsidiary of the Company.

(ii) Operating costs

During the Period, operating costs of the coal business amounted to approximately RMB2,045 million, representing an increase of approximately RMB1,840 million over the Corresponding Period Last Year. The increase in operating costs was mainly attributable to the growth in coal sales business of Fuel Company.

(iii) Operating gains

During the Period, operating profit from the coal mine business amounted to approximately RMB72 million while gross margin was approximately 3.43%, representing an increase of approximately 1.41% over the Corresponding Period Last Year.

B. Management's review on the consolidated operating results

1. Operating revenue

During the Period, the Group realised an operating revenue of approximately RMB20,684 million, representing an increase of approximately 18.90% over the Corresponding Period Last Year. Of the operating revenue, revenue from power sales increased by approximately RMB1,329 million.

2. Operating costs

During the Period, total operating costs of the Group amounted to approximately RMB17,673 million, representing an increase of approximately RMB2,208 million or approximately 14.28% over the Corresponding Period Last Year. Of the total operating costs, fuel costs accounted for approximately 64.10%. Depreciation costs accounted for approximately 20.09% of the operating costs.

3. Net finance costs

During the Period, finance costs of the Group amounted to approximately RMB2,007 million, representing an increase of approximately RMB419 million or approximately 26.34% over the Corresponding Period Last Year. The significant increase was mainly due to the increase in the drawdown of borrowings and the termination of capitalisation of interests for newly operated generating units, resulting in an increase in interest expensing off during the Period.

4. Profit before income tax expense and net profit

During the Period, the Group reported a total profit before income tax expense amounting to approximately RMB1,346 million, representing an increase of approximately 126.64% over the Corresponding Period Last Year. Net profit attributable to equity holders of the Company amounted to approximately RMB722 million, representing an increase of approximately 53.04% over the Corresponding Period Last Year. The increase in profit of the Group was mainly attributable to the increase in sales revenue.

5. Financial position

As at 30 June 2009, total assets of the Group amounted to approximately RMB166.691 billion, representing an increase of approximately RMB9,299 million over the end of 2008. The increase in total assets mainly resulted from the implementation of the expansion strategy by the Group which led to a corresponding increase in investments in construction-in-progress.

Total liabilities of the Group amounted to approximately RMB136.544 billion, representing an increase of approximately RMB9,796 million over the end of 2008. Of the total liabilities, long-term liabilities increased by approximately RMB18,701 million over the end of 2008. The increase in total liabilities was mainly due to an increase in the Group's borrowing level so as to meet the needs of daily operations and infrastructure construction. Equity attributable to equity holders of the Company amounted to approximately RMB25,475 million, representing a decrease of approximately RMB515 million over the end of 2008. Net asset value per share attributable to equity holders of the Company amounted to approximately RMB2.16, representing a decrease of approximately RMB0.05 per share over the end of 2008.

6. Liquidity

As at 30 June 2009, the asset-to-liability ratio of the Group was approximately 81.91%. The net debt-to-equity ratio (i.e. (loans + medium-term notes + short-term bonds – cash and cash equivalents – bank deposits with a maturity of over 3 months)/total equity) was approximately 376%.

As at 30 June 2009, cash and cash equivalents and bank deposits with a maturity of over 3 months of the Group amounted to approximately RMB1,874 million, of which deposits equivalent to approximately RMB138 million were foreign currency deposits. The Group had no entrusted deposits and overdue fixed deposits during the Period.

As at 30 June 2009, short-term loans of the Group amounted to approximately RMB21,172 million, bearing annual interest rates ranging from 2.10% to 7.47%. Long-term loans (excluding those repayable within 1 year) amounted to approximately RMB84,034 million and long-term loans repayable within 1 year amounted to approximately RMB3,484 million. All long-term loans (including those repayable within 1 year) were at annual interest rates ranging from 1.61% to 7.83%. Loans of approximately RMB1,482 million was denominated in US dollar while a loan of approximately RMB618 million was denominated in HK dollar. The Group paid close attention to foreign exchange market fluctuations constantly and cautiously assessed foreign currency risks. Part of the borrowings of the Group was pledged against assets including accounts receivable and property, plant and equipment, etc. For details, please refer to notes 4 and 7 to the unaudited financial information attached.

7. Welfare policy

As at 30 June 2009, the Group had 13,908 staff. During the Period, wages and staff welfare of the Group amounted to RMB901 million. The Group adopted a basic remuneration system with salaries determined-by-positions. It also adopted an incentive system based on assessments of profit accountabilities, as well as assessments of senior management executives of group entities in terms of their performance on assets operation, production safety and cultivation of party's disciplines and integrity culture. The Group attached importance to the staff's personal growth and vocational training and implemented an incentive system of "integrating training, application and remuneration". Adopting a basic principle of "scientifically classifying staff groups and providing training according to varied needs", the Group adhered to its strategy of preserving talents and establishing a strong enterprise, relied on its three-tier management structure, and pushed forward training to all staff level by level.

C. Outlook for the second half of 2009

In the second half of 2009, the Group has a daunting task on maintaining stable and healthy development whilst being faced with both opportunities and challenges. As the macro-economy of the PRC is gradually recovering, power demand is expected to have a growth trend in the second half of the year, thereby easing considerably the pressure on the operation of the Group. However, the uncertainties arising from key-contract coal prices; the volatilities arising from market coal prices; the relatively low utilisation hours; and continuous increase in finance costs will further impose pressure on the operations of the Group.

Faced with a difficult operating environment, the Group will actively expand its room for development and strengthen its marketing and sales efforts by fully leveraging its advantages in resources, scale, geographical distribution and costs, aiming to achieve the power generation target for the year. It will exercise stringent cost controls and strive to contain unit fuel cost increase, with a view to enhancing the profitability of the Company.

In the second half of 2009, the Group will focus on the following tasks:

1. Strengthening production safety and management and ensuring stable operations of its generating units;
2. Implementing the power generation increment plan, ensuring adequate fuel supply, increasing revenues and reducing expenses, and enhancing economic efficiency;
3. Fulfilling its social obligation on environmental protection by striving to expedite energy-saving and emissions reduction, ensuring that the Group achieves a 100% rate of desulphurisation facility installation for all coal-fired units, with the desulphurisation facility operation rate and desulphurisation efficiency both reaching 95%;
4. Actively pushing forward preliminary works in an orderly manner. The Company will have a proper control in different phases of its construction-in-progress so as to complete commissioning of its generation units in a safe and high quality manner through adhering to the principle of ensuring synchronised advancement in safety, quality, progress and production preparation;
5. Continuing the implementation of the Company's diversified development strategy by actively pursuing the expansion of the Company in projects of coal-fired power, hydropower, wind power and nuclear power, as well as pursuing the development of power-related upstream and downstream projects such as coal mining, coal chemical and railway, with a view to ensuring the Company's sustainable development;
6. Actively expanding financing channels to secure fundings for the Company's scale development;
7. Comprehensively strengthening risk prevention and control. The Company will establish a sound risk prevention and control system so as to effectively safeguard the safety and integrity of its properties and assets and to facilitate an effective operation of the Company.

III. SHARE CAPITAL AND DIVIDENDS

1. Share capital

As at 30 June 2009, total share capital of the Company amounted to 11,780,037,578 shares, divided into 11,780,037,578 shares carrying a nominal value of RMB1.00 each.

2. Shareholding of substantial shareholders

So far as the directors of the Company are aware, as at 30 June 2009, the persons below held the interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company under section 336 of the Securities and Futures Ordinance (the “SFO”) (Chapter 571 of the Laws of Hong Kong):

Name of shareholder	Class of shares	Number of shares held	Approximate percentage to total issued share capital of the Company (%)	Approximate percentage to total issued A Shares of the Company (%)	Approximate percentage to total issued H Shares of the Company (%)
China Datang Corporation	A shares	3,959,241,160	33.61	46.77	–
	H shares	234,680,000(L)	1.99(L)	–	7.08(L)
Beijing Energy Investment (Group) Company Limited	A shares	1,343,584,800	11.41	15.87	–
Hebei Construction Investment Company	A shares	1,303,878,100	11.07	15.40	–
Tianjin Jinneng Investment Company	A shares	1,212,012,600	10.29	14.32	–
Barclays PLC	H shares	263,464,802(L)	2.24(L)	–	7.95(L)
		13,371,568(S)	0.11(S)	–	0.40(S)

(L) means Long Position (S) means Short Position (P) means Lending Pool

3. Dividends

The distribution proposal on the payment of cash dividends for the year of 2008 was considered and approved at the 2008 annual general meeting of the Company held on 3 June 2009. The above distribution proposal was completed before the date of this announcement.

The Board does not recommend the payment of any interim dividend for 2009.

4. Shareholding of the directors and supervisors

As at 30 June 2009, Mr. Fang Qinghai, a director of the Company, was interested in 24,000 A shares of the Company. Save as disclosed above, none of the directors, supervisors and chief executives of the Company nor their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of the SFO) that were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) under the provisions of Divisions 7 and 8 of Part XV of the SFO, or required to be recorded in the register mentioned in the SFO pursuant to section 352 or otherwise required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) in Appendix 10 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “Listing Rules”).

IV. SIGNIFICANT EVENTS

- Pursuant to the resolutions passed at the twenty-third meeting of the sixth session of the Board held on 30 March 2009 by the Company, the Company agreed to appoint Mr. Liu Lizhi and Mr. Wang Zhenbiao as Deputy General Managers of the Company with their terms of office effective from 30 March 2009.
- Pursuant to the resolutions passed at the first meeting of the fourth session of Staff Representatives Congress held on 18 May 2009 by the Company, the Company agreed that Mr. Qiao Xinyi and Mr. Guan Zhenquan would serve as the supervisors representing the staff for the sixth session of the Supervisory Committee, for terms from 18 May 2009 to 30 June 2010. Mr. Zhang Jie and Mr. Shi Xiaofan ceased to be the supervisors representing the staff of the Company.
- Pursuant to the resolutions passed at the eleventh meeting of the sixth session of the Supervisory Committee held on 26 May 2009 by the Company, the Company agreed to appoint Mr. Qiao Xinyi as Chairman of the sixth session of the Supervisory Committee of the Company for a term from 26 May 2009 to 30 June 2010. Mr. Zhang Jie ceased to be Chairman of the Supervisory Committee of the Company.

V. PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Period, the Group has not purchased, sold or redeemed any of the listed securities of the Company.

VI. COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

To the knowledge of the Board, the Company has complied with all the code provisions under the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules during the Period.

VII. COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

Upon specific enquiries made to all the directors of the Company and in accordance with the information provided, the Board confirmed that all directors of the Company have complied with the provisions under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules during the Period.

VIII. AUDIT COMMITTEE

The Audit Committee has reviewed the accounting principles and methods adopted by the Group with the management of the Company. They have also discussed matters regarding internal controls and the annual financial statements, including the review of the financial information for the Period.

The Audit Committee considers that the 2009 interim financial report of the Group has complied with the applicable accounting standards, and that the Group has made appropriate disclosures thereof.

By Order of the Board

Zhai Ruoyu

Chairman

Beijing, the PRC, 17 August 2009

As at the date of this announcement, the directors of the Company are:

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

** Independent non-executive directors*

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET (UNAUDITED)

As at 30 JUNE 2009

(Amounts expressed in thousands of Renminbi ("Rmb"))

	<i>Note</i>	30 June 2009	31 December 2008 (Restated) (Note 1)
ASSETS			
Non-current assets			
Property, plant and equipment		141,533,249	133,827,482
Investments in jointly controlled entities		1,637,802	1,302,097
Investments in associates		2,289,610	2,050,393
Available-for-sale investments		900,343	675,849
Land use rights		1,256,320	1,231,322
Deferred housing benefits		178,461	193,469
Intangible assets		2,047,354	2,031,158
Long-term entrusted loans to associates		123,273	50,104
Other long-term assets		137,862	79,350
Deferred income tax assets		735,362	710,559
		150,839,636	142,151,783
Current assets			
Inventories		2,003,604	2,142,761
Prepayments and other receivables		6,302,067	2,335,552
Accounts and notes receivable	3	5,289,488	4,301,207
Fixed deposits over three months		28,000	30,000
Restricted cash		381,931	460,477
Cash and cash equivalents		1,846,337	4,977,691
Assets of disposal group classified as held for sale		–	992,146
		15,851,427	15,239,834
Total assets		166,691,063	157,391,617
EQUITY AND LIABILITIES			
Capital and reserves attributable to the Company's equity holders			
Share capital		11,780,038	11,780,038
Reserves		12,620,400	11,483,771
Retained earnings			
– Proposed final dividend		–	1,295,804
– Others		1,074,881	1,430,392
		25,475,319	25,990,005
Minority interests		4,672,192	4,654,462
Total equity		30,147,511	30,644,467
Non-current liabilities			
Long-term loans	4	84,034,415	68,130,422
Long-term bonds	5	3,000,000	–
Deferred income		520,148	475,212
Deferred income tax liabilities		370,777	395,539
Other long-term liabilities		3,947,341	4,170,097
		91,872,681	73,171,270
Current liabilities			
Accounts payable and accrued liabilities	6	15,364,578	13,144,818
Taxes payable		644,465	381,272
Dividend payable		36,693	145
Short-term loans	7	21,172,052	29,584,108
Short-term bonds		3,500,000	3,500,000
Current portion of long-term liabilities	4	3,953,083	6,821,589
Liabilities of disposal group classified as held for sale		–	143,948
		44,670,871	53,575,880
Total liabilities		136,543,552	126,747,150
Total equity and liabilities		166,691,063	157,391,617

The accompanying notes are an integral part of this unaudited condensed consolidated interim financial information.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the six months ended 30 June 2009

(Amounts expressed in thousands of Rmb, except per share data)

		For the six months ended 30 June	
	Note	2009	2008
			(Restated)
			(Notes 1 and 2)
Operating revenue	8	20,683,761	17,395,565
Operating costs			
Local government surcharges		(186,361)	(175,141)
Fuel-power generation		(9,349,143)	(9,843,501)
Fuel-coal sales		(1,978,614)	(213,115)
Depreciation		(3,549,784)	(2,878,173)
Repairs and maintenance		(761,913)	(657,718)
Wages and staff welfares		(901,340)	(914,105)
Others		(945,662)	(782,964)
		(17,672,817)	(15,464,717)
Operating profit		3,010,944	1,930,848
Share of post-tax (loss)/profit of jointly controlled entities		(7,495)	24,752
Share of post-tax profit of associates		185,747	195,789
Interest income		19,513	31,318
Finance costs		(2,007,402)	(1,588,853)
Other gain	12	144,633	—
Profit before income tax (expense)/benefit		1,345,940	593,854
Income tax (expense)/benefit	9	(225,109)	28,130
Profit for the period		1,120,831	621,984
Other comprehensive income/(loss), net of tax			
Fair value loss on available-for-sale financial assets		—	(1,508,116)
Share of other comprehensive income/(loss) of associates, net of tax		50,110	(234,113)
Currency translation differences		(148)	25,828
Other comprehensive income/(loss) for the period, net of tax		49,962	(1,716,401)
Total comprehensive income/(loss) for the period		1,170,793	(1,094,417)
Profit attributable to:			
– Equity holders of the Company		721,960	471,757
– Minority interests		398,871	150,227
		1,120,831	621,984
Total comprehensive income/(loss) attributable to:			
– Equity holders of the Company		771,922	(1,244,644)
– Minority interests		398,871	150,227
		1,170,793	(1,094,417)
Earnings per share for profit attributable to the equity holders of the Company during the period			
– basic (Rmb)	10	0.0613	0.0402
– diluted (Rmb)	10	0.0613	0.0402
Dividends proposed and paid		1,295,804	1,408,582

The accompanying notes are an integral part of this unaudited condensed consolidated interim financial information.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the six months ended 30 June 2009

(Amounts expressed in thousands of Rmb unless otherwise stated)

1. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial information of Datang International Power Generation Co., Ltd. (the “Company”) and its subsidiaries for the six months ended 30 June 2009 has been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”. The unaudited condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2008.

As at 30 June 2009, a significant portion of the funding requirements of the Company and its subsidiaries for capital expenditure was satisfied by short-term borrowings. Consequently, as at 30 June 2009, the Company and its subsidiaries had a negative working capital balance of approximately Rmb28,819 million (31 December 2008: Rmb38,336 million). The Company and its subsidiaries had significant undrawn borrowing facilities, subject to certain conditions, amounting to approximately Rmb100.02 billion (31 December 2008: Rmb38.16 billion) and may refinance and/or restructure certain short-term loans into long-term loans and will also consider alternative sources of financing, where applicable. The directors of the Company and its subsidiaries are of the opinion that the Company and its subsidiaries will be able to meet its liabilities as and when they fall due within the next twelve months and have prepared this unaudited condensed consolidated interim financial information on a going concern basis.

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2008, as described in those annual financial statements.

(a) Change of accounting policies as a result of change in standard requirements

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2009.

- IAS 1 (revised), ‘Presentation of financial statements’. The revised standard prohibits the presentation of items of income and expenses (that is ‘non-owner changes in equity’) in the statement of changes in equity, requiring ‘non-owner changes in equity’ to be presented separately from owner changes in equity. All ‘non-owner changes in equity’ are required to be shown in a performance statement.

Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income).

The Company and its subsidiaries elected to present one performance statement and this unaudited condensed consolidated interim financial information has been prepared under the revised disclosure requirements.

- Amendments to International Financial Accounting Standard (“IFRS”) 1 and IAS 27, ‘Cost of an investment in a subsidiary, jointly controlled entity or associate’, which the amendments to part of IAS 27 are relevant to the Company and its subsidiaries. The amendments to IAS 27 remove the definition of cost method and require an entity to recognise a dividend from a subsidiary, jointly controlled entity or associate in statement of comprehensive income in its separate financial statements when its right to receive the dividend is established. The Company and its subsidiaries apply the amendments prospectively from 1 January 2009 in their separate financial statements.
- IFRS 8, ‘Operating segments’. IFRS 8 replaces IAS 14, ‘Segment reporting’. It requires a ‘management approach’ under which segment information is presented on the same basis as that used for internal reporting purposes. The Company and its subsidiaries categorised their operating activities into power generation segment, chemical segment, coal segment and other segments for the purpose of segment reporting.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-makers have been identified as executive directors and certain senior management of the Company that make strategic decisions.

IFRS 8 revised certain disclosure items which the Company and its subsidiaries have restated comparative information accordingly.

- Amendment to IFRS 7, ‘Financial instruments: disclosures’. The amendment increases the disclosure requirements about fair value measurement and reinforces existing principles for disclosure about liquidity risk. The amendment introduces a three-level hierarchy for fair value measurement disclosures about financial instruments and requires some specific quantitative disclosures for those financial instruments classified in the lowest level in the hierarchy. It also requires entities to provide additional disclosures about the relative reliability of fair value measurements. In addition, the amendment clarifies and enhances the existing requirements for the disclosure of liquidity risk primarily requiring a separate liquidity risk analysis for derivative and non-derivative financial liabilities. The Company and its subsidiaries will make additional relevant disclosures in its financial statements ending 31 December 2009.

(b) Change of accounting policy on jointly controlled entities at consolidation level

In 2007, the Company and its subsidiaries accounted for investments in jointly controlled entities under proportionate consolidation method at consolidation level, which is consistent with the accounting policy under PRC Accounting Standards ("PRC GAAP") and IFRS. In 2008, according to the CAS Interpretation No. 2 issued by the Ministry of Finance of the People's Republic of China ("MOF") released in September 2008, jointly controlled entities are no longer allowed to be proportionately consolidated and only the equity method is allowed when preparing consolidated financial statements. Since the Company is listed in both the People's Republic of China (the "PRC") and Hong Kong and publishes financial statements under both PRC GAAP and IFRS simultaneously, to keep the comparability of the financial information produced under PRC GAAP and IFRS, the directors changed the accounting policy of jointly controlled entities under IFRS from proportionate consolidation into equity method at consolidation level as at 2008 year end, which has been retrospectively applied. Accordingly, this 2008 consolidated interim operating results were restated as follows. There is no impact on the earnings per share as a result of such a change.

	For the six months ended 30 June 2008
Reduction in operating revenue	(256,386)
Reduction in operating costs	(210,007)
Increase in share of post-tax profit of jointly controlled entities	24,752
Reduction in interest income	(1,327)
Reduction in finance costs	(24,202)
Increase in income tax expense	55
Increase in cash and cash equivalents	28,391

(c) Adjustment on statutory surplus reserve

In year 2009, the Company and its subsidiaries adopted CAS Interpretation No. 3 promulgated by MOF on 11 June 2009 since 1 January 2009. According to CAS Interpretation No. 3, the Company and its subsidiaries recorded certain retrospective adjustments under PRC GAAP and adjusted statutory surplus reserves accordingly. In order to ensure the distributable reserve under IFRS is not affected by the adjustments at each period above, directors of the Company and its subsidiaries retrospectively reclassified the same amounts from retained earnings to statutory surplus reserve accordingly under IFRS. Please refer to Note 11 for further details.

2. CORRECTION OF PRIOR PERIOD ERRORS

As at 2008 year end, an error was discovered whereby an associate engaged in coal mining business accrued certain provisions that did not meet the definition of liabilities under IFRS during 2007 and 2008. This error was corrected subsequently and disclosed in 2008 annual financial statements. The 2008 interim comparative figure of share of post-tax profit of associates was also increased by Rmb67.779 million accordingly. The basic and diluted earnings per share for profit attributable to equity holders of the Company for the six months ended 30 June 2008 were increased by Rmb0.0058 and Rmb0.0058, respectively.

3. ACCOUNTS AND NOTES RECEIVABLE

Accounts and notes receivable of the Company and its subsidiaries primarily represent receivables from regional or provincial grid companies for tariff revenue and coal sales customers. These receivables are unsecured and non-interest bearing.

As at 30 June 2009, certain accounts receivable and tariff collection rights of Rmb2,796 million (31 December 2008: Rmb1,506 million) were pledged for bank loans (Notes 4(a) and 7(a)).

The Company and its subsidiaries usually grant about one month's credit period to local power grid customers and coal purchase customers from the end of the month in which the sales are made. Ageing analysis of accounts and notes receivable is as follows:

	30 June 2009	31 December 2008
Within 1 year	5,286,477	4,298,196
Between 1 to 2 years	3,011	3,011
	5,289,488	4,301,207

4. LONG-TERM LOANS

	30 June 2009	31 December 2008
Long-term bank loans (a)	84,989,150	72,309,093
Other long-term loans (b)	2,529,670	2,173,232
Entrusted loan (c)	–	110,000
	87,518,820	74,592,325
Less: amounts due within one year included under current liabilities	(3,484,405)	(6,461,903)
	<u>84,034,415</u>	<u>68,130,422</u>

(a) Long-term bank loans

30 June 2009				
Foreign currency	Rmb equivalent	Less: amounts due within one year	Non-current portion	Annual interest rate
'000				
Unsecured loans				
– Rmb denominated	38,099,876	(1,373,500)	36,726,376	4.62%-7.05%
Guaranteed loans (i)				
– Rmb denominated	7,376,880	(1,313,000)	6,063,880	3.60%-6.72%
– USD denominated	49,571	338,649	10,823	LIBOR+1.2%/4.14%
Secured loans (ii)				
– Rmb denominated	39,173,745	(417,625)	38,756,120	4.86%-7.83%
Total	<u>84,989,150</u>	<u>(3,431,951)</u>	<u>81,557,199</u>	
31 December 2008				
Foreign currency	Rmb equivalent	Less: amounts due within one year	Non-current portion	Annual interest rate
'000				
Unsecured loans				
– Rmb denominated	29,897,070	(3,069,770)	26,827,300	4.86%-7.74%
Guaranteed loans (i)				
– Rmb denominated	7,477,850	(1,388,170)	6,089,680	3.60%-7.83%
– USD denominated	73,564	502,783	174,812	LIBOR+1.2%/4.14%
Secured loans (ii)				
– Rmb denominated	34,431,390	(1,257,585)	33,173,805	5.10%-7.83%
Total	<u>72,309,093</u>	<u>(6,043,496)</u>	<u>66,265,597</u>	

- (i) As at 30 June 2009, long-term bank loans of approximately Rmb6,820 million were guaranteed by the Company (31 December 2008: Rmb6,767 million) while approximately Rmb880 million (31 December 2008: Rmb1,214 million) were guaranteed by minority shareholders of certain subsidiaries.

As at 30 June 2009, long-term bank loan of approximately Rmb15 million (31 December 2008: nil) were guaranteed by Jiangxi Provincial Investment Corporation.

- (ii) As at 30 June 2009, long-term bank loans of Rmb1,025 million (31 December 2008: Rmb810 million) were secured by the following assets:

	30 June 2009	31 December 2008
Bank balances and cash	4,071	8,277
Accounts and notes receivable	27,974	10,757
Prepayments and other receivables	14,102	14,168
Inventories	436	436
Property, plant and equipment	1,666,330	1,706,359
	<u>1,712,913</u>	<u>1,739,997</u>

As at 30 June 2009, certain long-term bank loans of Rmb6 million (31 December 2008: Rmb30 million) were secured by equity interest of a subsidiary while long-term bank loans of Rmb38,143 million (31 December 2008: Rmb33,591 million) were secured by tariff collection right of certain subsidiaries.

(b) **Other long-term loans**

30 June 2009				
	Foreign currency	Rmb equivalent	Less: amounts due within one year	Non-current portion
	'000			Annual interest rate
Unsecured loans (i)				
– Rmb denominated		1,200,000	–	1,200,000
				4.86%-5.35%
Guaranteed loans				
– Rmb denominated (ii)		220,000	–	220,000
				4.86%
– USD denominated (iii)	162,425	1,109,670	(52,454)	1,057,216
				Approximately 1.61%
Total		<u>2,529,670</u>	<u>(52,454)</u>	<u>2,477,216</u>
31 December 2008				
	Foreign currency	Rmb equivalent	Less: amounts due within one year	Non-current portion
	'000			Annual interest rate
Unsecured loans (i)				
– Rmb denominated		810,000	–	810,000
				4.86%-7.35%
Guaranteed loans				
– Rmb denominated (ii)		203,500	(203,500)	–
				6.80%
– USD denominated (iii)	169,685	1,159,732	(104,907)	1,054,825
				Approximately 3.29%
Total		<u>2,173,232</u>	<u>(308,407)</u>	<u>1,864,825</u>

- (i) It represented unsecured loan from China Datang Group Finance Company Limited (“Datang Finance”), a non-bank financial institution and an associate of the Company.
- (ii) It represented loan borrowed by the Company and its subsidiaries from Datang Finance and guaranteed by the Company.
- (iii) It represented loan borrowed by MOF from International Bank for Reconstruction and Development (“World Bank”) and on-lent to a subsidiary of the Company for the construction of electricity utility plant, with the maturities from 1998 to 2017. The effective annual interest rate was LIBOR Base Rate plus LIBOR Total Spread as defined in the loan agreement between MOF and World Bank. China Datang Corporation provided guarantees on 60% of the loan balance.

(c) Entrusted loan

As at 31 December 2008, entrusted loan represented an unsecured loan borrowed by Inner Mongolia Datang International Hohhot Thermal Power Generation Company Limited from Tuketuo Guoneng Investment Company Limited through Bank of Communication Beijing Branch, bearing annual interest at 7.47%. As at 30 June 2009, the loan has been fully repaid.

5. LONG-TERM BONDS

As at 30 June 2009, medium-term notes represented unsecured notes issued by the Company in inter-bank market on 3 March 2009 with par value of Rmb100 each totalling Rmb3 billion. Such medium-term notes are 5-year term with annual interest rate of 4.10%. As at 30 June 2009, accrued interests for these notes amounted to Rmb41 million.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	30 June 2009	31 December 2008
Accounts and notes payable	14,256,431	12,159,099
Other payables and accrued liabilities	1,108,147	985,719
	<u>15,364,578</u>	<u>13,144,818</u>

Ageing analysis of accounts and notes payable was as follows:

	30 June 2009	31 December 2008
Within 1 year	12,235,514	9,798,639
Between 1 to 2 years	1,185,578	1,834,367
Over 2 years	835,339	526,093
	<u>14,256,431</u>	<u>12,159,099</u>

7. SHORT-TERM LOANS

	30 June 2009	31 December 2008
Short-term bank loans (a)	19,107,172	25,982,130
Other short-term loans (b)	2,064,880	3,601,978
	<u>21,172,052</u>	<u>29,584,108</u>

(a) **Short-term bank loans**

			30 June 2009		
			Foreign currency	Rmb equivalent	Annual interest rate
			'000		
Unsecured loans					
– Rmb denominated				16,053,961	4.17%-7.47%
– USD denominated			5,002	34,173	USD 3 months LIBOR+350 BP
Guaranteed loans					
– Rmb denominated (i)				2,251,600	4.78%-7.47%
– HKD denominated (ii)			700,000	618,438	2.27%
Secured loans					
– Rmb denominated (iii)				149,000	2.10%-2.25%
				19,107,172	
			31 December 2008		
			Foreign currency	Rmb equivalent	Annual interest rate
			'000		
Unsecured loans					
– Rmb denominated				19,438,876	4.78%-7.47%
– USD denominated			9,600	65,612	4.00%/USD 3 months LIBOR+350 BP
Guaranteed loans					
– Rmb denominated (i)				5,277,000	5.99%-7.74%
– HKD denominated (ii)			700,000	617,323	4.35%
Secured loans					
– Rmb denominated (iii)				268,800	5.04%-6.03%
Discounted notes receivable					
– Rmb denominated (iv)				314,519	0%-0.37%
				25,982,130	

(i) As at 30 June 2009, the Company provided guarantees for short-term bank loans, including which Rmb540 million (31 December 2008: Rmb927 million) of which were counter-guaranteed by the minority shareholders of certain subsidiaries at their respective equity interests.

(ii) As at 30 June 2009 and 31 December 2008, the HKD denominated short-term bank loans were guaranteed by the headquarters of Bank of China and counter-guaranteed by the Company.

(iii) As at 30 June 2009, certain short-term bank loans of Rmb149.0 million (31 December 2008: Rmb252.5 million) were secured by accounts receivable of certain subsidiaries.

As at 31 December 2008, short-term bank loans of Rmb16.3 million were secured by tariff collection rights of certain subsidiaries. There was no such secured short-term bank loan as at 30 June 2009.

(iv) The amount represented the discounted notes receivable with recourse. Interest on certain discounted notes is 0% as those interest is borne by the drawers.

(b) Other short-term loans – Rmb denominated

	30 June 2009	31 December 2008
Unsecured loans		
– Datang Finance	1,564,880	2,504,000
– Jilin Province Trust and Investment Co., Ltd.	500,000	500,000
Guaranteed loans		
– CITIC Trust and Investment Co. Ltd. (“CITIC”) (i)	–	497,978
– Zhongrong International Trust Company (“Zhongrong Trust”)(ii)	–	100,000
	2,064,880	3,601,978

(i) It represented loan acquired by Yunnan Datang International Lixianjiang Hydropower Development Company Limited from CITIC, which was guaranteed by China Construction Bank.

(ii) It represented a borrowing from Zhongrong Trust, for which the Industrial and Commercial Bank of China Shanxi Branch committed to provide a loan facility to Shanxi Datang International Yuncheng Power Generation Company Limited for the repayment of the borrowings upon maturity.

8. OPERATING REVENUE AND SEGMENT REPORTING

	For the six months ended 30 June	
	2009	2008
Sales of electricity	18,288,619	16,959,162
Heat supply	175,767	113,794
Sales of coal	2,117,230	209,117
Transportation service fees	24,751	27,683
Others	77,394	85,809
	20,683,761	17,395,565

Executive directors and certain senior management of the Company perform the function as chief operating decision makers (collectively referred to as the “senior management”). The senior management reviews the internal reporting of the Company and its subsidiaries in order to assess performance and allocate resources. Senior management has determined the operating segments based on these reports.

Senior management considers the business from a product perspective. Senior management primarily assesses the performance of power generation, chemical and coal separately. Other operating activities include investments in transportation services, financial services, etc., and are included in “other segments”.

Senior management assesses the performance of the operating segments based on a measure of profit before income tax (expense)/benefit prepared under PRC accounting standards.

Segment assets exclude deferred income tax assets. Segment liabilities exclude the current income tax liabilities and deferred income tax liabilities. Sales between operating segments are marked to market or contracted close to market price and have been eliminated at consolidation level. Unless otherwise noted below, all such financial information in the segment tables below is prepared under PRC GAAP.

						(Under PRC GAAP)	
						Total	
						discontinued	
	Power	Chemical	Coal	Other	Total	operations	
	generation	segment	segment	segments	continuing	(coal	Total
	segment				operations	segment)	
For the six months ended 30 June 2009							
Segment revenue							
Total revenue	18,498,130	1,540	2,355,372	–	20,855,042	–	20,855,042
Inter-segment revenue	(2,648)	–	(168,633)	–	(171,281)	–	(171,281)
External revenue	18,495,482	1,540	2,186,739	–	20,683,761	–	20,683,761
Segment results	1,118,938	(31,599)	63,245	86,396	1,236,980	40,000	1,276,980
Depreciation and amortisation	(3,540,331)	(1,624)	(20,786)	–	(3,562,741)	–	(3,562,741)
Net gain on disposal of property, plant and equipment	19,406	–	–	–	19,406	–	19,406
Discontinued operations	–	–	–	–	–	40,000	40,000
Interest income	15,411	3,083	1,019	–	19,513	–	19,513
Interest expense	(1,955,383)	–	(11,164)	–	(1,966,547)	–	(1,966,547)
Share of post-tax (loss)/profit of jointly controlled entities	(24,892)	–	2,382	–	(22,510)	–	(22,510)
Share of post-tax (loss)/profit of associates	(52,706)	–	126,998	56,223	130,515	–	130,515
Income tax (expense)/benefit	(237,234)	4,204	14,778	–	(218,252)	–	(218,252)
For the six months ended 30 June 2008							
Segment revenue							
Total revenue	17,111,579	1,662	5,202,957	–	22,316,198	–	22,316,198
Inter-segment revenue	(835)	–	(4,919,798)	–	(4,920,633)	–	(4,920,633)
External revenue	17,110,744	1,662	283,159	–	17,395,565	–	17,395,565
Segment results	365,538	(21,734)	189,474	19,455	552,733	–	552,733
Depreciation and amortisation	(2,873,688)	(2,670)	(17,057)	–	(2,893,415)	–	(2,893,415)
Net loss on disposal of property, plant and equipment	(2,510)	–	–	–	(2,510)	–	(2,510)
Interest income	29,353	663	1,302	–	31,318	–	31,318
Interest expense	(1,629,527)	(25)	(18,227)	–	(1,647,779)	–	(1,647,779)
Share of post-tax profit of jointly controlled entities	–	–	15,834	–	15,834	–	15,834
Share of post-tax profit of associates	6,179	–	102,375	19,455	128,009	–	128,009
Income tax benefit/(expense)	50,373	–	(19,831)	–	30,542	–	30,542

						(Under PRC GAAP) Total discontinued operations (coal segment)	Total
	Power generation segment	Chemical segment	Coal segment	Other segments	Total continuing operations		
30 June 2009							
Segment assets	149,324,146	20,732,165	10,219,146	1,453,530	181,728,987	–	181,728,987
Including:							
Investments in jointly controlled entities	731,299	–	826,112	–	1,557,411	–	1,557,411
Investments in associates	294,283	2,637	1,337,877	659,636	2,294,433	–	2,294,433
Additions to non-current assets (other than financial assets and deferred income tax assets)	8,890,491	2,234,447	891,505	–	12,016,443	–	12,016,443
Segment liabilities	124,849,184	19,624,102	7,512,390	–	151,985,676	–	151,985,676
31 December 2008							
Segment assets	142,560,838	17,978,028	8,166,766	1,122,703	169,828,335	1,132,146	170,960,481
Including:							
Investments in jointly controlled entities	412,991	–	814,015	–	1,227,006	–	1,227,006
Investments in associates	343,628	2,637	1,173,648	553,303	2,073,216	–	2,073,216
Additions to non-current assets (other than financial assets and deferred income tax assets)	29,158,320	9,599,891	5,188,059	–	43,946,270	747,626	44,693,896
Segment liabilities	116,607,970	16,606,693	6,939,774	–	140,154,437	7,700	140,162,137

A reconciliation of segment results to profit before income tax (expense)/benefits presented in the unaudited condensed consolidated interim statement of comprehensive income is provided as follow:

	For the six months ended 30 June	
	2009	2008
Segment results	1,276,980	552,733
Reconciling items:		
Elimination among segments	(2,525)	(1,833)
IFRS adjustment on reversal of general provision on mining funds	86,491	76,702
Other IFRS adjustments	(15,006)	(33,748)
Profit before income tax (expense)/benefit per consolidated statement of comprehensive income	1,345,940	593,854

A reconciliation of total segment assets to total assets presented in unaudited condensed consolidated interim balance sheet is provided as follows:

	30 June 2009	31 December 2008
Total segment assets	181,728,987	170,960,481
Reconciling items:		
Deferred income tax assets	738,122	686,703
Elimination between segments	(16,685,490)	(14,418,695)
IFRS adjustment on reversal of general provision on mining funds	75,569	52,268
Reclassification of value-added tax recoverables	764,642	–
Other IFRS adjustments	69,233	110,860
Total assets per consolidated balance sheet	<u>166,691,063</u>	<u>157,391,617</u>

A reconciliation of total segment liabilities to total liabilities presented in unaudited condensed consolidated interim balance sheet is provided as follows:

	30 June 2009	31 December 2008
Total segment liabilities	151,985,676	140,162,137
Reconciling items:		
Current income tax liabilities	104,232	423,755
Deferred income tax liabilities-continuing operations	365,330	370,333
Deferred income tax liabilities-discontinued operations	–	136,247
Elimination among segments	(16,681,771)	(14,370,529)
Reclassification of value-added tax recoverables	764,642	–
Other IFRS adjustments	5,443	25,207
Total liabilities per consolidated balance sheet	<u>136,543,552</u>	<u>126,747,150</u>

Reconciliations of other material items are provided as follows:

	Total of reportable segments	IFRS adjustments on reversal of general provision on mining funds	Other IFRS adjustments	Total per consolidated statements of comprehensive income/ balance sheet
For the six months ended 30 June 2009				
Share of post-tax (loss)/profit of jointly controlled entities	(22,510)	15,015	–	(7,495)
Share of post-tax profit of associates	130,515	55,232	–	185,747
Income tax expense	(218,252)	(4,061)	(2,796)	(225,109)
For the six months ended 30 June 2008				
Share of post-tax profit of jointly controlled entities	15,834	8,918	–	24,752
Share of post-tax profit of associates	128,009	67,780	–	195,789
Income tax benefit/(expense)	30,542	–	(2,412)	28,130
30 June 2009				
Investments in jointly controlled entities	1,557,411	80,391	–	1,637,802
Investments in associates	2,294,433	(4,823)	–	2,289,610
31 December 2008				
Investments in jointly controlled entities	1,227,006	75,091	–	1,302,097
Investments in associates	2,073,216	(22,823)	–	2,050,393

Geographical information:

For the six months ended 30 June 2009 and 2008, all revenues from external customers are generated domestically. As at 30 June 2009, non-current assets (excluding financial assets and deferred income tax assets) amounted to Rmb148,917 million (31 December 2008: Rmb140,557 million) and Rmb84 million (31 December 2008: Rmb79 million) are located in the PRC and foreign countries, respectively.

The information of external revenue by major customers which related individual sales accounted for equals or more than 10% of the total revenue is provided as follows:

	Power generation segment	Percentage of the total revenue
For the six months ended 30 June 2009		
North China Grid Company Limited	7,880,343	38.1%
State Grid Corporation of China	2,443,155	11.8%
Zhejiang Electric Power Corporation	2,079,437	10.1%
	12,402,935	60.0%
For the six months ended 30 June 2008		
North China Grid Company Limited	7,870,301	45.3%
State Grid Corporation of China	2,483,957	14.3%
Zhejiang Electric Power Corporation	1,866,674	10.7%
	12,220,932	70.3%

9. INCOME TAX EXPENSE/(BENEFIT)

	For the six months ended 30 June	
	2009	2008
Current income tax	128,421	193,002
Deferred income tax	96,688	(221,132)
	225,109	(28,130)

Income tax is provided on the basis of the statutory profit for financial reporting purposes, adjusted for income and expense items, which are not assessable or deductible for income tax purposes.

Upon the implementation of the new Corporate Income Tax Law from 1 January 2008, the applicable corporate income tax rate of the Company was adjusted to 25%. Those entities located in western region continue to enjoy income tax rate of 15% without any upward adjustment before 2011 when such income tax rate will change to 25% thereafter.

In addition, certain subsidiaries, being located in specially designated regions, are subject to preferential income tax rates. Moreover, certain subsidiaries are exempted from the PRC income tax for two years starting from the first year of commercial operation followed by a 50% exemption of the applicable tax rate for the next three years.

The subsidiary of the Company registered in Hong Kong applies income tax rate of 17.5%.

For the six months ended 30 June 2009, the weighted average effective tax rate applicable to the Company and its subsidiaries was approximately 16.7% (for the six months ended 30 June 2008:-4.7%). The change of weighted average effective tax rate from corresponding period of 2008 was attributable to effects of the increase in current period profitability.

10. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for profit attributable to the equity holders of the Company was based on profit attributable to equity holders of the Company and on the weighted average amount of shares outstanding during the period.

	For the six months ended 30 June	
	2009	2008
Profit attributable to equity holders of the Company (Rmb'000)	721,960	471,757
Weighted average number of ordinary shares for basic earnings per share (shares in thousand)	11,780,038	11,735,810
Basic earnings per share for profit attributable to the equity holders of the Company (Rmb)	0.0613	0.0402

(b) Diluted earnings per share

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The convertible bonds are assumed to have been converted into ordinary shares and the profit attributable for the equity holders of the Company is adjusted to eliminate the interest expense less the income tax effect. There is no such dilutive effect in the first half of 2009 given no such convertible bonds outstanding in the current period.

	For the six months ended 30 June	
	2009	2008
Profit attributable to equity holders of the Company (Rmb'000)	721,960	471,757
Interest expense on convertible bonds (net of income tax expense) (Rmb'000)	–	1,762
Profit used to determine diluted earnings per share (Rmb'000)	721,960	473,519
Weighted average number of ordinary shares for basic earnings per share (shares in thousand)	11,780,038	11,735,810
Adjustments for assumed conversion of convertible bonds (shares in thousand)	–	36,682
Weighted average number of ordinary shares for diluted earnings per share (shares in thousand)	11,780,038	11,772,492
Diluted earnings per share for profit attributable to the equity holders of the Company (Rmb)	0.0613	0.0402

11. PROFIT APPROPRIATION

Dividends

The 2008 final dividends distribution plan of the Company was approved in the shareholder's meeting on 3 June 2009. Applying total share capital of 11,780,037,578 shares as at 31 December 2008 as the basis, cash dividends per share distributed amounted to Rmb0.11, totalling approximately Rmb1,296 million and was fully paid as at 30 June 2009.

The 2007 final dividends distribution plan of the Company was approved in the shareholder's meeting on 30 May 2008. Applying total share capital of 11,738,183,947 shares as at 30 April 2008 as the basis, cash dividends per share distributed amounted to Rmb0.12, totalling approximately Rmb1,409 million and was fully paid as at 30 June 2008.

Reserves

According to relevant regulations and guidance issued by the MOF, deferred housing benefits are charged to equity directly when incurred under PRC GAAP. To reflect the undistributable retained earnings in this financial information prepared under IFRS, a restricted reserve is set up to reduce the balance of retained earnings with an amount equals to the residual balance of deferred housing benefits, net of tax. For the six months ended 30 June 2009, approximately Rmb4 million (for the six months ended 30 June 2008: Rmb21 million) had been transferred from restricted reserve to retained earnings.

Pursuant to relevant PRC regulations, coal mining companies are required to set aside an amount to a fund for work safety and future development which they transferred certain amounts from retained earnings to restricted reserve. The fund can then be used for future development and work safety of the coal mining operations, and is not available for distribution to shareholders. When qualifying development expenditure and improvements of safety are incurred, an equivalent amount is transferred from restricted reserve to retained earnings. For the six months ended 30 June 2009, a net amount of approximately Rmb16 million (for the six months ended 30 June 2008: nil) was transferred from retained earnings to restricted reserve.

An appropriation of approximately Rmb1,065 million (2007 final: Rmb39 million) from retained earnings to the discretionary surplus reserve for the year ended 31 December 2008 was approved by the shareholders on the general meeting held on 3 June 2009.

12. OTHER GAIN

	For the six months ended 30 June	
	2009	2008
Gain on disposal of available-for-sale investments	30,173	—
Gain on disposal of assets and liabilities held for sale (a)	40,000	—
Gain on disposal of an associate (b)	74,460	—
	144,633	—

(a) On 22 December 2008, the Company entered into agreements with the other two shareholders of Shanxi Zhongqiang Trade Company Limited ("Zhongqiang Company"), pursuant to which the Company will withdraw the investment in Zhongqiang Company. On 27 March 2009, the transfer was completed and the Company realised a gain of Rmb40 million.

(b) The Company realised a gain on disposal of a 49% equity interest in Beijing Texin Datang Heat Company Limited to Beijing District Heating Group on 30 March 2009 for a cash consideration of Rmb87.1 million.

13. SUPPLEMENTAL FINANCIAL INFORMATION – CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

	30 June 2009	31 December 2008
Net current liabilities	(28,819,444)	(38,336,046)
Total assets less current liabilities	122,020,192	103,815,737

14. EVENT AFTER REPORTING PERIOD

On 13 August 2009, the Company announced to issue corporate bonds amounting to Rmb3 billion with maturity of 10 years. The pre-determined range of annual interest rate is between 4.7% and 5.0%. These corporate bonds are denominated in Rmb and issued at par. Interest is payable annually while principal will be paid when the bonds fall due. Up to the date of this financial information authorised for issue, this issuance has not been completed.

SUPPLEMENTAL INFORMATION (UNAUDITED)*For the six months ended 30 June 2009***(Amounts expressed in thousands of Rmb unless otherwise stated)****Net assets and net profit reconciliation between PRC GAAP and IFRS**

The unaudited condensed consolidated interim financial information, which is prepared by the Company and its subsidiaries in conformity with IFRS, differ in certain respects from PRC GAAP. Major differences between IFRS and PRC GAAP, which affect the net assets and net profit of the Company and its subsidiaries, are summarised as follows:

		Net assets	
		30 June	31 December
		2009	2008
Net assets under IFRS		30,147,511	30,644,467
Impact of PRC GAAP adjustments:			
Difference in the commencement of			
depreciation of property, plant and equipment	(a)	106,466	106,466
Difference in accounting treatment on monetary housing benefits	(b)	(178,462)	(193,468)
Difference in accounting treatment on mining funds	(d)	(75,569)	(52,268)
Applicable deferred income tax impact of the above GAAP differences	(e)	8,206	1,349
Net assets under PRC GAAP		30,008,152	30,506,546
		Net profit	
		For the six months ended 30 June	
		2009	2008
Profit under IFRS		1,120,831	621,984
Impact of PRC GAAP adjustments:			
Difference in accounting treatment on monetary housing benefits	(b)	15,006	15,075
Difference in the recognition policy on housing benefits to the employees	(c)	–	18,673
Difference in accounting treatment on mining funds	(d)	(86,491)	(76,702)
Applicable deferred income tax impact of the above GAAP differences	(e)	6,857	2,412
Net profit under PRC GAAP		1,056,203	581,442

(a) Difference in the commencement of depreciation of property, plant and equipment

This represents the depreciation difference arose from the different timing of the start of depreciation charge in previous years.

(b) Difference in accounting treatment on monetary housing benefits

Under IFRS, the monetary housing benefits provided to employees who started work before 31 December 1998 are recorded as deferred assets and amortised on a straight-line basis over the estimated service lives of relevant employees.

Under PRC GAAP, these benefits were directly deducted from the retained earnings and statutory public welfare fund after approval by the general meeting of the Company and its subsidiaries.

(c) Difference in the recognition policy on housing benefits to the employees

The Company and its subsidiaries provided housing to its employees at a preferential price. The difference between the selling price and the cost of housing is considered to be a housing benefit during the related periods and is borne by the Company and its subsidiaries.

For PRC statutory reporting purposes, in accordance with the relevant regulations issued by the MOF of the PRC, the total housing benefits provided by the Company and its subsidiaries before 6 September 2000 should be directly deducted from the statutory public welfare fund and those provided after 6 September 2000 are charged to non-operating expenses as incurred. Under IFRS, the housing benefits provided by the Company and its subsidiaries are recognised on a straight-line basis over the estimated remaining average service lives of the employees.

(d) Difference in accounting treatment on mining funds

Under PRC GAAP, accrual of future development and work safety expenses are included in respective product cost or current period profit or loss and recorded in a specific reserve accordingly. When such future development and work safety expenses are applied and related to revenue expenditures, specific reserve is directly offset when expenses incurred. When capital expenditures are incurred, they are included in construction-in-progress and transferred to fixed assets when the related assets reach the expected use condition. They are then offset against specific reserve based on the amount included in fixed assets while corresponding amount is recognised in accumulated depreciation. Such fixed assets are not depreciated in subsequent periods.

Under IFRS, coal mining companies are required to set aside an amount to a fund for future development and work safety through transferring from retained earnings to restricted reserve. When qualifying revenue expenditures are incurred, such expenses are recorded in statement of comprehensive income as incurred. When capital expenditures are incurred, an amount is transferred to property, plant and equipment and is depreciated in accordance with the depreciation policy of the Company. Internal equity items transfers take place based on the actual application amount of future development and work safety expenses whereas restricted reserve is offset against retained earnings to the extent of zero.

(e) Applicable deferred income tax impact on the above GAAP differences

This represents the deferred income tax effect on the above GAAP differences where applicable.