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華電國際電力股份有限公司
Huadian Power International Corporation Limited*

(A Sino-foreign investment joint stock company limited by shares incorporated in the People's Republic of China (the "PRC"))

(Stock Code: 1071)

2011 INTERIM RESULTS ANNOUNCEMENT

The board of directors (the "**Board**") of Huadian Power International Corporation Limited* (the "**Company**") hereby announces the summary of the unaudited interim consolidated financial results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2011 (the "**Period**") prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting". The Group's interim financial report for the Period is unaudited, but it has been reviewed by KPMG, the auditor of the Company, in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. KPMG's unmodified review report addressed to the Board is included in the interim report to be sent to the Company's shareholders. The Audit Committee of the Company has also reviewed the 2011 interim results and its relevant financial information of the Group.

FINANCIAL AND BUSINESS SUMMARIES

- Power generation amounted to approximately 73.72 million MWh, representing an increase of approximately 17.91% over the corresponding period in 2010;

- The on-grid power sold amounted to approximately 68.89 million MWh, representing an increase of approximately 18.35% over the corresponding period in 2010;

- Turnover amounted to approximately RMB26,397 million, representing an increase of approximately 21.10% over the corresponding period in 2010;

- Profit after tax attributable to equity shareholders of the Company amounted to approximately RMB106 million; and

- Earnings per share was approximately RMB0.016.

The Board of the Company hereby announces the unaudited operating results for the Period and the comparison between such results and the relevant results of the corresponding period in 2010. During the Period, turnover of the Group amounted to approximately RMB26,397 million, representing an increase of approximately 21.10% over the corresponding period in 2010; profit after tax attributable to equity shareholders of the Company amounted to approximately RMB106 million; earnings per share was approximately RMB0.016; net asset value per share (excluding non-controlling interests) amounted to approximately RMB2.40.

The Board did not propose to declare any interim dividend for the Period.

THE GROUP'S EXISTING POWER GENERATING FACILITIES

The Group is one of the largest listed power-generating group companies in the PRC. Details of the Group's major operational power generation assets as at the date of this announcement are as follows:

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	Combination of generating units
1	Zouxian Plant	2,540	100%	2 x 600MW + 4 x 335MW
2	Shiliquan Plant	770	100%	1 x 330MW + 1 x 300MW + 1 x 140MW
3	Laicheng Plant	1,200	100%	4 x 300MW
4	Huadian Zouxian Power Generation Company Limited ("Zouxian Company")	2,000	69%	2 x 1,000MW
5	Huadian Weifang Power Generation Company Limited ("Weifang Company")	2,000	45%	2 x 670MW + 2 x 330MW
6	Huadian Qingdao Power Generation Company Limited ("Qingdao Company")	1,200	55%	4 x 300MW
7	Huadian Zibo Thermal Power Generation Company Limited ("Zibo Company")	433	100%	2 x 145MW + 2 x 71.5MW
8	Huadian Zhangqiu Power Generation Company Limited ("Zhangqiu Company")	890	87.5%	2 x 300MW + 2 x 145MW
9	Huadian Tengzhou Xinyuan Thermal Power Company Limited ("Tengzhou Company")	930	93.257%	2 x 315MW + 2 x 150MW
10	Shandong Century Electric Power Development Corporation Limited ("Century Power Company")	1,046	84.31%	4 x 220MW + 1 x 110MW + 2 x 28MW

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	Combination of generating units
11	Huadian Laizhou Wind Power Generation Company Limited ("Laizhou Wind Power Company")	40.5	55%	27 x 1.5MW
12	Huadian Ningxia Lingwu Power Generation Company Limited ("Lingwu Company")	3,320	65%	2 x 1,060MW + 2 x 600MW
13	Ningxia Zhongning Power Generation Company Limited ("Zhongning Company")	660	50%	2 x 330MW
14	Huadian Ningxia Ningdong Wind Power Company Limited ("Ningdong Wind Power Company")	102	100%	68 x 1.5MW
15	Huadian Ningxia Ningdong Shangde Solar Power Company Limited ("Shangde Solar Company")	10	60%	10 x 1MW
16	Sichuan Guang'an Power Generation Company Limited ("Guang'an Company")	2,400	80%	2 x 600MW + 4 x 300MW
17	Sichuan Huadian Za-gunao Hydroelectric Development Company Limited ("Za-gunao Hydroelectric Company")	591	64%	3 x 65MW + 3 x 56MW + 3 x 46MW + 3 x 30MW
18	Huadian Xinxiang Power Generation Company Limited ("Xinxiang Company")	1,320	90%	2 x 660MW
19	Huadian Luohe Power Generation Company Limited ("Luohe Company")	660	75%	2 x 330MW
20	Anhui Huadian Suzhou Power Generation Company Limited ("Suzhou Company")	1,260	97%	2 x 630MW
21	Anhui Huadian Wuhu Power Generation Company Limited ("Wuhu Company")	1,320	65%	2 x 660MW

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	Combination of generating units
22	Huadian Suzhou Biomass Energy Power Company Limited ("Suzhou Biomass Energy Company")	25	78%	2 x 12.5MW
23	Huadian Inner Mongolia Kailu Wind Power Company Limited ("Kailu Wind Power Company")	399	100%	262 x 1.5MW + 2 x 3MW
24	Huadian Kezuozhongqi Wind Power Company Limited ("Kezuozhongqi Wind Power Company")	49.5	100%	33 x 1.5MW
25	Hangzhou Huadian Banshan Power Generation Company Limited ("Hangzhou Banshan Company")	1,435	64%	3 x 390MW + 1 x 135MW + 1 x 130MW
26	Hebei Huadian Shijiazhuang Thermal Power Company Limited ("Shijiazhuang Thermal Power Company")	1,100	82%	2 x 300MW +2 x 200MW + 4 x 25MW
27	Hebei Huadian Guyuan Wind Power Company Limited ("Guyuan Wind Power Company")	100.5	100%	67 x 1.5MW
28	Hebei Huadian Complex Pumping-storage Hydropower Company Limited ("Hebei Hydropower Company")	57	100%	1 x 16MW + 2 x 15MW + 1 x 11MW
29	Hebei Huarui Energy Group Corporation Limited ("Huarui Company") *(Note 1)*	1,585	100%	-
30	Shaoguan City Pingshi Electric Power Plant Company Limited (B Plant) ("Pingshi Power Company")	725	100%	2 x 300MW + 1 x 125MW
	Total controlled installed capacity *(Note 2)*	28,708.5		
	Total interested installed capacity *(Note 3)*	24,845.41		

Note 1: As at the date of this announcement, the interested installed capacity of Huarui Company held by the Group amounted to 1,585MW.

Note 2: The controlled installed capacity of the Group refers to the total installed capacity of the Company and its subsidiaries.

Note 3: This is the installed capacity of the Company and companies controlled or invested by the Company as at the date of this announcement, which was aggregated based on the respective percentage of equity interests held by the Company.

NEWLY-INSTALLED CAPACITY

During the Period, generating units with an aggregate capacity of 2,389.5MW were put into operation by the Group:

Project Name	**Capacity** (MW)
Phase II of Lingwu Company	2,120
Kezuozhongqi Wind Power Company	49.5
Za-gunao Hydroelectric Company	121
Beiqinghe Phase II	99
Total	2,389.5

PROJECTS UNDER CONSTRUCTION

As at the date of this announcement, the Group's major projects under construction are as follows:

Name of project under construction	Planned installed capacity
Huadian Laizhou Power Generation Company Limited ("Laizhou Company")	2 x 1,000MW generating units
Anhui Huadian Lu'an Power Generation Company Limited ("Lu'an Company")	1 x 600MW generating unit
Hebei Huadian Shijiazhuang Luhua Thermal Power Company Limited ("Luhua Company")	2 x 300MW heat-power co-generating units
Qudong Power Generation Company Limited ("Qudong Company")	2 x 300MW heat-power co-generating units
Zibo Company Expansion Project	2 x 300MW heat-power co-generating units
Sichuan Huadian Luding Hydropower Company Limited	4 x 230MW hydroelectric generating units
Hebei Huadian Kangbao Wind Power Company Limited ("Kangbao Wind Power Company")	49.5MW wind power generating units
Ningdong Wind Power Company Phase III, Phase IV, Phase V and Phase VI projects	198MW wind power generating units
Phase I and Phase II projects of Ningxia Yueliangshan Wind Power Company	99MW wind power generating units
Hebei Huadian Yuzhou Wind Power Company Limited ("Yuzhou Wind Power Company") Huanghualiang Wind Farm Project	49.5MW wind power generating units
Yuzhou Wind Power Company Zhenjiawan Wind Farm Project	49.5MW wind power generating units
Huadian Ningxian Liupanshan Wind Power Company Limited Phase I and Phase II projects of Wuyuan Wind Farm in Haiyuan	99MW wind power generating units
Huadian Laizhou Wind Power Company Limited Jincheng Wind Power Project	48MW wind power generating units
Total	5,912.5MW

PRELIMINARY PROJECTS

As at the date of this announcement, the Group's major preliminary projects are as follows:

Project name	Planned installed capacity
Expansion Project of Shiliquan Plant in Shandong	1 x 600MW generating unit
Tianjin Nanjiang Project	2 x 300MW heat-power co-generating units
Phase III Project of Qingdao Company in Shangdong	1 x 300MW heat-power co-generating unit
Phase II Project of Guyuan Wind Power Company in Hebei	100MW wind power generating units
Phase III Project of Guyuan Wind Power Company in Hebei	49.5MW wind power generating units
Phase I of Guyuan Xihutong Project in Hebei	49.5MW wind power generating units
Saibei Phase I Project in Zhangjiakou, Hebei	100MW wind power generating units
Saibei Phase II Project in Zhangjiakou, Hebei	49.5MW wind power generating units
Phase I of Caofeidian Offshore Project in Hebei	49.5MW wind power generating units
Phase II Project of Kangbao Wind Power Company in Hebei	49.5MW wind power generating units
Phase III Project of Kangbao Wind Power Company in Hebei	49.5MW wind power generating units
Phase I Wind Power Project of Kangbao Shipeng in Hebei	49.5MW wind power generating units
Nanhuashan Wind Power Project in Haiyuan, Ningxia	198MW wind power generating units
Phase I Project of Chifeng Gaojialiang in Inner Mongolia	47.5MW wind power generating units
Wuqing Distributed Energy Project in Tianjin	2 x 200MW gas-fired generating units
Banshan Natural Gas-fired Cogeneration Project in Hangzhou, Zhejiang	3 x 390MW gas-fired generating units
Xiasha Natural Gas-fired Cogeneration Project in Hangzhou, Zhejiang	2 x 100MW gas-fired generating units
Jiangdong Natural Gas-fired Cogeneration Project in Hangzhou, Zhejiang	2 x 390MW gas-fired generating units
Total	4,842 MW

The above preliminary projects have obtained the "road slip" (i.e. preliminary approval by NDRC or its local counterparts), and are subject to the official approval by the State or local authorities.

MANAGEMENT DISCUSSION AND ANALYSIS

Macroeconomic Conditions and Electricity Demand

According to the statistics of the National Bureau of Statistics of China, in the first half of 2011, the gross domestic product ("GDP") of the PRC amounted to approximately RMB20,445.9 billion, representing an increase of 9.6% over the corresponding period in 2010 based on comparable prices. Power consumption of the whole society totalled 2,251.5 million MWh, representing an increase of approximately 12.19% over the corresponding period in 2010, of which the consumption by the primary, secondary and tertiary industries represented a year-on-year increase of approximately 5.91%, 11.91%, and 15.25% respectively while the consumption by urban and rural residents represented a year-on-year increase of approximately 12.51%.

Power Generation

During the Period, the power generation of the Group amounted to approximately 73.72 million MWh, representing an increase of approximately 17.91% over the corresponding period in 2010; on-grid power sold amounted to approximately 68.89 million MWh, representing an increase of approximately 18.35% over the corresponding period in 2010; the average utilization hours of coal-fired generating units were 2,735 hours and the coal consumption for power supply was approximately 315.80 g/KWh.

Turnover and Profit

During the Period, turnover of the Group amounted to approximately RMB26,397 million, representing an increase of approximately 21.10% over the corresponding period in 2010. This was mainly due to the growth in the volume of electricity sold and the rise in on-grid tariffs. Revenue generated from sale of electricity amounted to approximately RMB24,939 million, representing an increase of approximately 19.42% over the corresponding period in 2010. Revenue generated from sale of heat amounted to approximately RMB1,459 million, representing an increase of approximately 59.50% over the corresponding period in 2010.

During the Period, the Group's operating profit amounted to approximately RMB1,246 million, representing a decrease of approximately 0.21% from the corresponding period in 2010. Profit attributable to equity shareholders of the Company amounted to approximately RMB106 million. Earnings per share was approximately RMB0.016.

Major Operating Expenses

During the Period, the operating expenses of the Group amounted to approximately RMB25,152 million, representing an increase of approximately 22.39% over the corresponding period in 2010. This was mainly attributable to more power generation and higher coal prices.

During the Period, the fuel costs of the Group amounted to approximately RMB19,389 million, representing an increase of approximately 24.17% over the corresponding period in 2010. This was mainly attributable to the combined effects of more power generation and higher coal prices.

During the Period, depreciation and amortization expenses of the Group amounted to approximately RMB2,713 million, representing an increase of approximately 19.54% over the corresponding period in 2010. This was mainly due to the increase in depreciation expenses arising from the commencement of operation of new generating units and the newly acquired power enterprises.

Investment Income

Investment income of the Group amounted to RMB581 million for the Period, mainly due to the gain on dilution of equity interest in Huadian Coal Industry Group Co., Ltd.*("Huadian Coal"). The Group effectively held 17.94% equity interest in Huadian Coal as at 31 December 2010. In March 2011, Huadian Coal received the capital contribution of RMB6 billion from its three strategic investors, and the effective equity interest of the Group in Huadian Coal was diluted to 12.56% upon completion of the capital contribution. As the strategic investors made the capital contribution at premium, the Group recognized approximately RMB568 million of gain on dilution of equity interest.

Finance Costs

During the Period, finance costs of the Group amounted to approximately RMB2,272 million, representing an increase of approximately 47.39% over the corresponding period in 2010. This was mainly attributable to the successive increase in the interest rates by the central bank, the expansion of the Group's asset scale and the increase in loans.

Pledge and Mortgage of Assets

As at 30 June 2011, the Company's subsidiaries, including Guang'an Company, Qingdao Company, Lingwu Company, Wuhu Company, Za-gunao Hydroelectric Company, Xinxiang Company, Suzhou Company and Zhongning Company, have altogether pledged their income stream in respect of the sale of electricity or trade receivables for sale of electricity as security for loans amounting to approximately RMB13,050 million. In addition, the 75% equity interest held by the Company in Pingshi Power Company was pledged as security for repayment of the bank loans guaranteed by Pingshi Power Company.

As at 30 June 2011, the generating units and relevant equipments of Pingshi Power Company were mortgaged to secure its loans amounting to RMB1,942 million.

Indebtedness

As at 30 June 2011, the total borrowings of the Group amounted to approximately RMB92,558 million, of which borrowings denominated in US dollar and Euro dollar amounted to approximately US$222 million and EUR23 million, respectively. The liabilities to assets ratio was approximately 83.96%. In addition, the closing balance of short-term debenture payables and the medium-term notes payables (including those due within one year) of the Group amounted to approximately RMB3,065 million and RMB5,354 million, respectively.

Details of other loans of the Group and the Company as at 30 June 2011 are set out in note 19 to the interim financial report (prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting").

Contingent Liabilities

As at 30 June 2011, Guang'an Company, a subsidiary of the Company, provided guarantees to banks for loans amounting to RMB175 million to Sichuan Huayingshan Longtan Coal Power Company Limited, an associate of Guang'an Company; Zhongning Company provided guarantees to banks for loans amounting to RMB29.85 million to Ningxia Power Generation Company (Group) Limited. Save as disclosed above, the Group had no other material contingent liabilities.

Cash and Cash Equivalents

As at 30 June 2011, the Group had cash and cash equivalents of approximately RMB4,845 million.

Save as the information disclosed herein, information with respect to the Group's other matters as set out in paragraph 32 of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") (The Stock Exchange of Hong Kong Limited is referred as the "Hong Kong Stock Exchange") has not changed materially from that included in the Company's 2010 annual report.

Business Outlook

Firstly, the Group's operation environment will be improved. It is expected in the second half of 2011, the overall national economy will maintain steady growth while power market demand will continue its stable and rapid growth momentum. The reinforced intervention of the government in the execution of key coal-fired power generation contracts has created favorable conditions for the Group to optimize its coal sourcing structure and contain coal prices. Further, adjustments to the Group's on-grid tariffs in most areas resulting in increased contribution margin of coal-fired generating units has provide significant supports for loss reduction and a turnaround for the Group.

Secondly, the Group's structural adjustment begins to show its effects. In the first half of 2011, our investments in the wind power sector and the coal sector both recorded good returns. The contribution of the wind power sector and the coal sector to the Group's profit is expected to keep on the rise.

Thirdly, with the further optimization of the energy consumption indicators of the Group's generating units, the competitiveness of the Group will be further enhanced. With the continued optimization of its energy consumption indicators, the Group has achieved notable results in consumption reduction through both management and technical improvement, and narrowed the gap with advanced generating units of the same type. This will inevitably boost the competitiveness of the Group's existing assets and procure favorable economic benefits for the Group.

SIGNIFICANT EVENTS

(1) Extraordinary General Meetings ("EGM")

The Company held the 2011 first EGM on 22 February 2011. The resolution regarding the connected transaction in relation to the capital increase by the Company in China Huadian Corporation Finance Company Limited, the resolution regarding the connected transaction in relation to the disposal of certain equity interests in Huadian Coal Industry Group Co., Ltd. held by the Company to China Huadian Corporation, and the resolution regarding the amendments to the Articles of Association of the Company (including the amendments to the relevant codes) were considered and approved at the meeting.

For details, please refer to the announcement of the Company dated 30 December 2010, circular dated 26 January 2011 and the voting results announcement of 2011 EGM dated 22 February 2011.

The Company held its 2011 Second EGM on 26 July 2011. The resolution regarding the non-public issuance of shares and other six resolutions were considered and approved at the meeting.

For details, please refer to the announcement of the Company dated 20 May 2011, the circular dated 10 June 2011 and the voting results announcement of the 2011 Second EGM dated 26 July 2011.

(2) Proposed non-public issuance and placing of A Shares

On 20 May 2011, with the approval of the 26th meeting of the fifth session of the Board, the Company proposed to issue a maximum of 600,000,000 new A Shares for subscription by not more than 10 qualified investors (including China Huadian Corporation ("China Huadian"), the controlling shareholder of the Company) at a minimum subscription price of RMB3.69 per A Share. The net proceeds from the proposed placing will be not more than RMB2,100 million, which is intended to be used to fund construction of power supply and auxiliary projects of the Group, and replenish the Company's working capital. The proposed placing was approved at the EGM of the Company on 26 July 2011. As at the date hereof, relevant work regarding the proposed placing is well in progress.

For details, please refer to the announcement of the Company dated 20 May 2011, the circular dated 10 June 2011 and the voting results announcement of the 2011 Second EGM dated 26 July 2011.

(3) Adjustment of on-grid tariffs

To compensate for part of the increased costs of coal-fired power generating plants due to increased coal prices and to mitigate their operational difficulties as well as to ensure normal and reasonable power supply, the National Development and Reform Commission appropriately adjusted the electricity price. Upon adjustment of the on-grid tariff, the on-grid tariff of the weighted average capacity of the Group's generating units would be increased by approximately RMB0.0171/KWh.

For details, please refer to the announcement of the Company dated 31 May 2011.

(4) Re-election of the Board and the Supervisory Committee

The fifth session of the Board and of the Supervisory Committee of the Company will both expire upon conclusion of the 2010 annual general meeting. According to the requirements of relevant laws and the Articles of Association, the Company held the 2010 annual general meeting on 8 June 2011 at which 12 people including Mr. Yun Gongmin were elected as members of the sixth session of the Board of the Company, and Mr. Li Xiaopeng, Mr. Peng Xingyu, and employee representative, Mr. Chen Bin, were elected as members of the sixth session of the Supervisory Committee. The respective terms of the sixth session of the Board and the Supervisory Committee are three years.

For details, please refer to the announcement of the Company dated 30 March 2011 and the voting results of the annual general meeting dated 8 June 2011.

MATERIAL CONNECTED TRANSACTIONS

The connected transactions entered into by the Company during the period from 1 January 2011 to the date of this announcement under the Listing Rules are as follows:

Proposed Subscription of New A Shares by China Huadian

The Company entered into the agreement relating to subscription of new A Shares by China Huadian (the "CH Subscription Agreement") with China Huadian on 20 May 2011, which was approved at the EGM of the Company on 26 July 2011. Pursuant to the agreement, China Huadian will, subscribe in cash at a subscription price of not less than RMB3.69 per A Share, for not more than 90,000,000 new A Shares of par value of RMB1.00 each at a total subscription price of RMB332.1 million (assuming maximum subscription by China Huadian of 90,000,000 new A Shares under the CH Subscription Agreement). China Huadian shall subscribe the new A Shares at the same subscription price as the other investors who subscribe for the new A Shares pursuant to the proposed placing. Immediately after completion of the CH Subscription, China Huadian will hold in aggregate of not more than 3,286,923,853 Shares (including not more than 3,201,061,853 A Shares and 85,862,000 H Shares), representing approximately 44.59% (assuming full subscription and issuance of the maximum 600,000,000 new A Shares under the proposed placing) of the enlarged total issued share capital of the Company.

For details, please refer to the announcement of the Company dated 20 May 2011, the circular dated 10 June 2011 and the voting results announcement of 2011 Second EGM dated 26 July 2011.

SHAREHOLDING OF SUBSTANTIAL SHAREHOLDERS

So far as the directors of the Company are aware, each of the following persons, not being a director, supervisor, chief executive or members of the senior management of the Company, had an interest or short position in the Company's shares or underlying shares (as the case may be) as at 30 June 2011 which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "SFO"), or was otherwise, as at 30 June 2011, interested in 5% or more of any class of the then issued share capital of the Company, or was, as at 30 June 2011, a substantial shareholder (as defined in the Listing Rules) of the Company:

Name of Shareholder	Class of Shares	Number of Shares Held	Equity Interest As at 30 June 2011 Approximate Percentage of Shareholding in the Company's Total Issued Share Capital	Approximate Percentage of Shareholding in the Company's Total Issued A Shares	Approximate Percentage of Shareholding in the Company's Total Issued H Shares
China Huadian	A Shares	3,111,061,853	45.95%	58.26%	—
	H Shares	85,862,000 (L) *(Note 1)*	1.27%	—	6.00%
Shandong International Trust Corporation	A Shares	800,766,729	11.83%	15.00%	—

(L): Long position (S): Short position (P): Lending pool

Note:

1. H Shares held in the name of HKSCC Nominees Limited and directly held through its wholly-owned subsidiary, China Huadian Hong Kong Company Limited.

Save as disclosed above and so far as the directors are aware, as at 30 June 2011, no other person (other than the directors, supervisors, chief executives or members of senior management of the Company) had an interest or short position in the Company's Shares or underlying Shares (as the case may be) which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under section 336 of the SFO, or was otherwise a substantial shareholder (as defined in the Listing Rules) of the Company.

SECURITIES INTERESTS OF DIRECTORS, SUPERVISORS, CHIEF EXECUTIVES AND SENIOR MANAGEMENT

As at 30 June 2011, none of the directors, supervisors, chief executives or members of the senior management of the Company and their respective associates had any interest or short position in the Shares, underlying Shares and/or debenture certificates (as the case may be) of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) which was (i) required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interest and short position which any such director, supervisor, chief executive or members of senior management of the Company was taken or deemed to have under such provisions of the SFO) or was (ii) required to be entered in the register of interests required to be kept by the Company pursuant to section 352 of the SFO, or which was otherwise (iii) 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 Companies (the "Model Code") as set out in Appendix 10 to the Listing Rules (which for this purpose shall be deemed to apply to the supervisors of the Company to the same extent as it applies to the directors of the Company).

During the Period, the Company has adopted a code of conduct regarding transactions of the directors of the Company in the Company's securities on terms identical to those of the Model Code. Having made specific enquiries of all directors of the Company, the Company understands that all directors of the Company have complied with the required standard set out in the Model Code.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of its issued securities ("securities" having the meaning as ascribed thereto under paragraph 1 of Appendix 16 to the Listing Rules).

DESIGNATED DEPOSITS AND OVERDUE TIME DEPOSITS

As at 30 June 2011, the Group's deposits placed with financial institutions or other parties did not include any designated or trust deposits, or any material time deposits which could not be collected by the Group upon maturity.

MATERIAL LITIGATION

During the Period, the Group was not involved in any material litigation or arbitration.

AUDIT COMMITTEE

The unaudited interim financial statements for the Period prepared under International Accounting Standard 34 "Interim Financial Reporting" have been reviewed by the Company's Audit Committee.

CORPORATE GOVERNANCE PRACTICES

The Company has always attached great importance to the corporate governance and continuously implement management innovation. In strict compliance with the Company Law of the PRC, the Securities Law of the PRC, the Rules Governing the Listing of Securities on the Shanghai Stock Exchange, the Listing Rules and relevant provisions promulgated by domestic and overseas securities regulatory institutions, the Company has improved the structure of corporate governance, enhanced the level of the Company's governance and endeavoured to achieve a harmonious development between the Company's growth and the interest of its shareholders.

The codes on corporate governance practices adopted by the Company include, but not limited to, its Articles of Association, Code on Shareholders' Meetings, Code on Board Practices, Code on Supervisory Committee and Rules of Procedures of Audit Committee, etc.

The Company has established and improved the standardized operating systems of the general meetings, boards of directors, supervisory committees of the Company and its subsidiaries. Independent directors, the Audit Committee and the Supervisory Committee have actively supervised the preparation of regular reports, whereas non-executive directors and supervisors have performed their duties by carrying out annual review and the Supervisory Committee has advanced its supervisory duties. The Company has upheld transparency and compliance in standard information disclosures. In addition, trainings regarding corporate governance and standard operation were provided to the directors, supervisors and secretaries to the board of subsidiaries of the Company. In view of the relevant requirements of internal control, regular assessments on internal control of the Company were made accordingly.

The Board has reviewed the relevant requirements prescribed under the codes on corporate governance practices adopted by the Company and its actual operations, and has taken the view that the corporate governance practices adopted by the Company during the Period have met the requirements under the code provisions in the Code on Corporate Governance Practices as contained in Appendix 14 to the Listing Rules and there was no deviation from such provisions.

By order of the Board
Huadian Power International Corporation Limited*
Yun Gongmin
Chairman

As at the date of this announcement, the Board comprises:

Yun Gongmin (Chairman, Non-executive Director), Chen Feihu (Vice Chairman, Non-executive Director), Chen Dianlu (Vice Chairman, Non-executive Director), Chen Jianhua (Executive Director), Wang Yingli (Non-executive Director), Chen Bin (Non-executive Director), Zhong Tonglin (Executive Director), Chu Yu (Non-executive Director), Wang Yuesheng (Independent Non-executive Director), Wang Jixin (Independent Non-executive Director), Ning Jiming (Independent Non-executive Director) and Yang Jinguan (Independent Non-executive Director).

Beijing, the PRC
18 August 2011

* *For identification purposes only*

I. SUMMARY OF FINANCIAL INFORMATION IN UNAUDITED INTERIM FINANCIAL REPORT PREPARED UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

The consolidated financial information set out below is extracted from the unaudited interim financial report prepared under IFRSs of the Group as set out in its 2011 interim report.

Consolidated statement of comprehensive income

For the six months ended 30 June 2011 — unaudited

(Expressed in Renminbi)

		Six months ended 30 June	
		2011	2010
	Note	***RMB'000***	*RMB'000*
Turnover	4	**26,397,470**	21,798,417
Operating expenses			
Fuel costs		**(19,389,346)**	(15,615,698)
Depreciation and amortisation		**(2,712,570)**	(2,269,263)
Major overhaul expenses		**(342,125)**	(188,997)
Repairs and maintenance		**(389,011)**	(248,744)
Personnel costs		**(1,143,732)**	(807,691)
Administrative expenses		**(650,713)**	(531,526)
Sales related taxes		**(90,285)**	(91,949)
Other operating expenses		**(433,806)**	(796,061)
		(25,151,588)	(20,549,929)
Operating profit		**1,245,882**	1,248,488
Investment income/(loss)	5	**580,907**	(5,283)
Other revenue and net income		**199,916**	129,185
Finance income		**24,666**	10,150
Finance cost	6	**(2,271,787)**	(1,541,324)
Share of profits less losses of associates		**337,706**	181,161
Share of profit of a jointly controlled entity		**—**	22,575
Profit before taxation	7	**117,290**	44,952
Income tax	8	**(27,713)**	(11,159)
Profit for the period carried forward		**89,577**	33,793

Consolidated statement of comprehensive income ***(continued)***

For the six months ended 30 June 2011 — unaudited

(Expressed in Renminbi)

		Six months ended 30 June	
		2011	2010
	Note	***RMB'000***	*RMB'000*
Profit for the period brought forward		**89,577**	33,793
Other comprehensive income for the period (after tax and reclassification adjustments):			
Available-for-sale securities:			
net movement in fair value reserve	9	**(2,344)**	(22,160)
Total comprehensive income for the period		**87,233**	11,633
Profit attributable to:			
Equity shareholders of the Company		**105,703**	25,813
Non-controlling interests		**(16,126)**	7,980
Profit for the period		**89,577**	33,793
Total comprehensive income attributable to:			
Equity shareholders of the Company		**103,448**	4,169
Non-controlling interests		**(16,215)**	7,464
Total comprehensive income for the period		**87,233**	11,633
Basic and diluted earnings per share	10	**RMB 0.016**	RMB 0.004

Consolidated balance sheet *(continued)*

As at 30 June 2011 — unaudited

(Expressed in Renminbi)

	Note	**At 30 June 2011** *RMB'000*	At 31 December 2010 *RMB'000*
Non-current assets			
Property, plant and equipment		**88,967,218**	79,401,144
Construction in progress		**18,533,336**	23,146,683
Lease prepayments		**1,533,804**	1,447,561
Intangible assets		**4,954,886**	4,764,132
Interest in associates		**9,758,128**	9,041,315
Interest in a jointly controlled entity		**—**	227,237
Other investments		**305,407**	304,282
Other non-current assets		**743,296**	339,203
Deferred tax assets		**324,203**	285,109
		125,120,278	118,956,666
Current assets			
Inventories		**2,863,203**	1,760,239
Trade debtors and bills receivable	11	**4,568,994**	3,980,674
Deposits, other receivables and prepayments		**3,172,673**	2,531,283
Tax recoverable		**72,798**	66,101
Restricted deposits		**94,451**	30,678
Cash and cash equivalents		**4,844,547**	1,235,758
		15,616,666	9,604,733

Consolidated balance sheet *(continued)*
As at 30 June 2011 — unaudited
(Expressed in Renminbi)

	Note	**At 30 June 2011** *RMB'000*	At 31 December 2010 *RMB'000*
Current liabilities			
Bank loans		**25,755,776**	23,266,864
Loans from shareholders		**1,697,390**	2,000,000
State loans		**23,926**	13,401
Other loans		**9,275,282**	6,284,470
Short-term debenture payables		**3,064,696**	3,008,983
Amount due to the parent company		**81,729**	79,165
Obligations under finance lease	12	**56,392**	—
Trade creditors and bills payable	13	**7,654,215**	7,739,963
Other payables		**5,601,443**	4,203,566
Tax payable		**27,732**	63,815
		53,238,581	46,660,227
Net current liabilities		**(37,621,915)**	(37,055,494)
Total assets less current liabilities carried forward		**87,498,363**	81,901,172

Consolidated balance sheet ***(continued)***
As at 30 June 2011 — unaudited
(Expressed in Renminbi)

	Note	**At 30 June 2011** *RMB'000*	At 31 December 2010 *RMB'000*
Total assets less current liabilities brought forward		**87,498,363**	81,901,172
Non-current liabilities			
Bank loans		**47,291,887**	43,915,573
Loans from shareholders		**1,579,816**	1,371,375
State loans		**97,840**	103,699
Other loans		**6,836,297**	4,769,347
Medium-term notes		**3,857,684**	5,346,441
Obligations under finance lease	12	**193,608**	—
Long-term payables		**1,190,242**	1,234,710
Deferred government grants		**654,730**	650,991
Deferred income		**904,353**	577,866
Deferred tax liabilities		**2,323,663**	2,068,349
		64,930,120	60,038,351
Net assets		**22,568,243**	21,862,821
Capital and reserves			
Share capital		**6,771,084**	6,771,084
Reserves		**9,510,362**	9,404,887
Total equity attributable to equity shareholders of the Company		**16,281,446**	16,175,971
Non-controlling interests		**6,286,797**	5,686,850
Total equity		**22,568,243**	21,862,821

Notes to the unaudited interim financial report

1 Basis of preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("IAS") 34, "*Interim financial reporting*", issued by the International Accounting Standards Board ("IASB"). It was authorised for issue on 18 August 2011.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2010 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2011 annual financial statements. Details of these changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2010 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRSs") promulgated by the IASB. IFRSs include all applicable IFRSs, IASs and related interpretations.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, "*Review of interim financial information performed by the independent auditor of the entity*", issued by the Hong Kong Institute of Certified Public Accountants. KPMG's independent review report to the Board of Directors is included in the interim report to be sent to shareholders.

The financial information relating to the financial year ended 31 December 2010 that is included in the interim financial report as being previously reported information does not constitute the Company's annual financial statements prepared under IFRSs for that financial year but is derived from those financial statements. The annual financial statements for the year ended 31 December 2010 are available from the Company's legal office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 30 March 2011.

2 Changes in accounting policies

The IASB has issued a number of amendments to IFRSs and one new Interpretation that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- IAS 24 (revised), *Related party disclosure*

- Improvements to IFRSs (2010)

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

As a result of the adoption of revised IAS 24, additional disclosures on commitments with related parties have been included in this interim financial report. In addition, this revised standard introduces a partial exemption for transactions with government-related enterprises. Those disclosures are replaced with requirements to disclose the name of related government and the nature of its relationship with the Group, the natures and amounts of any individually-significant transactions, and qualitative or quantitative disclosures for collectively significant transactions.

Improvements to IFRSs have had no material impact on the contents of this interim financial report.

3 Segment reporting

The Group principally has one reportable segment, which is the generation and sale of electricity and heat in the PRC. Therefore, no additional reportable segment has been presented and no additional information about geographical areas has been disclosed.

4 Turnover

Turnover represents the sale of electricity and heat, net of value added tax. Major components of the Group's turnover are as follows:

	Six months ended 30 June	
	2011	2010
	RMB'000	*RMB'000*
Sale of electricity	**24,938,951**	20,883,986
Sale of heat	**1,458,519**	914,431
	26,397,470	21,798,417

5 Investment income/(loss)

	Six months ended 30 June	
	2011	2010
	RMB'000	*RMB'000*
Gain on dilution of an associate *(Note (i))*	**567,896**	—
Loss on disposal of an associate	**—**	(13,031)
Gain on step acquisition *(Note 15)*	**13,011**	—
Dividend income from unlisted securities	**—**	7,748
	580,907	(5,283)

Notes:

(i) Huadian Coal Industry Group Company Limited ("Huadian Coal") is an associate of the Group and the Group effectively held 17.94% equity interest in Huadian Coal. In 2011, three strategic investors participated in the capital enlargement of Huadian Coal with total capital injection of RMB 6,000,000,000. As a result of the capital injection, the Group's effective equity interest in Huadian Coal has been diluted to 12.56% and a gain on the dilution of RMB 567,896,000 has been recognised.

6 Finance costs

	Six months ended 30 June	
	2011	2010
	RMB'000	*RMB'000*
Interest on loans and other financial liablities	**2,705,990**	1,889,966
Less: interest capitalised	**(394,460)**	(320,425)
	2,311,530	1,569,541
Net foreign exchange gain	**(43,964)**	(31,364)
Other finance costs	**4,221**	3,147
	2,271,787	1,541,324

The interest costs have been capitalised at an average rate of 5.51 % per annum (six months ended 30 June 2010: 5.02%) for construction in progress.

7 Profit before taxation

Profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 June	
	2011	2010
	RMB'000	*RMB'000*
Cost of inventories	**20,163,921**	16,106,146
Amortisation		
— lease prepayments	**24,736**	22,604
— intangible assets	**63,862**	3,422
Depreciation	**2,623,972**	2,243,237
Reversal of impairment loss on trade and other receivables	**—**	(6,362)
Operating lease charges in respect of land and buildings	**45,849**	48,698
Government grants included in other net income	**(104,767)**	(82,704)
Gain on disposal of property, plant and equipment	**(2,223)**	(799)
Research and development costs	**834**	100

8 Income tax

	Six months ended 30 June	
	2011	2010
	RMB'000	*RMB'000*
Current tax		
Charge for the PRC enterprise income tax for the period	**37,752**	68,170
Under-provision in respect of previous years	**381**	932
	38,133	69,102
Deferred taxation		
Origination and reversal of temporary differences	**(10,420)**	(57,943)
	27,713	11,159

The charge for PRC enterprise income tax is calculated at the statutory rate of 25% (six months ended 30 June 2010: 25%) on the estimated assessable profits of the Group for the six months ended 30 June 2011 determined in accordance with relevant enterprise income tax rules and regulations, except for certain subsidiaries of the Company which are tax exempted or taxed at a preferential rate of 12.5% (six months ended 30 June 2010: 7.5% or 15%).

9 Other comprehensive income

	Six months ended 30 June	
	2011	2010
	RMB'000	*RMB'000*
Available-for-sale securities		
Changes in fair value recognised during the period	**(2,237)**	(27,014)
Net deferred tax (debited)/credited to other comprehensive income	**(107)**	4,854
Net movement in the fair value reserve during the period recognised in other comprehensive income	**(2,344)**	(22,160)

10 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company for the six months ended 30 June 2011 of RMB105,703,000 (six months ended 30 June 2010: RMB25,813,000) and the number of shares in issue during the six months ended 30 June 2011 of 6,771,084,200 (six months ended 30 June 2010: 6,771,084,200).

(b) Diluted earnings per share

There were no dilutive potential ordinary shares in existence during the six months ended 30 June 2011 and 2010.

11 Trade debtors and bills receivable

	At 30 June 2011 *RMB'000*	At 31 December 2010 *RMB'000*
Trade debtors and bills receivable for sale of electricity	**4,265,228**	3,752,420
Trade debtors and bills receivable for sale of heat	**317,669**	234,386
Trade debtors and bills receivable for other operations	**6,007**	13,778
	4,588,904	4,000,584
Less: allowance for doubtful debts	**(19,910)**	(19,910)
	4,568,994	3,980,674

Receivables from sale of electricity are due within 30 days from the date of billing. Receivables from sale of heat are due within 90 days from the date of billing.

11 Trade debtors and bills receivable *(continued)*

The ageing analysis of trade debtors and bills receivable (net of allowance for doubtful debts) is as follows:

	At 30 June 2011 *RMB'000*	At 31 December 2010 *RMB'000*
Current	**3,936,718**	3,807,966
Less than 1 year past due	**627,392**	165,642
1 to 2 years past due	**3,871**	2,493
2 to 3 years past due	**—**	—
More than 3 years past due	**1,013**	4,573
Amount past due	**632,276**	172,708
	4,568,994	3,980,674

12 Obligations under finance leases

The Group had obligations under finance leases repayable as follows:

	At 30 June 2011	
	Present value of the minimum lease payments	**Total minimum lease payments**
	RMB'000	*RMB'000*
Within 1 year	**56,392**	**58,547**
After 1 year but within 2 years	**53,095**	**58,547**
After 2 years but within 5 years	**140,513**	**175,644**
	193,608	**234,191**
	250,000	**292,738**
Less: total future interest expenses		**(42,738)**
Present value of finance lease obligations		**250,000**

In June 2011, the Group entered into an agreement with a leasing company to sell certain of the Group's facilities to the leasing company and leaseback the facilities for a 5-year period. The Group has an option to purchase the facilities at a nominal price of RMB 1 at the end of the lease period. As at 30 June 2011, the net book value of the facilities held under finance lease included in property, plant and equipment amounted to RMB 252,500,000.

13 Trade creditors and bills payable

All of the trade creditors and bills payable are expected to be settled within one year.

14 Dividends

(a) Dividends payable to equity shareholders attributable to the interim period:

The directors do not recommend the payment of any interim dividend for the six months ended 30 June 2011 (six months ended 30 June 2010: RMB Nil).

(b) Dividends payable to equity shareholders attributable to the previous financial year, approved and paid during the interim period:

	Six months ended 30 June	
	2011	2010
	RMB'000	*RMB'000*
Final dividend in respect of the previous financial year ended 31 December 2010, approved during the following interim period, of RMB Nil per share (year ended 31 December 2009: RMB 0.035 per share)	**—**	236,988

15 Acquisition of control over a jointly controlled entity

Ningxia Zhongning Power Generation Company Limited ("Zhongning Power"), in which the Company has 50% equity interest, was a jointly controlled entity of the Company. Pursuant to the cooperation agreement entered into between the Company and Ningxia Power Generation Company (Group) Limited ("Ningxia Power Company"), the joint venturer of Zhongning Power, the financial and operating policies of Zhongning Power are governed by the Company from 1 January 2011 (the "acquisition date"). Management of the Company believes that the Company could control Zhongning Power for a sufficient period of time so as to obtain benefits from Zhongning Power's activities and hence Zhongning Power became a subsidiary of the Company since the acquisition date.

The acquisition of Zhongning Power expected to improve the operating result of the Group in Ningxia area and therefore may contribute to better return to the shareholders of the Company.

15 Acquisition of control over a jointly controlled entity *(continued)*

Consideration transferred

The fair value of the total consideration transferred on the acquisition date was RMB Nil.

Identifiable assets acquired and liabilities assumed

	RMB'000
Trade debtors and other receivables	130,043
Inventories	56,977
Other investments	7,323
Property, plant and equipment	1,679,300
Lease prepayments	58,610
Long-term receivables	20,000
Cash and cash equivalents	29,791
Bank loans	(1,175,000)
Loan from shareholders	(200,000)
Trade creditors and other payables	(68,541)
Deferred tax liabilities	(58,007)
Total identifiable net assets	480,496

The trade and other receivables comprise gross contractual amounts due of RMB 133,331,000 of which RMB 3,288,000 was expected to be uncollectible at the acquisition date.

15 Acquisition of control over a jointly controlled entity *(continued)*

Goodwill

	RMB'000
Total consideration transferred	—
Fair value of existing interest in Zhongning Power	240,248
Non-controlling interests, based on their proportionate interest in the recognised amounts of the assets and liabilities of the acquiree	240,248
Fair value of identifiable net assets	(480,496)
Goodwill	—

The remeasuement to fair value of the Group's existing 50% interest in Zhongning Power resulted in a gain of RMB 13,011,000 (RMB 240,248,000 less RMB 227,237,000 carrying value of the interest in Zhongning Power at acquisition date), which has been recognised in investment income (Note 5) in the consolidated statement of comprehensive income.

Acquisition-related costs

The Group incurred acquisition-related costs of RMB 700,000 related to external legal and other professional and consulting fees, which have been included in administrative expenses in the Group's consolidated statement of comprehensive income.

16 Acquisition of subsidiaries

On 27 May 2011, the Company obtained control of Anhui Wenhui New Products Promotion Company Limited ("Wenhui Company") and its subsidiary by acquiring 51% of the equity and voting interests at a total consideration of RMB283,315,000. On the date of acquisition, Wenhui Company and its subsidiary were still under construction period and did not carry out any business operation, therefore, the portfolios of assets and liabilities acquired does not constitute a business. Consequently, the cost of acquisition is allocated between the individual identifiable assets and liabilities based on their relative fair values at the acquisition date.

16 Acquisition of subsidiaries *(continued)*

The assets and liabilities of Wenhui Company and its subsidiary acquired by the Company are as follows:

	RMB'000
Trade debtors and other receivables	8,778
Property, plant and equipment	735,945
Cash and cash equivalents	108,298
Trade creditors and other payables	(128,977)
Deferred tax liabilities	(168,525)
	555,519
Attributable to:	
Equity shareholders of the Company	283,315
Non-controlling interests	272,204
	555,519

17 Contingent liabilities

At 30 June 2011, Sichuan Guang'an Power Generation Company Limited, a subsidiary of the Group, provided guarantees to banks for loans granted to Sichuan Huayinshan Longtan Coal Company Limited amounting to RMB175,457,000 (31 December 2010: RMB175,457,000). Zhongming Power, a subsidiary of the Group, provided guarantee to banks for loans granted to Ningxia Power Company amounting to RMB29,850,000 (31 December 2010: RMB Nil).

II. SUMMARY OF FINANCIAL INFORMATION IN UNAUDITED INTERIM FINANCIAL REPORT PREPARED UNDER THE CHINA ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES ("CAS")

The financial information set out below is extracted from the unaudited financial statement prepared under CAS of the Group as set out in its 2011 interim report.

Balance sheet — unaudited

As at 30 June 2011

(Expressed in Renminbi'000)

	The Group		The Company	
Item	**30 June 2011**	31 December 2010	**30 June 2011**	31 December 2010
Current assets				
Cash at bank and on hand	**4,938,998**	1,266,436	**706,639**	156,819
Bills receivable	**427,621**	118,623	**442**	2,310
Trade receivables	**4,141,373**	3,862,051	**607,920**	667,595
Prepayments	**1,035,739**	859,688	**52,423**	8,209
Other receivables	**667,184**	600,709	**2,564,482**	2,651,036
Inventories	**2,863,203**	1,760,239	**563,675**	336,178
Dividends receivable	**—**	—	**148,091**	—
Other current assets	**1,542,548**	1,136,987	**158,684**	38,019
Total current assets	**15,616,666**	9,604,733	**4,802,356**	3,860,166

Balance sheet — unaudited *(continued)*

As at 30 June 2011

(Expressed in Renminbi'000)

	The Group		The Company	
Item	**30 June 2011**	31 December 2010	**30 June 2011**	31 December 2010
Non-current assets				
Available-for-sale financial assets	**43,335**	42,906	**—**	—
Long-term receivables	**86,374**	68,393	**447,309**	501,122
Long-term equity investments	**10,003,216**	9,512,944	**29,278,465**	27,618,062
Fixed assets	**83,399,597**	74,557,721	**8,177,769**	8,519,729
Construction in progress	**12,768,223**	14,609,301	**597,968**	564,389
Construction materials	**389,269**	879,631	**—**	—
Construction and construction material prepayments	**5,455,174**	7,657,751	**108,999**	97,842
Intangible assets	**10,479,767**	9,543,341	**137,712**	144,122
Goodwill	**790,552**	790,552	**12,111**	12,111
Deferred tax assets	**359,205**	322,269	**—**	—
Other non-current assets	**656,922**	270,810	**635,310**	270,810
Total non-current assets	**124,431,634**	118,255,619	**39,395,643**	37,728,187
Total assets	**140,048,300**	127,860,352	**44,197,999**	41,588,353

Balance sheet — unaudited *(continued)*
As at 30 June 2011
(Expressed in Renminbi'000)

	The Group		The Company	
	30 June	31 December	**30 June**	31 December
Item	**2011**	2010	**2011**	2010
Current liabilities				
Short-term loans	**28,965,673**	24,299,330	**13,946,993**	11,446,120
Bills payable	**1,340,184**	2,208,011	**320,000**	857,129
Trade payables	**6,314,031**	5,531,952	**229,201**	194,220
Receipt in advance	**91,925**	569,327	**4,254**	11,881
Wages payable	**240,678**	130,193	**19,334**	9,727
Taxes payable	**292,563**	270,335	**23,471**	22,956
Interests payable	**320,636**	293,739	**144,733**	143,327
Dividends payable	**12,362**	7,664	**—**	—
Other payables	**3,118,988**	2,931,861	**574,476**	480,555
Short-term debenture payables	**3,064,696**	3,008,983	**3,064,696**	3,008,983
Non-current liabilities due within one year	**9,476,845**	7,408,832	**2,964,980**	1,824,780
Total current liabilities	**53,238,581**	46,660,227	**21,292,138**	17,999,678
Non-current liabilities				
Long-term loans	**55,805,840**	50,159,994	**3,129,851**	2,671,538
Debentures payable	**3,857,684**	5,346,441	**3,857,684**	5,346,441
Long-term payables	**1,383,850**	1,234,710	**—**	—
Special payables	**8,020**	8,020	**6,500**	6,500
Deferred tax liabilities	**2,217,249**	1,960,728	**47,250**	47,250
Other non-current liabilities	**1,239,879**	903,034	**18,640**	19,091
Total non-current liabilities	**64,512,522**	59,612,927	**7,059,925**	8,090,820
Total liabilities	**117,751,103**	106,273,154	**28,352,063**	26,090,498

Balance sheet — unaudited *(continued)*

As at 30 June 2011

(Expressed in Renminbi'000)

	The Group		The Company	
Item	**30 June 2011**	31 December 2010	**30 June 2011**	31 December 2010
Shareholders' equity				
Share capital	**6,771,084**	6,771,084	**6,771,084**	6,771,084
Capital reserve	**4,512,200**	4,512,428	**4,393,490**	4,393,875
Surplus reserve	**1,533,554**	1,533,554	**1,533,554**	1,533,554
Retained profits	**3,228,703**	3,109,795	**3,147,808**	2,799,342
Total equity attributable to equity shareholders of the Company	**16,045,541**	15,926,861	**15,845,936**	15,497,855
Minority interests	**6,251,656**	5,660,337	**—**	—
Total shareholders' equity	**22,297,197**	21,587,198	**15,845,936**	15,497,855
Total liabilities and shareholders' equity	**140,048,300**	127,860,352	**44,197,999**	41,588,353

Income statement — unaudited

For the six months ended 30 June 2011

(Expressed in Renminbi'000)

	The Group		The Company	
	Six months ended 30 June		Six months ended 30 June	
Item	**2011**	2010	**2011**	2010
Operating income	**26,496,506**	21,868,629	**4,136,659**	4,340,024
Less: Operating costs	**24,370,695**	19,919,365	**3,994,564**	4,048,732
Sales taxes and surcharges	**95,481**	93,628	**18,666**	27,813
Administrative expenses	**736,311**	566,142	**181,781**	194,456
Finance expenses	**2,247,121**	1,531,174	**591,084**	360,741
Impairment revesal	**—**	(6,362)	**—**	—
Add: Investment income	**918,613**	211,483	**998,146**	258,862
Including: income from associates and jointly controlled entity	**337,706**	203,736	**272,552**	153,004
Operating (loss)/profit	**(34,489)**	(23,835)	**348,710**	(32,856)
Add: Non-operating income	**166,531**	92,240	**1,038**	6,517
Less: Non-operating expenses	**6,810**	1,452	**1,278**	381
Including: losses on disposal of non-current assets	**11**	—	**—**	—
Total profit/(loss)	**125,232**	66,953	**348,470**	(26,720)
Less: Income tax	**31,078**	17,830	**4**	7,023
Net profit/(loss)	**94,154**	49,123	**348,466**	(33,743)

Income statement — unaudited (continued)

For the six months ended 30 June 2011

(Expressed in Renminbi'000)

	The Group		The Company	
	Six months ended 30 June		Six months ended 30 June	
Item	**2011**	2010	**2011**	2010
Attributable to:				
Equity shareholders of the Company	**118,908**	35,359	**348,466**	(33,743)
Minority interests	**(24,754)**	13,764	**—**	—
Earnings per share *(RMB)*:				
Basic earnings per share	**0.018**	0.005	**—**	—
Diluted earnings per share	**0.018**	0.005	**—**	—
Add: Other comprehensive income	**(2,344)**	(22,160)	**(2,418)**	(6,173)
Total comprehensive income	**91,810**	26,963	**346,048**	39,916
Attributable to:				
Equity shareholders of the Company	**116,653**	13,715	**—**	—
Minority interests	**(24,843)**	13,248	**—**	—

III. RECONCILIATION OF THE FINANCIAL STATEMENTS PREPARED UNDER CAS AND IFRSs

(a) Effects of major differences between the CAS and IFRSs on net profit are analysed as follows:

	Note	**30 June 2011** *RMB'000*	30 June 2010 *RMB'000*
Amount under CAS		**94,154**	49,123
Adjustments:			
Business combination involving entities under common control	(i)	**(14,561)**	(27,786)
Government grants	(ii)	**6,619**	5,780
Taxation impact of the adjustments		**3,365**	6,676
Amount under IFRSs		**89,577**	33,793

(b) Effects of major differences between CAS and IFRSs on net assets are analysed as follows:

	Note	**30 June 2011** *RMB'000*	31 December 2010 *RMB'000*
Amount under CAS		**22,297,197**	21,587,198
Adjustments:			
Business combination involving entities under common control	(i)	**723,646**	738,207
Government grants	(ii)	**(311,184)**	(317,803)
Taxation impact of the adjustments		**(141,416)**	(144,781)
Amount under IFRSs		**22,568,243**	21,862,821

III. RECONCILIATION OF THE FINANCIAL STATEMENTS PREPARED UNDER CAS AND IFRSs *(CONTINUED)*

Notes:

(i) According to the accounting policies adopted in the Group's financial statements prepared under IFRSs, assets and liabilities acquired by the Group during business combination, irrespective of whether such business combination is involving entities under common control or not, are measured at the fair value of identifiable assets and liabilities of the acquiree at the date of acquisition. In preparing the consolidated financial statements, the respective financial statements of subsidiaries are adjusted based on the fair value of individual identifiable assets and liabilities at the date of acquisition. The excess of purchase consideration paid by the Company over its share of fair value of identifiable net assets of the acquired was recognised as goodwill.

In accordance with CAS, assets and liabilities acquired by the Group in business combination involving entities under common control are measured at their carrying value at the date of combination. Consolidated financial statements are prepared based on the financial statements of the Company and subsidiaries. The excess of carrying value of purchase consideration paid by the Company over its share of carrying value of identifiable net assets of the acquiree for business combination involving entities under common control reduces the share premium of capital reserve or retained profits.

In addition, according to CAS, in preparing consolidated financial statements, the opening balances as well as the comparative figures of the financial statements should be adjusted as if the current structure and operations resulting from the acquisitions had been in existence since prior periods in respect of business combination involving entities under common control. Accordingly, the capital reserve was adjusted for its increase in net assets due to business combination.

(ii) According to IFRSs, conditional government grants should be first recorded in long-term liabilities and amortised to profit or loss using the straight line method over the useful lives of the relevant assets after fulfilling the requirements from the government in respect of the construction projects.

According to CAS, government grants related to assets (required to be recorded in capital reserve pursuant to the relevant government notice) are not recognised as deferred income.