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)

2012 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 2012 (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 (the "**Audit Committee**") has also reviewed the 2012 interim results and its relevant financial information of the Group.

FINANCIAL AND BUSINESS SUMMARIES

- Power generation amounted to approximately 78.35 million MWh, representing an increase of approximately 6.28% over the corresponding period in 2011;

- The on-grid power sold amounted to approximately 73.17 million MWh, representing an increase of approximately 6.21% over the corresponding period in 2011;

- Turnover amounted to approximately RMB29,437 million, representing an increase of approximately 11.52% over the corresponding period in 2011;

- Profit after tax attributable to equity shareholders of the Company amounted to approximately RMB284 million, representing an increase of approximately 169.00% over the corresponding period in 2011; and

- Earnings per share was approximately RMB0.042.

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 2011. During the Period, turnover of the Group amounted to approximately RMB29,437 million, representing an increase of approximately 11.52% over the corresponding period in 2011; profit after tax attributable to equity shareholders of the Company amounted to approximately RMB284 million, representing an increase of approximately 169.00% over the corresponding period in 2011; earnings per share was approximately RMB0.042; net asset value per share (excluding non-controlling interests) amounted to approximately RMB2.72.

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

MAJOR ASSETS

The Group is one of the largest comprehensive energy companies in the PRC, and primarily engages in the construction and operation of power plants, including large-scale efficient coal- or gas-fired generating units and various renewable energy projects, and the development, construction and operation of coal mines. As at the date of this announcement, the controlled power plants of the Group which have commenced operation totaled 38, with the total controlled installed capacity of the Group amounting to 30,530MW and the total interested installed capacity of the Group amounting to 26,488.28MW, including 27,934MW attributable to controlled coal- or gas-fired generating units, and 2,596MW attributable to controlled renewable energy generating units such as hydropower, wind power, solar power and biomass energy power generating units. The coal mining enterprises controlled or invested by the Group totaled 16, with coal resources reserves of approximately 2.1 billion tonnes and expected production capacity of approximately 12.89 million tonnes/year. The details are as follows:

1) Details of controlled coal- or gas-fired generating units are as follows:

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	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 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 Company Limited ("Century Power Company")	1,046	84.31%	4 x 220MW + 1 x 110MW + 2 x 28MW
11	Huadian Ningxia Lingwu Power Generation Company Limited ("Lingwu Company")	3,320	65%	2 x 1,060MW+ 2 x 600MW
12	Ningxia Zhongning Power Generation Company Limited ("Zhongning Company")	660	50%	2 x 330MW
13	Sichuan Guang'an Power Generation Company Limited ("Guang'an Company")	2,400	80%	2 x 600MW + 4 x 300MW

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
14	Huadian Xinxiang Power Generation Company Limited ("Xinxiang Company")	1,320	90%	2 x 660MW
15	Huadian Luohe Power Generation Company Limited ("Luohe Company")	660	75%	2 x 330MW
16	Anhui Huadian Suzhou Power Generation Company Limited ("Suzhou Company")	1,260	97%	2 x 630MW
17	Anhui Huadian Wuhu Power Generation Company Limited ("Wuhu Company")	1,320	65%	2 x 660MW
18	Hangzhou Huadian Banshan Power Generation Company Limited ("Hangzhou Banshan Company")	1,435	64%	3 x 390MW + 1 x 135MW + 1 x 130MW
19	Hebei Huadian Shijiazhuang Thermal Power Company Limited ("Shijiazhuang Thermal Power Company")	1,100	82%	2 x 300MW +2 x 200MW + 4 x 25MW
20	Hebei Huadian Shijiazhuang Luhua Thermal Power Company Limited ("Luhua Company")	600	90%	2 x 300MW
21	Hebei Huarui Energy Group Corporation Limited ("Huarui Company") *(Note 1)*	1,647.7	100%	—
22	Shaoguan City Pingshi Electric Power Plant Company Limited (Plant B) ("Pingshi Power Company")	725	100%	2 x 300MW + 1 x 125MW

Note 1: As at the date of this announcement, the interested installed capacity of Huarui Company held by the Group amounted to 1,647.7MW.

2) **Details of controlled renewable energy generating units are as follows:**

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
1	Huadian Suzhou Biomass Energy Power Company Limited ("Suzhou Biomass Energy Company")	25	78%	2 x 12.5MW
2	Sichuan Huadian Luding Hydropower Company Limited ("Luding Hydropower Company")	920	100%	4 x 230MW
3	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
4	Xinghe Ganbao Power Company Limited ("Ganbao Company") *	34	100%	4 x 8.5MW
5	Lixian Xinghe Power Company Limited (Lixian Company)*	33	100%	3 x 11MW
6	Sichuan Liangshan Shuiluohe Hydropower Development Company Limited ("Shuiluohe Company")	38	57%	1 x 38MW
7	Hebei Huadian Complex Pumping-storage Hydropower Company Limited ("Hebei Hydropower Company")	57	100%	1 x 16MW+2 x 15MW +1 x 11MW
8	Huadian Inner Mongolia Kailu Wind Power Company Limited ("Kailu Wind Power Company")	399	100%	262 x 1.5MW+2 x 3MW
9	Huadian Kezuozhongqi Wind Power Company Limited ("Kezuozhongqi Wind Power Company")	49.5	100%	33 x 1.5MW
10	Huadian Ningxia Ningdong Wind Power Company Limited ("Ningdong Wind Power Company")	151.5	100%	101 x 1.5MW
11	Hebei Huadian Guyuan Wind Power Company Limited ("Guyuan Wind Power Company")	100.5	100%	67 x 1.5MW
12	Hebei Huadian Kangbao Wind Power Company Limited ("Kangbao Wind Power Company")	49.5	100%	33 x 1.5MW
13	Huadian Laizhou Wind Power Company Limited ("Laizhou Wind Power Company")	40.5	55%	27 x 1.5MW
14	Huadian Laizhou Wind Power Generation Company Limited ("Laizhou Wind Company")	48	100%	32 x 1.5MW
15	Huadian Ningxia Yueliangshan Wind Power Company Limited ("Yueliangshan Wind Power Company")	49.5	100%	33 x 1.5MW

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Company	Generating units
16	Huadian Ningxia Ningdong Shangde Solar Power Company Limited ("Shangde Solar Company")	10	60%	10 x 1MW

* In 2009, the Company entered into agreements to separately acquire Ganbao Company and Lixian Company, both of which are wholly-owned subsidiaries of Shenzhen Huanyu Xinghe Investment Company Limited ("Huanyu Company"). These two companies were consolidated into the consolidated financial statements of the Group on 28 May 2012 after the Group completed the acquisition of 100% equity interest in their parent company, Huanyu Company.

3) The coal mining enterprises controlled or invested by the Group totaled 16, with coal resources reserves of approximately 2.1 billion tonnes and expected production capacity of approximately 12.89 million tonnes/year. The details are as follows:

Name of company	Percentage of equity interest held by the Group	Resources reserves *(100 million tonnes)*	Interested resources reserves *(100 million tonnes)*	Capacity *(ten thousand tonnes/year)*
Shanxi Shuozhou Pinglu Maohua Bailu Coal Company Limited	100%	3.95	3.95	120
Shanxi Shuozhou Pinglu Wantongyuan Coal Company Limited	70%	3.73	2.61	210
Shanxi Shuozhou Pinglu Dongyi Coal Company Limited	70%	1.28	0.90	90
Inner Mongolia Alxa League Shunge Mining Industry Company Limited	100%	0.28	0.28	45
Inner Mongolia Haoyuan Coal Company Limited	85%	0.77	0.65	120
Anhui Wenhui New Products Promotion Company Limited	51%	0.39	0.20	60
Sichuan Huayingshan Longtan Coal Power Company Limited ("Longtan Company") *(Note)*	45%	0.97	0.44	150
Ningxia Yinxing Coal Company Limited	45%	10.37	4.67	400
Otog Front Banner Changcheng Mine Company Limited	35%	1.11	0.39	60
Inner Mongolia Fucheng Mining Company Limited	35%	2.38	0.83	240
Otog Front Banner Zhengtai Trading Company Limited	35%	2.16	0.76	240
Otog Front Banner Quanhui Trading Company Limited	35%	7.23	2.53	300
Otog Front Banner Baihui Trading Company Limited	35%	1.99	0.70	180
Linfen City Changfa Coal Coke Company Limited ("Changfa Coal Coke") (*Note)*	33%	1.17	0.39	120
Huadian Coal Industry Group Company Limited	12.56%			
Shandong Luneng Heze Coal Power Development Company Limited	12.27%			

Note: The Group's non-wholly-owned subsidiaries Guang'an Company and Century Power Company, respectively hold 45% and 33% equity interests in Longtan Company and Changfa Coal Coke..

Newly Installed Capacity

From 1 January 2012 to the date of this announcement, the newly installed and operating capacity of the Group amounted to an aggregate of 645MW:

Name of project	**Capacity** *(MW)*
Luding Hydropower Company	460
Shuiluohe Company	38
Kangbao Wind Power Company	49.5
Laizhou Wind Company	48
Phase I of Yueliangshan Wind Power Company	49.5
Total	645

Projects Approved and under Construction

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

Name of project	**Planned installed capacity**
Huadian Laizhou Power Generation Company Limited ("Laizhou Company")	2 x1,000MW generating units
Anhui Huadian Lu'an Power Generation Company Limited ("Lu'an Company")	First 600MW generating unit
Huadian 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
Shuozhou Thermal Power	2 x 300MW heat-power co-generating units
Tianjin Nanjiang Phase I Project	2 x 300MW heat-power co-generating units
Tianjin Nanjiang Phase II Project	900MW gas-fired generating units
Tianjin Wuqing Distributed Energy Project	2 x 200MWgas-fired generating units
Xiasha Natural Gas-fired Heat-power Co-generation Project in Hangzhou	2 x 100MW gas-fired generating units
Phase II Project of Hangzhou Banshan Company	3 x 350MW generating units
Shuiluohe Company	424MW hydroelectric 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
Phases II & III Projects of Guyuan Wind Power Company	150MW wind power generating units
Phases IV, V & VI Projects of Ningdong Wind Power Company	148.5MW wind power generating units
Phases II Project of Yueliangshan Wind Power Company	49.5MW wind power generating units
Phases I & II Projects of Wuyuan Wind Farm in Haiyuan of Huadian Ningxia Liupanshan Wind Power Company Limited ("Liupanshan Wind Power Company")	99MW wind power generating units
Danangou Project of Liupanshan Wind Power Company	49.5MW wind power generating units
Ganganliang Project of Liupanshan Wind Power Company	49.5MW wind power generating units
Songjiayao Project of Liupanshan Wind Power Company	49.5MW wind power generating units
Tuoliebao Project of Liupanshan Wind Power Company	49.5MW wind power generating units
Xiajiayao Project of Liupanshan Wind Power Company	49.5MW wind power generating units
Daju Project of Liupanshan Wind Power Company	49.5MW wind power generating units
Solar Power Generation Project in Taiyangshan, Wuzhong, Ningxia	10MW solar power generating units
Total	8,827MW

Preliminary Projects

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

Name of project	Planned installed capacity
Expansion Project of Shiliquan Plant	1 x 600MW generating unit
Phase III Project of Qingdao Company	1 x 300MW heat-power co-generating unit
Phase I Project in Shantou Huadian Power Generation Company Limited	2 x 600MW generating units
Chongqing Fengjie Project	2 x 600MW generating units
Jiangdong Project in Hangzhou, Zhejiang	2 x 390MW generating units
Zhejiang Longyou Project	2 x 180MW generating units
Guangdong Shenzhen Pingshan Distributed Energy Project	3 x 50MW generating units
Guangdong Shunde Qingyuan Natural Gas Distributed Energy Project	150MW generating units
Lu'an Company	Second 660MW generating unit
Phase IX Natural Gas Heat-power Co-generating Project of Shijiazhuang Thermal Power Company	2 x 400MW generating units
Shuiluohe Company	1,026MW hydroelectric generating units
Jincheng Wind Power Phase II Project of Laizhou Wind Company	48MW wind power generating units
Hutouya Wind Power Phase II Project of Laizhou Wind Power Company	48MW wind power generating units
Laizhou Guojiadian Wind Power Project	49.8MW wind power generating units
Kunlun Wind Power Phase I Project of Zibo Company	48MW wind power generating units
Saibei Phases I and II Projects of Guyuan Wind Power Company	149.5MW wind power generating units
Xihutong Phase I Project of Guyuan Wind Power Company	49.5MW wind power generating units
Phases II and III Projects of Kangbao Wind Power Company	99MW wind power generating units
Shipeng Phase I Project of Kangbao Wind Power Company	49.5MW wind power generating units
Phase II Project in Haiyuan, Ningxia	396MW wind power generating units
Gaojialiang Phase I Project in Chifeng, Inner Mongolia	47.5MW wind power generating units
Phase II Solar Power Generation Project of Shangde Solar Company	20MW solar power generating units
Total	8,230.8MW

The above preliminary projects have obtained the "road slip" (i.e. preliminary approval by the National Development and Reform Commission 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 2012, the gross domestic product ("GDP") of the PRC amounted to approximately RMB22,709.8 billion, representing an increase of 7.8% over the corresponding period in 2011 based on comparable prices. Power consumption of the whole society totaled 2,375.45 million MWh, representing an increase of approximately 5.52% over the corresponding period in 2011, while the growth rate declined by 6.7 percentage points as compared with the corresponding period in 2011. In particular, the consumption by the primary industry represented a year-on-year decrease of approximately 2% and the consumption by the secondary and tertiary industries represented a year-on-year increase of approximately 3.67% and 12.15%, respectively while the consumption by urban and rural residents represented a year-on-year increase of approximately 12.66%.

Power Generation

During the Period, the power generated by the Group amounted to approximately 78.35 million MWh, representing an increase of approximately 6.28% over the corresponding period in 2011; on-grid power sold amounted to approximately 73.17 million MWh, representing an increase of approximately 6.21% over the corresponding period in 2011; the average utilization hours of coal-fired generating units were 2,752 hours and the coal consumption for power supply was approximately 314.36 g/KWh.

Turnover and Profit

During the Period, the turnover of the Group amounted to approximately RMB29,437 million, representing an increase of approximately 11.52% over the corresponding period in 2011. This was mainly due to the increase in the power generation and the tail-raising effect of on-grid tariffs adjustments in 2011. The revenue generated from the sale of electricity amounted to approximately RMB27,647 million, representing an increase of approximately 10.86% over the corresponding period in 2011. The revenue generated from the sale of heat amounted to approximately RMB1,576 million, representing an increase of approximately 8.08% over the corresponding period in 2011. The revenue generated from the sale of coal amounted to approximately RMB214 million.

During the Period, the Group's operating profit amounted to approximately RMB2,913 million, representing an increase of approximately 133.81% over the corresponding period in 2011. During the Period, the profit attributable to equity shareholders of the Company amounted to approximately RMB284 million. Earnings per share was approximately RMB0.042.

Major Operating Expenses

During the Period, the operating expenses of the Group amounted to approximately RMB26,524 million, representing an increase of approximately 5.46% over the corresponding period in 2011. This was mainly attributable to the increased power generation.

During the Period, the fuel costs of the Group amounted to approximately RMB20,114 million, representing an increase of approximately 3.74% over the corresponding period in 2011. This was mainly attributable to the increase in power generation.

During the Period, depreciation and amortization expenses of the Group amounted to approximately RMB2,983 million, representing an increase of approximately 9.99% over the corresponding period in 2011. This was mainly due to the increase in depreciation expenses arising from the commencement of operation of new generating units.

During the Period, the Group's administrative expenses amounted to approximately RMB747 million, representing an increase of approximately 14.87% over the corresponding period in 2011, mainly due to the increased expenses arising from commencement of operation of the new generating units.

Finance Costs

During the Period, the finance costs of the Group amounted to approximately RMB3,184 million, representing an increase of approximately 40.17% over the corresponding period in 2011. This was mainly attributable to the inclusion of the borrowings into profit and loss upon commencement of operation of the new generating units, and the tail-raising effect of interest rate adjustment by the State in 2011.

Pledge and Mortgage of Assets

As at 30 June 2012, the Company and its subsidiaries, including Guang'an Company, Lingwu Company, Luding Hydropower Company, Wuhu Company, Za-gunao Hydroelectric Company, Ningdong Wind Power Company, Yueliangshan Wind Power Company, Xinxiang Company, Luohe Company, Suzhou Company, Pingshi Power 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 RMB14,591 million. In addition, the 75% equity interest held by the Company in Pingshi Power Company was pledged as security for repayment of the long term payables due within one year which was guaranteed by the Company.

As at 30 June 2012, the generating units, relevant equipments and land use right of Pingshi Power Company had been mortgaged to secure loans amounting to RMB1,818 million. In addition, the projects under construction of Shuiluohe Company had been mortgaged as security for loans amounting to RMB1,508 million. Further, the fixed assets of Tengzhou Company had been mortgaged to secure short-term borrowings amounting to RMB5.4 million. The mining rights of Shanxi Maohua Energy Investment Company had been mortgaged as security for short-term borrowings amounting to RMB150 million.

Indebtedness

As at 30 June 2012, the total borrowings of the Group amounted to approximately RMB93,737 million, of which borrowings denominated in US dollar and Euro dollar amounted to approximately US$219 million and EUR25 million, respectively. The liabilities to assets ratio was approximately 83.62%. In addition, the closing balance of ultra-short-term debentures payable, the short-term debentures payable, the medium-term notes payable and the non-public debts financing facilities of the Group amounted to approximately RMB3,493 million, RMB5,182 million, RMB5,347 million and RMB4,989 million, respectively.

Details of other loans of the Group as at 30 June 2012 are set out in notes to the interim financial report (prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting").

Contingent Liabilities

As at 30 June 2012, Guang'an Company, a subsidiary of the Company, provided guarantees to banks for loans amounting to RMB164 million to Longtan Company, an associate of Guang'an Company; Zhongning Company provided guarantees to banks for loans amounting to RMB25.11 million to Ningxia Power Generation Company (Group) Limited, an associate of the Company.

Cash and Cash Equivalents

As at 30 June 2012, the Group had cash and cash equivalents of approximately RMB4,560 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 2011 annual report.

Business Outlook

I. In the second half of the year, as the State's various "maintain stable growth" measures gradually take effects, the economic situation is expected to become better, with a rebound in China's overall power consumption, and the business environment for the Group is expected to improve. Firstly, in respect of the coal market, as affected by factors such as falls in domestic demand for coal, the released coal production capacity, increased coal self-supply for the power generation industry and a loosened international coal market, the supply and demand of coal has undergone substantial changes; the drop in coal prices is conducive to the enhancement of the business performance of the Group's coal-fired power generation business. Secondly, in respect of the electricity market, the rate of investment in electricity generation has decreased during the recent years, and in particular, the rate of decrease in investment in coal-fired generating units is even more noticable. However, the utilisation hours of coal-fired generating units are expected to remain relatively stable in the near future. Meanwhile, the effects of the on-grid tariff adjustment made in 2011 will continue to show up in the second half of the year. Thirdly, in respect of capital, with the several interest rate cuts by the central bank on bank loans, the monetary policy is becoming looser with downward adjustment in interest rates, which will provide a better financing environment to the Group with a decrease in capital cost.

II. The Group needs to make accurate analysis of the changes brought by the cyclical shift of the industry and its impact on the different business and seize the adjustments brought about by the industry's structural changes and opportunities offered by the cyclical shift of the industry to persistently enhance and develop quality. With deepened structural adjustment, the Group is to strengthen its coal-fired power generation business by taking advantage of its management strength; to orderly enlarge its wind power business by seizing any good development opportunities arising; to enhance economies of scale and profitability by focusing on small and medium-sized hydropower projects development; to gradually create a mutually beneficial development mode of "electricity leading coal; coal reinforcing electricity" with a view to further promoting the efficient and healthy development of the coal industry.

III. The Group will seize the historic opportunities to realize enhancement of economic benefits. The operation of coal-fired power generation business is centered around certain key factors including fuel, electricity and capital. The Group will take full advantage of the opportunity arising from the increased coal supply to control coal prices and generate more electricity so as to enhance its operating performance; for the hydropower business, the Group will strengthen the coordinated management of different river basins to maximize operating results; for the wind power business, the Group will step up its marketing efforts to cope and to breakthrough the restriction caused by the idle wind power generating units in order to generate higher profit; for the coal business, the Group will vigorously create a better external environment, strengthen its internal control and develop markets to rapidly improve its profitability.

SIGNIFICANT EVENTS

(1) Extraordinary General Meetings ("EGM")

On 27 March 2012, the Company held the first EGM in 2012, at which the resolution regarding the Financial Services Agreement entered into between the Company and China Huadian Corporation Finance Company Limited and the resolution regarding the establishment of the nomination committee of the Board were considered and approved.

For details, please refer to the announcement of the EGM voting results dated 27 March 2012.

(2) Completion of Non-public Issuance of A Shares

On 4 July 2012, the Company completed the non-public issuance of A Shares (the "**Issuance**"), whereby the Company issued 600,000,000 new A Shares at a subscription price of RMB3.12 per share to raise total proceeds of RMB1,872 million. The net proceeds were approximately RMB1,829 million. The successful completion of the issuance is conducive to the optimization of the Company's assets and liability structure and the development of the Company's future projects.

For details, please refer to the announcement of the Company dated 4 July 2012.

(3) Issuance of Debt Financing Instruments

Since the beginning of 2012, the Group has stepped up financing efforts by seizing the opportunities offered by the continuing improvement in the bond market. On 13 February 2012, the Group completed the issue of the first tranche of short-term debentures for 2012 worth RMB1.5 billion at a coupon rate of 4.68%; On 14 March 2012, the Group completed the issue of the first tranche of non-public private placement bonds for 2012 worth RMB5 billion at a coupon rate of 5.02% in a private placement; on 23 May 2012, the Group completed the issue of the first tranche of medium-term notes for 2012 worth RMB1.5 billion at a coupon rate of 4.72%; on 20 June 2012, the Group completed the issue of the first tranche of ultra-short-term debentures for 2012 worth RMB3.5 billion at a coupon rate of 3.15%. The issue of the above debt financing instruments has optimized the Group's debt structure.

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 2012 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 2012, interested in 5% or more of any class of the then issued share capital of the Company, or was, as at 30 June 2012, a substantial shareholder (as defined in the Listing Rules) of the Company:

			Equity Interest as at 30 June 2012		
Name of Shareholder	**Class of Share**	**Number of Shares Held**	**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)*	1.27%	—	6.00%
Shandong International Trust Corporation	A Shares	800,766,729	11.83%	15.00%	—
Greenwoods Asset Management Limited	H Shares	86,582,000(L)	1.28%	—	6.05%
FMR LLC	H Shares	73,018,000(L)	1.08%	—	5.10%

(L): Long position

Note: 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 2012, 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

Name	**Position in the Company**	**Number of A Shares of the Company held as personal interest**	**Capacity**
Gou Wei	Deputy general manager	10,000*	Beneficial owner

Save as disclosed above, as at 30 June 2012, 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 2012, 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 material litigation or arbitration. Furthermore, no material litigation or claims were pending or threatened or made against the Group so far as the directors of the Company are aware. As at 30 June 2012, the Group or its subsidiaries was a party to certain litigations arising from the ordinary course of business or assets acquisition. The likely outcome of these contingent liabilities, litigations or other legal proceedings cannot be ascertained at present, but the management of the Group believes that, any possible legal liability which may be incurred from the aforesaid cases will not have material adverse effect on the financial position and operating results of the Group.

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

The Company has always attached great importance to the corporate governance and continuously implements 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, the Terms of Reference for the Audit Committee under the Board, the Terms of Reference for the Remuneration and Appraisal Committee under the Board, and the Terms of Reference for the Nomination Committee under the Board, etc.

The Company has established and improved the standardized operating systems of the general meetings, board 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 with information disclosures. In addition, trainings regarding corporate governance and regulatory compliance were provided to the directors, supervisors and secretaries to the board of subsidiaries of the Company. In accordance with the relevant requirements of internal control of the Company, regular assessments were made on the internal control of the Company.

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 (for the period from 1 January 2012 to 31 March 2012) and Corporate Governance Code (for the period from 1 April 2012 to 30 June 2012) 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
30 August 2012

* *For identification purposes only*

I. SUMMARY OF FINANCIAL INFORMATION IN CONSOLIDATED FINANCIAL STATEMENTS PREPARED UNDER 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 2012 interim report.

Consolidated statement of comprehensive income
For the six months ended 30 June 2012-unaudited
(Expressed in Renminbi)

		Six months ended 30 June	
		2012	2011
	Note	***RMB'000***	*RMB'000*
Turnover	3	**29,437,280**	26,397,470
Operating expenses			
Fuel costs		**(20,113,653)**	(19,389,346)
Cost of coal sold		**(179,797)**	—
Depreciation and amortisation		**(2,983,428)**	(2,712,570)
Major overhaul expenses		**(355,419)**	(342,125)
Repairs and maintenance		**(432,177)**	(389,011)
Personnel costs		**(1,126,019)**	(1,143,732)
Administrative expenses		**(747,476)**	(650,713)
Sales related taxes		**(107,602)**	(90,285)
Other operating expenses		**(478,745)**	(433,806)
		(26,524,316)	(25,151,588)
Operating profit		**2,912,964**	1,245,882
Investment income	4	**4,307**	580,907
Other revenue and net income		**310,590**	199,916
Finance income		**33,625**	24,666
Finance cost	5	**(3,184,391)**	(2,271,787)
Share of profits less losses of associates		**418,493**	337,706
Profit before taxation	6	**495,588**	117,290
Income tax	7	**(97,098)**	(27,713)
Profit for the period carried forward		**398,490**	89,577

Consolidated statement of comprehensive income (continued)
For the six months ended 30 June 2012-unaudited
(Expressed in Renminbi)

		Six months ended 30 June	
		2012	2011
	Note	***RMB'000***	*RMB'000*
Profit for the period brought forward		**398,490**	89,577
Other comprehensive income for the period (after tax and reclassification adjustments):			
Available-for-sale securities:			
net movement in fair value reserve	8	**1,028**	(2,344)
Total comprehensive income for the period		**399,518**	87,233
Profit attributable to:			
Equity shareholders of the Company		**284,344**	105,703
Non-controlling interests		**114,146**	(16,126)
Profit for the period		**398,490**	89,577
Total comprehensive income attributable to:			
Equity shareholders of the Company		**285,349**	103,448
Non-controlling interests		**114,169**	(16,215)
Total comprehensive income for the period		**399,518**	87,233
Basic and diluted earnings per share	9	**RMB0.042**	RMB0.016

Consolidated balance sheet
As at 30 June 2012-unaudited
(Expressed in Renminbi)

	Note	**At 30 June 2012** *RMB'000*	At 31 December 2011 *RMB'000*
Non-current assets			
Property, plant and equipment		**99,335,158**	96,349,034
Construction in progress		**21,066,446**	19,184,853
Lease prepayments		**1,775,610**	1,767,175
Intangible assets		**6,026,087**	6,000,786
Interest in associates		**10,862,442**	10,445,042
Other investments		**293,795**	337,523
Other non-current assets		**2,150,716**	1,557,536
Deferred tax assets		**488,515**	415,090
		141,998,769	136,057,039
Current assets			
Inventories		**3,889,153**	2,777,508
Trade debtors and bills receivable	10	**5,308,373**	5,241,261
Deposits, other receivables and prepayments		**3,484,162**	2,466,111
Tax recoverable		**45,924**	42,673
Restricted deposits		**156,879**	362,535
Cash and cash equivalents		**4,559,798**	2,111,725
		17,444,289	13,001,813
Current liabilities			
Bank loans		**27,352,731**	28,895,130
Loans from shareholders		**252,000**	969,390
State loans		**14,125**	16,140
Other loans		**2,433,981**	5,427,823
Short-term debentures payable		**8,674,880**	3,551,384
Amounts due to the parent company		**1,910**	83,145
Obligations under finance leases	11	**303,385**	143,119
Trade creditors and bills payable	12	**9,096,620**	6,683,683
Other payables		**5,635,471**	8,107,792
Tax payable		**82,070**	126,072
		53,847,173	54,003,678
Net current liabilities		**(36,402,884)**	(41,001,865)
Total assets less current liabilities carried forward		**105,595,885**	95,055,174

Consolidated balance sheet (continued)
As at 30 June 2012-unaudited
(Expressed in Renminbi)

	Note	**At 30 June 2012** *RMB'000*	At 31 December 2011 *RMB'000*
Total assets less current liabilities brought forward		**105,595,885**	95,055,174
Non-current liabilities			
Bank loans		**53,949,655**	50,705,010
Loans from shareholders		**2,894,984**	2,271,006
State loans		**100,029**	87,239
Other loans		**6,739,377**	8,671,216
Long-term debentures payable		**10,336,869**	3,863,579
Obligations under finance leases	11	**730,260**	487,178
Long-term payables		**96,000**	737,123
Deferred government grants		**750,593**	752,389
Deferred income		**1,261,141**	1,190,240
Deferred tax liabilities		**2,620,352**	2,490,157
		79,479,260	71,255,137
Net assets		**26,116,625**	23,800,037
Capital and reserves			
Share capital		**6,771,084**	6,771,084
Reserves		**11,629,228**	9,513,989
Total equity attributable to equity shareholders of the Company		**18,400,312**	16,285,073
Non-controlling interests		**7,716,313**	7,514,964
Total equity		**26,116,625**	23,800,037

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 30 August 2012.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2011 annual financial statements. The IASB has issued a few amendments to International Financial Reporting Standards ("IFRSs") that are first effective for the current accounting period of the Group. Of these, the amendments to IFRS 7, *Financial instruments: Disclosures - Transfer of financial assets*, is relevant to the Group's financial statements. The amendments to IFRS 7 require certain disclosures to be included in the annual financial statements in respect of all transferred financial assets that are not derecognised and for any continuing involvement in a transferred asset existing at the reporting date, irrespective of when the related transfer transaction occurred. As a result of these amendments, the relevant information will be disclosed in the Group's annual financial statements but these amendments have no impact on the interim financial report. None of the other developments are relevant to the Group's interim financial report and the Group has not applied any new standard or interpretation that is not yet effective for the current accounting period beginning on 1 January 2012.

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 2011 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 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 2011 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 2011 are available from the Company's legal office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 28 March 2012.

2 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.

3 Turnover

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

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Sale of electricity	**27,646,607**	24,938,951
Sale of heat	**1,576,348**	1,458,519
Sale of coal	**214,325**	—
	29,437,280	26,397,470

4 Investment income

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Gain on dilution of an associate	**—**	567,896
Gain on step acquisition	**—**	13,011
Dividend income from unlisted securities	**4,304**	—
Others	**3**	—
	4,307	580,907

5 Finance costs

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Interest on loans and other financial liabilities	**3,692,551**	2,705,990
Less: interest capitalised	**(530,919)**	(394,460)
	3,161,632	2,311,530
Net foreign exchange loss/(gain)	**15,688**	(43,964)
Other finance costs	**7,071**	4,221
	3,184,391	2,271,787

The interest costs have been capitalised at an average rate of 6.64% per annum (six months ended 30 June 2011: 5.51%) for construction in progress.

6 Profit before taxation

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

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Cost of inventories	**21,160,438**	20,163,921
Amortisation		
— lease prepayments	**29,342**	24,736
— intangible assets	**67,286**	63,862
Depreciation	**2,886,800**	2,623,972
Operating lease charges in respect of land and buildings	**48,383**	45,849
Government grants included in other net income	**(105,830)**	(104,767)
Gain on sale of installed capacity quota	**(50,000)**	—
Gain on disposal of property, plant and equipment	**(29,111)**	(2,223)
Research and development costs	**7,978**	834

7 Income tax

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Current tax		
Charge for the PRC enterprise income tax for the period	**139,247**	37,752
(Over)/under-provision in respect of previous years	**(4,957)**	381
	134,290	38,133
Deferred taxation		
Origination and reversal of temporary differences	**(37,192)**	(10,420)
	97,098	27,713

The charge for PRC enterprise income tax is calculated at the statutory rate of 25% (six months ended 30 June 2011: 25%) on the estimated assessable profits of the Group for the six months ended 30 June 2012 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 preferential rates of 12.5% or 15% (six months ended 30 June 2011: 12.5%).

8 Other comprehensive income

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Available-for-sale securities		
Changes in fair value recognised during the period	**1,146**	(2,237)
Net deferred tax debited to other comprehensive income	**(118)**	(107)
Net movement in the fair value reserve during the period recognised in other comprehensive income	**1,028**	(2,344)

9 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 2012 of RMB284,344,000 (six months ended 30 June 2011: RMB105,703,000) and the number of shares in issue during the six months ended 30 June 2012 of 6,771,084,200 (six months ended 30 June 2011: 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 2012 and 2011.

10 Trade debtors and bills receivable

	At 30 June 2012 *RMB'000*	At 31 December 2011 *RMB'000*
Trade debtors and bills receivable for sale of electricity	**4,817,216**	4,931,608
Trade debtors and bills receivable for sale of heat	**393,068**	248,075
Trade debtors and bills receivable for other operations	**104,839**	68,328
	5,315,123	5,248,011
Less: allowance for doubtful debts	**(6,750)**	(6,750)
	5,308,373	5,241,261

Receivables from sale of electricity and coal 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.

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

	At 30 June 2012 *RMB'000*	At 31 December 2011 *RMB'000*
Current	**4,544,521**	4,929,209
Less than 1 year past due	**679,501**	207,581
1 to 2 years past due	**79,999**	100,119
More than 3 years past due	**4,352**	4,352
Amount past due	**763,852**	312,052
	5,308,373	5,241,261

11 Obligations under finance leases

The Group had obligations under finance leases repayable as follows:

	At 30 June 2012		At 31 December 2011	
	Present value of the minimum lease payments	**Total minimum lease payments**	Present value of the minimum lease payments	Total minimum lease payments
	RMB'000	***RMB'000***	*RMB'000*	*RMB'000*
Within 1 year	**303,385**	**315,911**	143,119	149,306
After 1 year but within 2 years	**279,528**	**309,777**	146,174	162,360
After 2 years but within 5 years	**450,732**	**555,819**	341,004	429,388
	730,260	**865,596**	487,178	591,748
	1,033,645	**1,181,507**	630,297	741,054
Less: total future interest expenses		**(147,862)**		(110,757)
Present value of finance lease obligations		**1,033,645**		630,297

For the six months ended 30 June 2012, the Group entered into three new agreements with different leasing companies to sell certain of the Group's facilities to those leasing companies and leaseback the facilities for periods ranging from 3 to 5 years. The Group has an option to purchase the facilities at a nominal price of RMB1 at the end of the lease period. As at 30 June 2012, the net book value of the facilities held under finance lease included in property, plant and equipment and intangible assets amounted to RMB969,268,000 and RMB303,179,000 (31 December 2011: RMB399,184,000 and RMB315,927,000), respectively.

12 Trade creditors and bills payable

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

13 Capital reserve and dividends

(a) Dividends

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

The directors of the Company do not recommend the payment of any interim dividend for the six months ended 30 June 2012 (six months ended 30 June 2011: RMB Nil).

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

The directors of the Company did not recommend the payment of any final dividend for the year ended 31 December 2011 (year ended 31 December 2010: RMB Nil).

13 Capital reserve and dividends (continued)

(b) Issue of shares

The registered, issued and fully paid capital of the Company as at 30 June 2012 and 31 December 2011 comprises 5,340,056,200 A shares of RMB1 each and 1,431,028,000 H shares of RMB1 each. All shares rank pari passu in all material respects.

In June 2012, the Company started a non-public offering to target subscribers to issue 600,000,000 A shares with a nominal value of RMB1 each at an issue price of RMB3.12 each, and received net proceeds of RMB1,829,084,307 from target subscribers on 28 June 2012, which have been verified by KPMG Huazhen. The net proceeds obtained from the aforementioned non-public offering were credited to the capital reserve account as at 30 June 2012, as the Company did not complete the non-public issuance of A shares until 4 July 2012. All of the 600,000,000 shares issued to target subscribers are subject to restriction of disposal. Up to the date of this interim financial report, the business licence of the Company is yet to be renewed.

14 Acquisition of subsidiaries

(a) Acquisition of Huadian Shuozhou Thermal Power Generation Company Limited ("Shuozhou Thermal Company")

On 1 January 2012, the Company obtained control of Shuozhou Thermal Company, which is principally engaged in the generation and sale of heat in Shanxi Province in the PRC, by acquiring 100% of the equity and voting interests in Shuozhou Thermal Company from Huadian Shanxi Energy Co. Ltd., a subsidiary of China Huadian Corporation. On the date of the acquisition, Shuozhou Thermal Company was still under construction period.

Consideration transferred

The fair value of the total consideration transferred on acquisition-date was RMB14,268,000.

Identifiable assets acquired and liabilities assumed

	RMB'000
Trade debtors and other receivables	187
Inventories	159
Property, plant and equipment and construction in progress	176,779
Other non-current assets	49
Cash and cash equivalents	8,556
Trade creditors and other payables	(171,462)
Deferred tax liabilities	(1,067)
Total identifiable net assets	13,201

Goodwill

Goodwill was recognised as a result of the acquisition as follows:

	RMB'000
Total consideration transferred	14,268
Fair value of identifiable net assets	(13,201)
Goodwill	1,067

14 Acquisition of subsidiaries (continued)

(b) Acquisition of Shenzhen Huanyu Star River Investment Company Limited ("Huanyu Company")

On 28 May 2012, the Company obtained control of Huanyu Company, which is principally engaged in power industry investment in Sichuan Province in the PRC, by acquiring 100% of the equity and voting interests in Huanyu Company. On the date of the acquisition, Huanyu Company holds 100% equity interests of Lixian Star River Hydropower Company Limited ("Star River Hydropower Company") and Lixian Star River Ganbao Hydropower Company Limited ("Ganbao Hydropower Company"). After the completion of the acquisition, the Company holds 100% equity interests in Huanyu Company, and thus indirectly obtained the control of Star River Hydropower Company and Ganbao Hydropower Company.

In the period from 28 May 2012 to 30 June 2012, Huanyu Company, Star River Hydropower Company and Ganbao Hydropower Company contributed turnover of RMB9,040,000 and profit of RMB4,882,000 to the Group's results. If the acquisition had occurred on 1 January 2012, management estimates that consolidated turnover for the year of the Group would have been RMB29,462,877,000 and consolidated profit for the period of the Group would have been RMB402,255,000. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2012.

Consideration transferred

The fair value of the total consideration transferred on acquisition-date was RMB483,225,000.

Identifiable assets acquired and liabilities assumed

	RMB'000
Trade debtors and other receivables	792
Inventories	2,217
Property, plant and equipment	590,707
Lease prepayments	22,699
Cash and cash equivalents	287
Trade creditors and other payables	(129,945)
Deferred tax liabilities	(92,777)
Total identifiable net assets	393,980

The cash consideration and fair values of the identifiable net assets have been determined provisionally and shall be adjusted according to the audited results as at the acquisition date and the principles negotiated and agreed by the Company and the vendor.

If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date identifies adjustments to the above amounts, or additional assets or liabilities existed at the acquisition date, then the acquisition accounting will be revised.

14 Acquisition of subsidiaries (continued)

(b) Acquisition of Shenzhen Huanyu Star River Investment Company Limited ("Huanyu Company") (continued)

Goodwill

Goodwill was recognised as a result of the acquisition as follows:

	RMB'000
Total consideration transferred	483,225
Fair value of identifiable net assets	(393,980)
Goodwill	89,245

Acquisition-related costs

The Group incurred acquisition-related costs of RMB900,000 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.

15 Contingent liabilities

Inner Mongolia Haoyuan Coal Company Limited ("Haoyuan Company") is a subsidiary acquired by the Group on 30 September 2011. As at 30 June 2012, Haoyuan Company was the defendant in certain lawsuits for events incurred before the acquisition date. While the above litigations were in progress up to the date of this interim financial report and its outcomes cannot be determined at present, management of the Group considered that the outcome of these litigations will not result in significant adverse effect on the financial position and operating results of the Group.

At 30 June 2012, 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 RMB163,577,000 (2011: RMB163,757,000). Ningxia Zhongning Power Generation Company Limited , a subsidiary of the Group, provided guarantees to banks for loans granted to Ningxia Power Generation Company (Group) Limited amounting to RMB25,110,000 (2011: RMB26,800,000).

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

The consolidated financial information set out below is extracted from the unaudited consolidated financial statement prepared under CAS of the Group as set out in its 2012 interim report.

Consolidated balance sheet and balance sheet (unaudited)
As at 30 June 2012
(Expressed in Renminbi'000)

	The Group		The Company	
Item	**30 June 2012**	31 December 2011 (restated)	**30 June 2012**	31 December 2011
Current assets:				
Cash at bank and on hand	**4,716,677**	2,482,816	**1,950,124**	421,704
Bills receivable	**243,749**	315,651	**—**	100
Trade receivables	**5,064,624**	4,925,610	**768,391**	858,753
Prepayments	**1,457,109**	965,444	**216,509**	167,407
Other receivables	**1,113,322**	777,665	**5,072,151**	3,009,424
Inventories	**3,888,994**	2,777,508	**425,537**	434,782
Dividends receivable	**550**	—	**18,711**	15,108
Non-current assets due within one year	**42,094**	—	**—**	—
Other current assets	**917,011**	765,862	**147,142**	139,705
Total current assets	**17,444,130**	13,010,556	**8,598,565**	5,046,983
Non-current assets:				
Available-for-sale financial assets	**39,978**	39,506	**—**	—
Long-term receivables	**144,116**	176,365	**483,575**	361,018
Long-term equity investments	**11,099,275**	10,726,075	**34,989,278**	32,796,233
Fixed assets	**92,255,003**	89,252,428	**7,796,747**	8,022,590
Construction in progress	**14,900,295**	14,164,759	**885,210**	684,102
Construction materials	**322,751**	160,856	**—**	—
Construction and construction material prepayments	**5,942,070**	5,126,817	**197,068**	123,028
Intangible assets	**13,221,155**	13,287,396	**125,139**	131,512
Goodwill	**879,402**	790,157	**12,111**	12,111
Deferred tax assets	**512,266**	444,484	**—**	—
Other non-current assets	**2,006,600**	1,366,952	**345,622**	604,253
Total non-current assets	**141,322,911**	135,535,795	**44,834,750**	42,734,847
Total assets	**158,767,041**	148,546,351	**53,433,315**	47,781,830

Consolidated balance sheet and balance sheet (unaudited) (continued)
As at 30 June 2012
(Expressed in Renminbi'000)

Item	The Group 30 June 2012	The Group 31 December 2011 (restated)	The Company 30 June 2012	The Company 31 December 2011
Current liabilities:				
Short-term loans	**22,697,309**	26,719,139	**10,910,615**	13,756,302
Bills payable	**1,245,598**	1,265,832	**—**	320,000
Trade payables	**7,851,022**	5,418,714	**193,052**	104,873
Receipts in advance	**221,853**	791,135	**5,850**	6,956
Wages payable	**125,885**	116,262	**27,279**	19,898
Taxes payable	**294,315**	446,633	**30,500**	63,478
Interests payable	**459,448**	421,332	**218,757**	173,984
Dividends payable	**14,691**	11,744	**—**	—
Other payables	**3,761,330**	5,069,988	**829,105**	2,377,742
Short-term debenture payables	**8,674,880**	3,551,384	**8,674,880**	3,551,384
Non-current liabilities due within one year	**8,500,842**	10,362,977	**1,564,389**	2,908,861
Total current liabilities	**53,847,173**	54,175,140	**22,454,427**	23,283,478
Non-current liabilities:				
Long-term loans	**63,684,045**	61,734,471	**3,377,594**	4,915,216
Debentures payable	**10,336,869**	3,863,579	**10,336,869**	3,863,579
Long-term payables	**826,260**	1,224,301	**—**	—
Special payables	**—**	6,500	**—**	6,500
Deferred tax liabilities	**2,502,570**	2,376,916	**46,791**	46,791
Other non-current liabilities	**1,599,621**	1,523,562	**22,229**	22,187
Total non-current liabilities	**78,949,365**	70,729,329	**13,783,483**	8,854,273
Total liabilities	**132,796,538**	124,904,469	**36,237,910**	32,137,751

Consolidated balance sheet and balance sheet (unaudited) (continued)
As at 30 June 2012
(Expressed in Renminbi'000)

Item	The Group 30 June 2012	The Group 31 December 2011 (restated)	The Company 30 June 2012	The Company 31 December 2011
Shareholders' equity:				
Share capital	**6,771,084**	6,771,084	**6,771,084**	6,771,084
Capital reserve	**6,440,528**	4,603,133	**6,233,221**	4,400,536
Special reserves	**25,419**	3,268	**17,986**	—
Surplus reserve	**1,547,510**	1,547,510	**1,547,510**	1,547,510
Retained profits	**3,444,972**	3,175,032	**2,625,604**	2,924,949
Total equity attributable to equity shareholders of the Company	**18,229,513**	16,100,027	**17,195,405**	15,644,079
Minority interests	**7,740,990**	7,541,855	**—**	—
Total shareholders' equity	**25,970,503**	23,641,882	**17,195,405**	15,644,079
Total liabilities and shareholders' equity	**158,767,041**	148,546,351	**53,433,315**	47,781,830

Consolidated income statement and income statement (unaudited)
For the six months ended 30 June 2012
(Expressed in Renminbi'000)

Item	The Group Six months period ended 30 June **2012**	2011	The Company Six months period ended 30 June **2012**	2011
Operating income	**29,557,919**	26,496,506	**4,669,356**	4,136,659
Less: Operating costs	**25,637,415**	24,370,695	**4,136,341**	3,994,564
Sales taxes and surcharges	**111,504**	95,481	**25,907**	18,666
Administrative expenses	**847,230**	736,311	**200,772**	181,781
Finance expenses	**3,150,766**	2,247,121	**939,250**	591,084
Add: Investment income	**404,782**	918,613	**325,415**	998,146
Including: income from investment in associates	**400,475**	337,706	**312,555**	271,682
Operating profit/(loss)	**215,786**	(34,489)	**(307,499)**	348,710
Add: Non-operating income	**271,796**	166,531	**8,374**	1,038
Less: Non-operating expenses	**7,182**	6,810	**220**	1,278
Including: losses on disposal of non-current assets	**266**	11	**189**	—
Total profit / (loss)	**480,400**	125,232	**(299,345)**	348,470
Less: Income tax expenses	**99,267**	31,078	**—**	4
Net profit / (loss)	**381,133**	94,154	**(299,345)**	348,466
Attributable to:				
Equity shareholders of the Company	**269,940**	118,908	**(299,345)**	348,466
Minority interests	**111,193**	(24,754)	**—**	—
Earnings per share *(RMB)*:				
Basic earnings per share	**0.040**	0.018	**N/A**	N/A
Diluted earnings per share	**0.040**	0.018	**N/A**	N/A
Add: Other comprehensive income	**1,028**	(2,344)	**610**	(2,418)
Total comprehensive income	**382,161**	91,810	**(298,735)**	346,048
Attributable to:				
Equity shareholders of the Company	**270,945**	116,653	**(298,735)**	346,048
Minority interests	**111,216**	(24,843)	**—**	—

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 2012 *RMB'000***	30 June 2011 *RMB'000*
Amount under CAS		**381,133**	94,154
Adjustments:			
Business combination involving entities under common control	(i)	**(14,656)**	(14,561)
Government grants	(ii)	**6,954**	6,619
Maintenance and production fund adjustments	(ii)	**22,890**	—
Taxation impact of the adjustments		**2,169**	3,365
		398,490	89,577

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

	Note	**30 June 2012 *RMB'000***	31 December 2011 *RMB'000* (restated)
Amount under CAS		**25,970,503**	23,641,882
Adjustments:			
Business combination involving entities under common control	(i)	**699,768**	713,357
Government grants	(ii)	**(412,113)**	(412,567)
Taxation impact of the adjustments		**(141,533)**	(142,635)
		26,116,625	23,800,037

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.

(iii) Pursuant to the relevant PRC regulations, coal mining companies shall make provisions for production maintenance, production safety and other related expenditures based on coal production volume. Provision for maintenance and production funds is recognised as expense in profit or loss with a corresponding amount to the specific reserve in shareholders' equity. The maintenance and production funds could be utilised when qualifying revenue expenditures or capital expenditures on production maintenance and safety measures are incurred, and the amount of maintenance and production funds utilised would be offset from the specific reserve.

According to IFRSs, provisions for production maintenance, production safety and other related expenditures are recognised as specific reserve through profit appropriation. When qualifying revenue expenditures are incurred, such expenses are recorded in the profit or loss 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 Group. Internal equity items transfers take place based on the actual application amount of such expenses whereas specific reserve is offset against retained earnings to the extent of zero.