



國電科技環保集團股份有限公司

GUODIAN TECHNOLOGY & ENVIRONMENT GROUP CORPORATION LIMITED*

(於中華人民共和國註冊成立的股份有限公司)

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

Stock Code 股份代號 : 01296

www.01296.hk

2012 INTERIM REPORT 中期報告



CORPORATE CULTURE

企業文化

Corporate Culture Slogan

Diversified & New Culture

Corporate Culture Philosophy

Core Concepts

Core Values: Strict, Efficient, Upstraight, Harmonious
Corporate Spirit: A Never Ending Pursuit of Excellence
Vision: Home · Stage · Dream
Ethical Code: Integrity, Responsibility, Loyalty and Dedication

Strategic Thinking

Corporate Tenet: To Build A Green Home with Innovative Energy Science and Technology
Strategic Objective: Becoming a dynamic and innovative clean energy technology provider
Business Policy: Being Pragmatic and Innovative, Larger and Stronger Being Strategic and Energetic, Innovative and Effective

Management Ideology

Human Capital: A magnet for industrial elites with a dream of green future
Technology: An industrial leader of continuous innovation
Branding: Green technology for a better world

Code of Conduct

Employee Code of Conduct: Dedication, Professionalism, Teamwork and Execution
Employee Workplace Etiquette: Equal & Respectful, Solidary & Amicable, Gracious & Polite, Motivated & Confident
Management Code of Conduct: Accountability, Creativity, Motivation and Self-discipline

Logo of Cultural Communication

Green technology for a better world

企業文化定位語

博 · 新文化

企業文化理念

核心理念

企業核心價值觀: 嚴格、高效、正義、和諧
企業精神: 永無止境、創造一流
企業願景: 家園 · 舞台 · 夢
職業道德觀: 誠信盡責、忠誠敬業

戰略理念

企業宗旨：創新能源科技 建設綠色家園

戰略目標：成為最具創新活力的清潔能源科技集團

經營方針：大企業、大發展、大市場、大集團、新企業、新機制、新活力及新作為

管理理念

人才理念：廣聚行業精英共圓綠色夢想

科技理念：持續創新 引領行業

品牌理念：綠色科技 全球共享

企業行為文化

員工共同行為準則：忠於職守，精於業務，誠於協作，敏於執行

員工公共禮儀準則：平等尊重，團結友善，文明有禮，心態陽光

管理人員行為準則：敢於負責，勇於創新，善於激勵，嚴於律己

文化傳播用語

綠色科技 全球共享

CONTENTS

目錄

002	Corporate Information	公司資料
004	Corporate Profile	公司介紹
006	Summary of Financial Results	財務業績摘要
007	Management Discussion and Analysis	管理層討論及分析
033	Corporate Governance and Other Information	企業管治及其他資料
037	Other Information	其他資料
044	Review Report	審閱報告
046	Consolidated Income Statement	合併收益表
047	Consolidated Statement of Comprehensive Income	合併綜合收益表
048	Consolidated Balance Sheet	合併資產負債表
050	Consolidated Statement of Changes in Equity	合併權益變動表
052	Condensed Consolidated Cash Flow Statement	簡明合併現金流量表
053	Notes to the Unaudited Interim Financial Report	未經審計的中期財務報告附註

CORPORATE INFORMATION

公司資料

Directors

Non-executive Directors

Mr. ZHU Yongpeng
Mr. YANG Guang
Mr. FENG Shuchen
Mr. YAN Andrew ⁽¹⁾

Executive Directors

Mr. YE Weifang
Mr. LI Hongyuan
Ms. WANG Hongyan

Independent Non-executive Directors

Mr. LU Yanchang
Mr. ZHAI Ligong
Mr. SHI Dinghuan ⁽²⁾
Mr. FAN Ren Da Anthony

Supervisors

Mr. QIAO Baoping
Mr. CHEN Bin
Mr. XU Xingzhou
Mr. GUAN Xiaochun
Mr. LI Wei

Legal Advisors

K&L Gates as to Hong Kong law
44/F, Edinburgh Tower, The Landmark
15 Queen's Road Central
Hong Kong

Beijing Dacheng Law Office as to PRC law
No.3 China Investment Tower
Dong Zhimen South Avenue
Beijing, China

Auditors

International

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road, Central
Hong Kong

PRC

RSM China Certified Public Accountants Co., Ltd.
8&9/F Block A, Corporate Square
#35 Financial Street, Xicheng District
Beijing

Joint Company Secretaries

Mr. TANG Dejun
Mr. WONG Ki Yan Davhen (CPA, FCCA)

Authorized Representatives

Mr. YE Weifang
Mr. WONG Ki Yan Davhen

董事

非執行董事

朱永芃先生
陽光先生
馮樹臣先生
閻焱先生⁽¹⁾

執行董事

葉偉芳先生
李宏遠先生
王鴻豔女士

獨立非執行董事

陸延昌先生
翟立功先生
石定寰先生⁽²⁾
范仁達先生

監事

喬保平先生
陳斌先生
許興洲先生
關曉春先生
李偉先生

法律顧問

高蓋茨律師事務所(有關香港法律)
香港
皇后大道中15號
置地廣場公爵大廈44樓

北京市大成律師事務所(有關中國法律)
中國北京市
東直門南大街
3號國華投資大廈

核數師

國際

畢馬威會計師事務所
執業會計師
香港
中環遮打道10號
太子大廈8樓

中國

中瑞岳華會計師事務所
北京市
西城區金融大街35號
國際企業大廈A座8、9層

聯席公司秘書

湯得軍先生
黃基恩先生(CPA, FCCA)

授權代表

葉偉芳先生
黃基恩先生

CORPORATE INFORMATION

公司資料

Compliance Advisor

China International Capital Corporation Hong Kong Securities Limited

Legal Address and Headquarters in the PRC

Suite 1101, 11/F, Building No.1
Block No.16 Xi Si Huan Zhong Road
Haidian District, Beijing, PRC

Principal Place of Business in Hong Kong

Unit 4001, 40/F, Cosco Tower, 183 Queen's Road
Central, Hong Kong

Nomination Committee

Mr. LU Yanchang (*Chairman*)
Mr. ZHAI Ligong
Ms. WANG Hong Yan

Audit Committee

Mr. FAN Ren Da Anthony (*Chairman*)
Mr. ZHAI Ligong
Mr. YANG Guang

Remuneration and Appraisal Committee

Mr. ZHAI Ligong (*Chairman*)
Mr. ZHU Yongpeng
Mr. LU Yanchang

Strategic Committee

Mr. ZHU Yongpeng (*Chairman*)
Mr. FENG Shuchen
Mr. YE Weifang
Mr. LI Hongyuan
Mr. ZHAI Ligong

H Share Registrar

Computershare Hong Kong Investor Services Limited

Website Address

www.01296.hk

Principal Banks

China Construction Bank Corporation
Bank of Communications Co., Ltd. Hong Kong Branch
Wing Lung Bank Limited Hong Kong Branch

Notes:

- (1) Upon the approval by the Shareholders on the 2011 annual general meeting held on June 8, 2012, Mr. YAN Andrew Y. was appointed as the Company's non-executive Director. Please refer to the announcements of the Company dated April 11, 2012 and June 8, 2012 for details.
- (2) Upon the approval by the Shareholders on the 2011 annual general meeting held on June 8, 2012, Mr. SHI Dinghuan was appointed as the Company's independent non-executive Director. Please refer to the announcements of the Company dated April 11, 2012 and June 8, 2012 for details.

合規顧問

中國國際金融香港證券有限公司

法定地址及中國主要辦事處

中國北京市海澱區
西四環中路16號院
1號樓11層1101室

香港主要營業地點

香港皇后大道中183號
中遠大廈40樓4001室

提名委員會

陸延昌先生 (*主席*)
翟立功先生
王鴻豔女士

審計委員會

范仁達先生 (*主席*)
翟立功先生
陽光先生

薪酬與考核委員會

翟立功先生 (*主席*)
朱永芄先生
陸延昌先生

戰略委員會

朱永芄先生 (*主席*)
馮樹臣先生
葉偉芳先生
李宏遠先生
翟立功先生

H股證券登記處

香港中央證券登記有限公司

網址

www.01296.hk

主要往來銀行

中國建設銀行股份有限公司
交通銀行股份有限公司香港分行
永隆銀行有限公司香港分行

附註：

- (1) 閻焱先生於2012年6月8日經公司2011年年度股東大會審議批准為公司非執行董事，詳情請查閱本公司2012年4月11日、6月8日之公告。
- (2) 石定寰先生於2012年6月8日經公司2011年年度股東大會審議批准為公司獨立非執行董事，詳情請查閱本公司2012年4月11日、6月8日之公告。

CORPORATE PROFILE

公司介紹

Guodian Technology & Environment Group Corporation Limited (the “**Company**”, “**our Company**” or “**GUODIAN TECH**”), formerly Guodian Technology & Environment Group Limited Liability Company, was converted into a joint stock limited liability company on May 16, 2011. It was established as a result of reorganization of the high technology divisions of China Guodian Corporation (the “**Guodian Group**”), the Company’s controlling shareholder. The Company, together with its subsidiaries (collectively, the “**Group**” or “**our Group**”), is the largest environmental protection and energy saving solution supplier for coal-fired power plants, and also a leading renewable energy solution supplier and equipment manufacturer in China. The Company was ranked 215th in the 2012 *Fortune China 500* list issued by the *Fortune* magazine.

GUODIAN TECH focuses on technology innovation to secure an advantageous position in future technical and industrial development. The Company is actively promoting new applications of core technologies such as desulphurization and denitrification solutions for power plants, plasma ignition, energy management contract, water treatment, automatic control of power station, air cooling systems for power station, wind power equipment and solar power plant construction, among others. With a strong competence in the fields of research and development (“**R&D**”), and manufacturing and engineering, the Company is a technology-driven leader in China’s power sector with strong growth of its profitability. GUODIAN TECH is playing an important role in Guodian Group’s business transformation and making contributions to an “Energy Saving and Environmental Friendly” society.

Focusing on technical innovation and industrialization, GUODIAN TECH has made a large number of innovations based on original ideas, resource consolidation and technology adaptation. Among its leading technologies in the PRC or globally, the Group’s plasma ignition technology is ranked number one in the world. In the domestic market, the Company keeps a leading position in many technical areas such as wet flue gas desulphurization, seawater desulphurization, furnace combustion De-Nox and flue gas denitrification. Longyuan Environmental, Longyuan Technology, United Power, Longyuan Cooling, Guodian Zhishen and GD Solar have significant brand recognitions in China.

國電科技環保集團股份有限公司(「**本公司**」或「**國電科環**」)前身為國電科技環保集團有限公司，於2011年5月16日正式改制成為股份有限公司。國電科環是其控股股東中國國電集團公司(「**中國國電**」)整合所屬高科技產業組建的企業集團。本集團及其附屬公司(統稱「**本集團**」)是目前中國最大的燃煤電廠環保節能解決方案供應商及領先的可再生能源解決方案供應商及設備製造商。本公司在**財富雜誌**公佈的**2012年中國500強**排行榜中名列第215位。

國電科環始終堅持走科技創新之路，著力搶佔未來技術和產業發展的制高點，致力於電站脫硫脫硝、等離子體點火、合同能源管理、水處理、電站自動控制、電站空冷系統、風電設備製造、太陽能電廠建設等核心技術的新應用推廣，形成了強大的技術研究及開發(「**研發**」)、製造和工程實施能力，利潤每年以高速增長，成為中國電力高科技領域的領先企業，為國電集團業務轉型和「建設資源節約型、環境友好型」社會做出了貢獻。

國電科環專注於科技創新和產業化並舉，通過原始創新、資源集成創新與技術引進消化吸收再創新，取得了一大批科技創新成果，有多項技術達到國際國內領先水準，其中本集團的等離子體點火技術水平居世界第一位，本集團的煙氣濕法脫硫、海水脫硫、鍋爐燃燒降氮、煙氣脫硝技術始終保持國內領先地位，龍源環保、龍源技術、聯合動力、龍源冷卻、國電智深、國電光伏已成為享譽中國的知名品牌。

CORPORATE PROFILE

公司介紹

Guodian Group, the parent company of GUODIAN TECH, is one of the Fortune Global 500 companies and one of the five largest power generation conglomerates in China. The Group operates as a flagship for the businesses of environmental protection and energy conservation solutions and renewable energy equipment manufacturing and services of the Guodian Group. During the period of the Twelfth Five-year Plan for the National Economic and Social Development of the PRC (“**Twelfth Five-year Plan**”), GUODIAN TECH plans to continue to promote its leading edge in the areas of technology, business scale and market position by focusing on technological and management innovations in line with China Guodian Corporation’s strategy of “developing new energy and building an innovative enterprise”. GUODIAN TECH strives to maintain its high-level and fast-paced development of the renewable energy business and to become one of the leading environmental protection and energy saving solution providers for coal-fired power plants worldwide, and also one of the leading renewable energy solution suppliers and equipment manufacturers globally, so as to make a greater contribution to the global development of clean energy.

國電科環的母公司國電集團為全球財富500強公司以及中國五大電力公司之一。本集團是國電集團環保及節能解決方案以及可再生能源設備製造及服務業務的旗艦平台。中國國民經濟和社會發展十二五規劃綱要(「**十二五規劃**」)期間，國電科環計劃按照國電集團「大力發展新能源，建設創新型企業」的戰略部署，以科技創新和管理創新為重心，繼續保持其在技術、規模、市場等方面的領先優勢，致力維持高起點、快節奏發展可再生能源業務，打造國際一流的火電廠環保節能解決方案供應商及國際領先的可再生能源解決方案供應商及設備製造商，為全球清潔能源發展做出更大的貢獻。

SUMMARY OF FINANCIAL RESULTS

財務業績摘要

For the six months ended June 30, 2012, the Group recorded a consolidated revenue of approximately RMB8,032.9 million, representing an increase of approximately 18.6% over the corresponding period in 2011.

截至2012年6月30日止6個月，本集團錄得合併收入約人民幣8,032.9百萬元，較2011年同期增長約18.6%。

For the six months ended June 30, 2012, the Group's gross profit was approximately RMB1,376.8 million, representing an increase of approximately 26.8% over the corresponding period in 2011.

截至2012年6月30日止6個月，本集團的毛利為約人民幣1,376.8百萬元，較2011年同期增長約26.8%。

For the six months ended June 30, 2012, the Group's operating profit was approximately RMB785.0 million, representing an increase of approximately 58.2% over the corresponding period in 2011.

截至2012年6月30日止6個月，本集團的經營利潤為約人民幣785.0百萬元，較2011年同期增長約58.2%。

For the six months ended June 30, 2012, net profit attributable to equity shareholders/owners of the Company was approximately RMB257.2 million, representing an increase of approximately 42.0% over the corresponding period in 2011.

截至2012年6月30日止6個月，本公司權益股東／所有人應佔純利為約人民幣257.2百萬元，較2011年同期增長約42.0%。

For the six months ended June 30, 2012, earnings per share of the Group (excluding non-controlling interests) was approximately RMB4.2 cents, representing an increase of approximately 13.5% over the corresponding period in 2011.

截至2012年6月30日止6個月，本集團每股盈利（不包括非控股權益）為約人民幣4.2分，較2011年同期增長約13.5%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FIRST HALF OF 2012 INDUSTRY AND BUSINESS OVERVIEW

Key Industry Developments

During the first six months of 2012, the government of the People's Republic of China (the "PRC") continued to introduce new regulatory initiatives applicable to the PRC power and power related industries, in order to further diversify the PRC energy supply structure and to encourage development of the environmental protection and energy conservation industry. A summary of these initiatives is set forth below:

- *12th Five-year Plan for Implementation of Cleaner Industrial Production* (*《工業清潔生產推行「十二五」規劃》*) (the "**Plan for Cleaner Production**"). In March 2012, the PRC Ministry of Industry and Information Technology, the Ministry of Science and Technology and the Ministry of Finance jointly issued the Plan for Cleaner Production. The Plan for Cleaner Production aims to further promote cleaner industrial production systems and cleaner production services. It sets the targets that in China, by 2015, through the implementation of key projects and effective emission reduction of principal pollutants, more than 70.0% of the PRC enterprises in key industries (including the power industry) must achieve the "Advanced Cleaner Production Enterprise" status. When applied to the thermal power industry, criteria for Advanced Cleaner Production Enterprise mainly refer to (i) quantitative evaluations, which are based on factors including the power stations' energy and resources consumptions, comprehensive resources utilization and pollutant emission; and (ii) qualitative evaluations, which are based on factors including the power stations' use of the encouraged cleaner production technologies and cleaner production management, establishment of environmental management system and compliance with environmental regulations.
- *12th Five-year Plan for Development of Environmental Protection Equipment* (*《環保裝備「十二五」發展規劃》*) (the "**Plan for Environmental Protection Equipment**"). In March 2012, the PRC Ministry of Industry and Information Technology issued the Plan for Environmental Protection Equipment. The plan aims to satisfy the demand for environmental protection equipment at the national level and focuses on promoting development of technology and equipment which are needed greatly to address critical environmental problems. A major task of this plan is to develop advanced applications and equipment for coal-fired power plants and industrial boilers, including integrated solutions for desulfurization and denitrification, in order to address the need for thermal power industry to accelerate adopting desulfurization, denitrification and industrial fly ash control solutions.

2012年上半年行業和業務回顧

主要行業發展

2012年上半年，中華人民共和國（「中國」）的監管環境經歷重大變化，中國政府出臺了一系列適用於中國電力及電力相關行業的新法規及政策措施。新措施旨在進一步促進中國能源供應結構多元化發展，鼓勵發展環保節能行業。以下為上述新措施之摘要：

- *《工業清潔生產推行「十二五」規劃》*（*《清潔生產規劃》*）。2012年3月，中國工信部、科技部和財政部頒佈《清潔生產規劃》。該規劃旨在進一步健全工業領域清潔生產機制，完善清潔生產服務體系，以期到2015年，通過實施重點工程有效削減主要污染物生產率，使得包括電力在內的重點行業中70.0%以上的企業達到「清潔生產先進企業」水準。就火電行業而言，清潔生產先進企業的主要標準為：(i) 定量評價指標，包括能源消耗指標、資源消耗指標、綜合利用指標和污染物排放指標；(ii) 定性評價指標，包括執行重點鼓勵發展的清潔生產技術的符合性、清潔生產管理、環境管理體系建立及貫徹執行環境保護法規的符合性。
- *《環保裝備「十二五」發展規劃》*（*《環保裝備規劃》*）。2012年3月，中國工信部頒佈《環保裝備規劃》。《環保裝備規劃》致力於在滿足國家環境保護對技術裝備需求的基礎上，重點發展解決重大環境問題急需的技術裝備。其發展重點之一是為滿足火電行業加快脫硫脫硝、工業煙粉塵控制的需求，研究開發燃煤電廠、工業窯爐脫硫脫硝一體化設備等先進適用設備。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

- *12th Five-year Plan for Development of Energy Conservation and Environmental Protection Industry* (《「十二五」節能環保產業發展規劃》) (the “**Plan for Energy Conservation and Environmental Protection Industry**”). In June 2012, the PRC State Council issued the Plan for Energy Conservation and Environmental Protection Industry. The Plan for Energy Conservation and Environmental Protection Industry specifically stipulates that during the 12th Five-year period, the energy conservation and environmental protection industries should achieve an average year-on-year growth rate of at least 15%. It also stipulates that by 2015, the gross production of the environmental protection and energy conservation industries would reach approximately RMB4.5 trillion, with the amount of the increment being equal to approximately 2% of the PRC GDP. According to this plan, the key measures to promote the energy conservation and environmental protection industries include tightening air pollution control and upgrading flue gas desulfurization technology and equipment used by the coal-fired power plants.
- *Notice Regarding Integrated Upgrade to the Coal-fired Power Plants* (No. [2012]1662) (關於開展燃煤電廠綜合升級改造工作的通知(發改廳[2012]1662號)) (the “**Coal-fired Power Plant Upgrade Notice**”). In early 2012, the PRC National Development and Reformation Commission (“**NDRC**”), the Energy Bureau and the Department of Treasury jointly issued the Coal-fired Power Plant Upgrade Notice. Under the Coal-fired Power Plant Upgrade Notice, the PRC Government encourages the integrated upgrade of coal-fired generators in service, whose net coal consumption is at least 5g/kWh higher than the average level. The upgrade aims at solving the existing problems of the coal-fired generators in service, such as outdated technology, unsatisfactory management, and high energy consumption.
- *Guide for Industrial Transformation and Upgrade Investment* (《工業轉型升級投資指南》) (the “**Guide for Investment**”). In January 2012, the PRC Ministry of Industry and Information Technology issued the Guide for Investment. The Guide for Investment contains details of major tasks and priorities of development for industrial transformation and upgrade and other relevant industrial and specific planning and specifies directions for industrial investment during the 12th Five-year Plan period. The areas of focus for industrial investments, according to the Guide for Investment, include equipment used in photovoltaic and environmental protection industries. The key areas for investments in photovoltaic equipment include silicon cells, thin-film cells, high-efficiency solar cells, building-integrated/attached photovoltaic products, solar cell systems and relevant parts and components.
- 《「十二五」節能環保產業發展規劃》(《**節能環保產業規劃**》)。2012年6月，中國國務院頒佈《節能環保產業規劃》，明確了在「十二五」期間，節能環保產業產值年均增長15%以上。到2015年，節能環保產業總值將達到人民幣4.5萬億元，增加值佔國內生產總值的2%左右。《節能環保產業規劃》在環保產業領域的重點措施之一是加大對大氣污染控制的力度，改造提升現有燃煤電廠的煙氣脫硫技術設備。
- 《關於開展燃煤電廠綜合升級改造工作的通知(發改廳[2012]1662號)》(《**燃煤電廠改造通知**》)。中國國家發展和改革委員會(「**發改委**」、能源局及財政部於2012年年初出臺了《燃煤電廠改造通知》。根據該通知，國家將鼓勵對供電煤耗高出同類機組平均水準5克／千瓦時以上的在役煤電機組進行綜合升級改造，進而解決現役煤電機組存在的技術粗放、管理不善、能耗偏高等問題。
- 《工業轉型升級投資指南》(《**投資指南**》)。2012年1月中國工信部依據國家相關產業政策出臺了《投資指南》，從投資的角度對工業轉型升級規劃及相關行業規劃、專項規劃提出的主要任務和發展重點進行了細化，明確了「十二五」時期工業投資的重點和方向。依據該指南「太陽能光伏」和「環保設備」開列其中。「太陽能光伏」的投資重點包括晶矽電池、薄膜電池、高效聚光太陽能電池、光伏建築一體化和建築附著光伏、太陽能電池系統及配套部件。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

- *12th Five-year Plan for Development of New Materials Industry* (《新材料產業「十二五」發展規劃》) and the Guidance Catalogue of Self-relied Innovation of Major Technical Equipment for 2012 (《重大技術裝備自主創新指導目錄(2012年)》) (the “**Plan for New Materials Industry**” and the “**Guidance Catalogue for 2012**”). On January 22, 2012, the PRC Ministry of Industry and Information Technology, the Ministry of Science and Technology, the Ministry of Finance and the State-owned Assets Supervision and Administration Commission jointly issued the Plan for New Materials Industry and the Guidance Catalogue for 2012. The Plan for New Materials Industry estimates that during the 12th Five-year Plan period, in the area of new energy, China’s newly installed capacity of wind power would reach 60 GW, total installed capacity of solar power stations built during the period would reach 10 GW and the installed capacity of nuclear power would reach 40 GW. In the energy conservation and environmental protection sector, the Plan for New Materials Industry estimates that the market size for thermal power flue gas denitrification catalysts and carriers would reach RMB4,000 million per year. In addition, the innovation focuses listed in the Guidance Catalogue for 2012 include flue gas and NOx integrated control equipment and electric-bag composite fly ash removal equipment for thermal power plants.
- *12th Five-year Plan for Development of Solar Photovoltaic Industry* (《太陽能光伏產業「十二五」發展規劃》) (the “**Plan for Solar Photovoltaic Industry**”). The PRC Ministry of Industry and Information Technology promulgated the Plan for Solar Photovoltaic Industry as a guidance for the development of solar photovoltaic industry during the 12th Five-year Plan period. The Plan for Solar Photovoltaic Industry states that China’s solar photovoltaic industry has experienced rapid development and has become one of a few industries in the PRC which is capable to compete in the international market and potentially to hold a market leading position globally. Promoting the development of solar photovoltaic industry has great importance to industrial transformation and upgrade, energy structure adjustments, energy conservation and emission reduction for the PRC. The PRC Government has listed solar photovoltaic industry as a strategic emerging industry which China intends to develop further in the future. The main objectives for the solar photovoltaic power industry during the 12th Five-year Plan period include developing critical technologies relating to the photovoltaic grid-connected systems and energy storage equipment and significantly reducing photovoltaic power generation cost, which is expected to be reduced to RMB0.8/kW by 2015.
- 《新材料產業「十二五」發展規劃》(《**新材料產業規劃**》)及《重大技術裝備自主創新指導目錄(2012年)》(《**指導目錄(2012年)**》)。2012年1月22日，中國工信部、科技部、財政部和國資委聯合發佈了《新材料產業規劃》及《指導目錄(2012年)》。《新材料產業規劃》預測「十二五」期間，在新能源領域，我國風電新增裝機6,000萬千瓦以上，建成太陽能電廠1,000萬千瓦以上，核電運行裝機達到4,000萬千瓦；而在節能環保領域，火電煙氣脫硝催化劑及載體需求將達到人民幣40億元／年。《指導目錄(2012年)》中所列舉的創新重點包括燃煤電站煙氣NOx集成控制裝備以及燃煤電站電袋複合除塵設備。
- 《太陽能光伏產業「十二五」發展規劃》(《**光伏產業規劃**》)。中國工信部編製《光伏產業規劃》，作為我國「十二五」期間光伏產業發展的指導性文件。該規劃認為中國太陽能光伏產業發展迅速，已成為我國為數不多的、可以同步參與國際競爭、並有望達到國際領先水準的行業。加快太陽能光伏產業的發展，對於實現工業轉型升級、調整能源結構、推進節能減排均具有重要意義。中國政府已將太陽能光伏產業列入我國未來發展的戰略性新興產業重要領域。「十二五」期間，光伏產業要實現的主要目標包括：發展光伏併網、儲能設備關鍵技術；與此同時，大幅降低光伏發電成本，以期到2015年，發電成本下降到人民幣0.8元／千瓦。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Key Business Developments

Effective capturing of growth opportunities arising from regulatory changes affecting the coal-fired power industry.

The PRC Government promulgated new cleaner production initiatives and quantified targets for development of environmental protection and energy conservation industries during the first half of 2012. Such initiatives and targets incentivized the development of the Group's environmental protection and energy conservation solutions businesses. The Group's revenue of the energy conservation solutions business, in particular, increased 21.9% in the first half of 2012, as compared to the first half of 2011. Furthermore, the favorable policies issued by the PRC Government during the second half of 2011, in particular the *Notice Relating to Increase of On-grid Tariffs* (《提高上網電價的通知》) and the *Emissions Standards of Air Pollutants for Thermal Power Plants* (《火電廠大氣污染物排放標準》) continued to have a positive impact on the development of the Group's denitrification and ash removal businesses during the first half of 2012, which are among the key lines of the Group's environmental protection business. However, such growth in the environmental protection business was partially offset by a decrease in revenue from the desulfurization EPC business of the Group, which was primarily attributable to the decline in demand.

Significant growth of the wind products and services business despite the turbulent market conditions.

Despite the slow growth of the PRC wind power industry and reductions in average selling prices of WTGs due to increased competition during the first half of 2012, the Group's wind power products and services experienced a significant growth during the period as a result of the Group's efforts in promoting this business. The Group recorded an increase of approximately RMB2,288.9 million, or 66.1%, of revenues from its wind products and services business during the six months ended June 30, 2012. The Group's WTG sales volume increased from 605 units in the first half of 2011, to 1,093 units in the same period of 2012. The Group's WTG sales volumes by product types during the periods are set forth below:

主要業績發展

有效把握由煤電產業的政策法規變化帶來的發展契機。2012年上半年，中國政府發佈的針對節能環保產業的清潔生產新措施和量化目標促進了本集團在環保和節能解決方案領域的業務。特別是節能解決方案業務的收入，2012年上半年相比2011年同期增長了21.9%。此外，中國政府於2011年下半年出臺的利好政策，特別是《提高上網電價的通知》和《火電廠大氣污染物排放標準》繼續對本集團的脫硝和除塵業務的發展發揮積極作用，而這兩塊業務領域正是本集團環保業務中的關鍵領域。但是，本集團環保業務的發展在一定程度上受到脫硫EPC業務收入下降的不利影響，該業務收入下降主要是由需求縮減導致的。

在波動的市場條件下，風能產品及服務的業務取得了顯著增長。雖然中國風電產業發展緩慢，風力發電機組的平均售價因2012年上半年該業務競爭加劇而下降，但在本集團促進風能產品及服務業務的努力之下，本集團的該項業務在此期間經歷了顯著的增長。本集團在2012年上半年錄得約人民幣2,288.9百萬元，或66.1%的風能產品及服務的收入增長。本集團的風力發電機組的銷售量從2011年上半年的605套，增長至2012年同期的1,093套。本集團在相關期間的風力發電機組銷量按產品類型的統計數據如下：

		Actual Completed Sales (units)		Order Books (units)	
		實際完成銷售(套)		訂單記錄(套)	
		Six months ended		As of	
		June 30,		June 30, 2012	
		截至6月30日止6個月		於2012年6月30日	
		2012	2011	Confirmed orders	Successful tenders
		2012年	2011年	已確認訂單	成功競標
1.5MW	1.5兆瓦	1,038	605	258	1,301
2.0MW	2.0兆瓦	36	-	98	184
3.0MW	3.0兆瓦	19	-	-	281
Total	總數	1,093	605	356	1,766

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Continuing expansion of production and operation scales in the environmental protection and energy conservation solutions businesses. The Group has continued to expand its production and operation scales of its environmental protection and energy conservation solutions businesses during the first half of 2012. During this period, the Group entered into new desulfurization green-field and retrofitting EPC contracts and desulfurization concession operation contracts with a total capacity of approximately 5,120 MW. The Group also entered into new denitrification EPC contracts and denitrification concession operation contracts with capacities of approximately 10,215 MW and 1,600 MW, respectively. The Group's desulfurization concession operations also had an additional 1,320 MW of capacity during the period. The Group had external sales of more than 4,000 m³ of SCR denitrification catalysts. The Group's annual SCR denitrification catalysts production capacity is expected to reach 16,000 m³ by the end of 2012. Furthermore, the Group successfully completed its low-NO_x denitrification retrofitting project located in the United States of America and passed all technical parameters specified by the project owner. The Group completed its acquisition of Galaxy Water Treatment Limited Company ("**Galaxy Water**") during the period, and thereby increased its water treatment capacity significantly.

Improvement to the supply chain and optimization of production capacity distribution for wind power products and services business. During the period, the Group's WTG production base located in Changchun commenced production and reached an actual production capacity of 200 units per year. Furthermore, the Group commenced its construction of a new WTG blades production facility located in Weifang, Shandong and a new WTG production and offshore project installation base located in Yangzhong, Jiangsu.

Diversification of financing sources. As part of the Group's efforts to diversify its financing sources and to reduce finance costs, the Company sought alternative sources of funding in 2012 by issuing RMB bonds in the PRC. At the Company's annual general meeting held on June 8, 2012, shareholders of the Company approved the Company's plans to issue (i) corporate bonds with an aggregate face value of up to RMB4.0 billion ("**Issuance of Corporate Bonds**") and (ii) through private placements of debt financing instruments with an aggregated size of up to RMB2.0 billion. The Company received a formal approval from the China Securities Regulatory Commission ("**CSRC**") for the Issuance of Corporate Bonds on August 6, 2012, and commenced such offering on August 20, 2012.

Partial exercise of an over-allotment option. In December 2011, The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") granted an approval for the listing of the Company's shares on the main board of the Stock Exchange. On January 13, 2012, the joint global coordinators (on behalf of the international underwriters) of the Company's initial public offering ("**IPO**") partially exercised their over-allotment option in respect of an aggregate of 121,270,000 H shares of the Company (the "**Over-allotment Shares**"). The Company received approximately RMB192.0 million of net proceeds from its issuance of the Over-allotment Shares.

環保和節能解決方案業務的生產經營規模獲得持續增長。本集團在2012年上半年繼續擴大環保和節能解決方案業務的生產經營規模。在此期間，本集團簽訂了多個脫硫新建和改造EPC合約及脫硫特許經營合約，涉及的總裝機容量約為5,120兆瓦。本集團還簽訂了新的脫硝EPC合約和新的脫硝特許經營合約，涉及的裝機容量分別約為10,215兆瓦和1,600兆瓦。本集團的脫硫特許經營在此期間也獲得了1,320兆瓦的增長。本集團實現了超過4,000立方米的SCR脫硝催化劑的對外銷售。本集團的SCR脫硝催化劑年度產能預期在2012年底將達到16,000立方米。此外，本集團成功地在美國完成了其海外低氮脫硝改造項目，全部技術指標均達到了項目業主指定的要求。本集團於期內完成了對銀河水務有限公司（「**銀河水務**」）的收購並借此大大提升了本集團的水處理能力。

風能產品與服務業務供應鏈的完善與產能分佈的優化。於本期間，本集團位於長春的風機整機生產基地開始投產並達到每年200台的實際產能。而且，本集團也開始建設新的位於山東濰坊的風機葉片生產基地以及位於江蘇揚中的風機整機生產以及海裝工程基地。

融資渠道的多元化。作為本集團豐富融資渠道，降低融資成本的努力的一部份，本公司在2012年擬在中國國內市場發行債券，以尋求替代性融資渠道。本公司的股東於2012年6月8日召開的股東年會上通過了本公司的下列計劃：(i)發行票面價值達人民幣40億元的公司債券（「**公司債券發行**」）和(ii)非公開配售發行量達人民幣20億元的債務融資工具。本公司於2012年8月6日正式獲得中國證券監督管理委員會（「**中國證監會**」）對公司債券發行的正式批准，並於2012年8月20日就此開始發售。

部份地行使超額配股權。2011年12月，香港聯合交易所有限公司（「**聯交所**」）批准了本公司的股票在聯交所的主板上市。2012年1月13日，本公司首次公開發行的聯席全球協調人（代表各承銷商）就本公司發行的共計121,270,000股H股（「**超額配售股**」）部份地行使了超額配股權。本公司從超額配售股的發行中獲得淨收入約人民幣192.0百萬元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Continued technology and product innovation efforts. During the first half of 2012, the Group participated in a series of significant science and technology research and development programs at the national and provincial levels. In addition to the Group's previous participations, it joined a project under the "863" State High-Technology Development Plan and two sub-projects under the "973" National Key Fundamental Research and Development Plan, during the period. The Group's key national technology application project, "the Industrial Application of Oil-free Coal-fired Power Plant Integration Technologies" passed the examination of the Ministry of Industry and Information Technology. Furthermore, the Group completed its fundamental research for domestic production of SCR denitrification catalysts while it commenced to construct its showcase project for application of SCR denitrification catalysts on 600 MW generators. In the area of renewable energy products and services, the Group commenced to install and to test its 6.0 MW offshore WTG in Weifang, Shangdong Province of the PRC. The Group also finished the testing of whole-unit operation parameters and the design of its blade aerodynamic layout for its 12.0 MW WTG model. In terms of the Group's technology reserve, it has principally set the process method for its lignite conversion project and has commenced to prepare its lignite pyrolysis industrialization showcase project during the period.

ANALYSIS OF FINANCIAL RESULTS FOR THE FIRST HALF OF 2012

Please read this section in conjunction with the unaudited interim results of the Group as of, and for the period ended, June 30, 2012.

Analysis of Consolidated Results

Revenue

Revenues of the Group during the first half of 2012 were approximately RMB8,032.9 million, representing an increase of approximately 18.6% from approximately RMB6,774.6 million in the first half of 2011. The Group's increases in its revenues as compared to the same period in 2011 were attributable primarily to the growth in wind power products and services, environmental protection and energy conservation solutions businesses. Revenues in these businesses grew approximately RMB2,288.9 million, RMB87.3 million and RMB59.7 million during the period, which represent percentage increases of approximately 66.1%, 5.1% and 21.9% respectively. The increase in revenue from wind power products and services business was primarily attributable to the Group's development and expansion efforts in this business. The increases in revenue from the environmental protection and energy conservation solutions businesses were primarily due to favorable policies issued by the PRC Government in late 2011 and the first half of 2012. The increases were partially offset by a significant decrease of revenue from the solar power products and services business. The decrease in the solar power products and services segment was due to low sales volume of solar cells and modules because of a decline in demand, and also due to a sharp decrease in the average selling price of such products primarily attributable to the intensified competition of the

不斷努力推進技術和產品創新。2012年上半年，本集團參與了一系列國家級和省級的重大科技研發項目。除本集團之前已經參與的項目之外，本集團獲「863」國家高技術發展計劃下的項目一個和「973」國家重點基礎研究發展計劃下的項目子課題兩個。本集團的國家重點技術應用項目「無燃油燃煤電廠成套技術的產業化應用」業已通過中國工信部審查。此外，SCR脫硝催化劑國產化課題基礎研究也已完成，SCR脫硝催化劑在600兆瓦發電機組上的應用這一示範項目正在進程中。在可再生能源產品和服務領域，本集團的6.0兆瓦海上風電機組已在中國山東濰坊開始安裝調試。本集團業已完成12.0兆瓦超大型超導式海上風電機組項目的整機運行參數測試及葉片氣動佈局設計。在集團的技術儲備方面，在報告期間本集團已經基本確定褐煤提質項目的工藝路線，並已開始籌建本集團的褐煤熱解工業示範項目。

2012年上半年經營業績分析

閱讀本節時請一併閱讀截至2012年6月30日止6個月本集團未經審計中期業績。

合併業績分析

收入

2012年上半年，本集團實現收入約為人民幣8,032.9百萬元，較2011年同期的約人民幣6,774.6百萬元增長了約18.6%。收入增長的主要原因為風電產品及服務，環保及節能解決方案業務的增長。這些業務的收入分別增長了約人民幣2,288.9百萬元，人民幣87.3百萬元及人民幣59.7百萬元，增幅分別約為66.1%，5.1%和21.9%。風電產品及服務業務的收入增長則主要可歸因於本集團在該業務領域爭取發展壯大的不懈努力。環保及節能解決方案業務的收入增長主要得益於中國政府於2011年末和2012年上半年出臺的利好政策。上述收入增長被太陽能發電產品及服務分部的收入明顯下滑部份抵消。太陽能產品及服務業務的收入下滑可歸因於市場需求減少導致的太陽能電池及組件的銷量相對較小，且售價由於太陽能發電產業競爭加劇而大幅下跌。本集團於2011年出售了其所持有的國電晶德太陽能科技(宜興)有限公司(「晶德」)的股權。晶德的主要業務是

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

solar power industry during the period. The Group's disposal in June 2011 of its equity interest in Guodian Jintech Solar Energy Technology (Yi Xing) Co., Ltd. (國電晶德太陽能科技(宜興)有限公司) ("Jintech"), which had been primarily engaged in sales of solar cells and modules, also contributed to the decline in revenue of this segment in the first half of 2012. After the disposal, results of Jintech were no longer consolidated to that of the Group. The decrease in revenue from the solar products and services business was also attributable to the Group's EPC customers' changing project schedules of certain solar power stations; the construction of those projects is expected to be carried out in the second half of 2012.

The following table sets out the Group's revenue by segment and as a percentage of total revenues of the Group for the six months ended June 30, 2012 and 2011, respectively:

太陽能電池組件的銷售，而在出售後晶德的業績不再併入本集團的業績，這也是本集團2012年上半年的太陽能產品及服務業務收入與去年同期相比收入下降的部份原因。導致太陽能產品及服務業務收入下降的因素還包括本集團的太陽能電廠EPC客戶的工期，這些工期有變動的工程將推後至2012年下半年開始建設。

下表分別載列截至2012年和2011年6月30日止6個月按分部劃分的本集團收入及其佔本集團總收入的百分比：

		Six months ended June 30, 截至6月30日止6個月			
		2012 2012年	%	2011 2011年	%
		RMB millions 人民幣百萬元		RMB millions 人民幣百萬元	
Environmental protection and energy conservation solutions:	環保及節能解決方案：				
Environmental protection	環保	1,808.8	22.5	1,721.5	25.5
Energy conservation solutions	節能解決方案	332.1	4.1	272.4	4.0
Total	合計	2,140.9	26.6	1,993.9	29.5
Renewable energy equipment manufacturing and services:	可再生能源設備製造及服務：				
Wind power products and services	風電產品及服務	5,752.3	71.6	3,463.4	51.1
Solar power products and services	太陽能產品及服務	44.8	0.6	1,233.1	18.2
Total	合計	5,797.1	72.2	4,696.5	69.3
All others	所有其他	94.9	1.2	84.2	1.2
TOTAL	合計	8,032.9	100.0	6,774.6	100.0

Cost of sales

Cost of sales for the Group increased by approximately RMB967.7 million, or 17.0%, from approximately RMB5,688.4 million for the six months ended June 30, 2011 to approximately RMB6,656.1 million in the same period of 2012. This increase was primarily attributable to a corresponding increase in sales volumes across wind power products and services, environmental protection and energy conservation solutions businesses, consistent with revenue growths for the same period, and was partially offset by the decrease in cost of sales from solar power products and services business.

銷售成本

2012年上半年，本集團的銷售成本約為人民幣6,656.1百萬元，較2011年同期的約人民幣5,688.4百萬元增加約人民幣967.7百萬元，增長17.0%。增長主要是由於風電產品及服務，環保及節能解決方案業務中銷量的相應增長，與同期的收入增加相一致，並被太陽能產品及服務業務銷售成本的下降部份抵消。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The following table sets out the Group's cost of sales by segment and as a percentage of total cost of sales of the Group for the six months ended June 30, 2012 and 2011, respectively:

下表分別載列截至2012年和2011年6月30日止6個月按分部劃分的本集團銷售成本及其佔本集團總銷售成本的百分比：

		Six months ended June 30, 截至6月30日止6個月			
		2012 2012年		2011 2011年	
		RMB millions 人民幣百萬元	%	RMB millions 人民幣百萬元	%
Environmental protection and energy conservation solutions:	環保及節能解決方案：				
Environmental protection	環保	1,443.9	21.7	1,405.4	24.7
Energy conservation solutions	節能解決方案	212.1	3.2	171.4	3.0
Total	合計	1,656.0	24.9	1,576.8	27.7
Renewable energy equipment manufacturing and services:	可再生能源設備製造及服務：				
Wind power products and services	風電產品及服務	4,913.2	73.8	2,861.9	50.3
Solar power products and services	太陽能產品及服務	60.3	0.9	1,187.3	20.9
Total	合計	4,973.5	74.7	4,049.2	71.2
All others	所有其他	26.6	0.4	62.4	1.1
TOTAL	合計	6,656.1	100.0	5,688.4	100.0

Gross profit and gross profit margin

For the foregoing reasons, gross profit of the Group increased by approximately RMB290.6 million, or 26.8%, from approximately RMB1,086.2 million during the six months ended June 30, 2011 to approximately RMB1,376.8 million during the six months ended June 30, 2012. The average gross profit margin of the Group increased from 16.0% in first half of 2011 to 17.1% for the same period in 2012. This increase was primarily attributable to the increase of gross profit margin of the environmental protection business, partially offset by the decreases of gross profit margins of the wind power and solar power products and services businesses. The decrease in gross profit margin in the wind power products and services business was primarily due to declines in the average selling prices for WTG units on an industry-wide basis due to the maturing process of the industry and intense competition, although such declines were partially offset by decreases in the prices of raw materials and components used in the WTG manufacturing process over the period. The decrease in the average gross profit margin and the recorded loss in the solar power products and services business were primarily attributable

毛利及毛利率

鑒於上述原因，本集團2012年上半年的毛利從去年同期的約人民幣1,086.2百萬元增長到了約人民幣1,376.8百萬元，增長了約人民幣290.6百萬元或26.8%。本集團的平均毛利率由2011年上半年的16.0%增長至2012年同期的17.1%。毛利率的增長主要是由於環保業務毛利率增長所致，但環保業務的毛利率增長被風電產品及服務和太陽能產品及服務業務毛利率的下降部份抵消。本集團風電產品及服務業務平均毛利率下降主要是由於風力發電機組製造業競爭激烈，使得行業整體風力發電機組平均售價下跌所致，儘管上述毛利率的下降被風電機組生產過程所需的原材料和部件價格的下跌所部份抵消。太陽能產品及服務業務平均毛利率下降和錄得虧損主要有兩方面原因：第一，太陽能行業，特別是太陽能產品製造業，市場需求下降，價格競爭激烈，導致了太陽能產品價格的大幅下跌，與整體市況一致。市場需求

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

to two factors. First, a decrease in market demand and intense price competition in the solar power sector, particularly in the solar products manufacturing business, resulted in a sharp decrease in solar product price, in line with the general market conditions. The decrease in market demand also resulted in the low utilization rate of production facilities, which caused an increase in, average production costs per unit for solar cells and modules. Second, the EPC business to build solar power stations, which has a comparatively higher gross profit margin, had a smaller contribution to revenue of the solar products and services business during the period as compared to that in 2011, due to the changed construction schedule of the Group's solar power customers who deferred the construction to the second half of the year.

The following table sets out the Group's gross profit and gross profit margins by segment for the six months ended June 30, 2012 and 2011, respectively:

下降還導致了產能利用率低，進而導致了太陽能電池和組件的單位生產成本上升。第二，毛利率較高的太陽能電廠EPC業務對太陽能產品及服務業務的收入貢獻減少，因為本集團的數個太陽能發電領域的客戶將合約施工工期推後，使得該業務的收入貢獻被推後至下半年。

下表分別載列截至2012年和2011年6月30日止6個月按分部劃分的本集團毛利及毛利率：

		Six months ended June 30, 截至6月30日止6個月			
		2012 2012年		2011 2011年	
		RMB millions 人民幣百萬元	%	RMB millions 人民幣百萬元	%
Environmental protection and energy conservation solutions:	環保及節能解決方案：				
Environmental protection	環保	364.9	20.2	316.1	18.4
Energy conservation solutions	節能解決方案	120.0	36.1	101.0	37.1
Total	合計	484.9	22.6	417.1	20.9
Renewable energy equipment manufacturing and services:	可再生能源設備製造及服務：				
Wind power products and services	風電產品及服務	839.1	14.6	601.5	17.4
Solar power products and services	太陽能產品及服務	(15.5)	(34.6)	45.8	3.7
Total	合計	823.6	14.2	647.3	13.8
All others	所有其他	68.3	72.0	21.8	25.9
TOTAL	合計	1,376.8	17.1	1,086.2	16.0

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Other revenue

Other revenue increased by approximately RMB144.0 million, or 253.1%, from approximately RMB56.9 million during the six months ended June 30, 2011 to approximately RMB200.9 million during the six months ended June 30, 2012. This increase was primarily due to an increase of approximately RMB117.0 million of additional subsidies granted by the PRC Government during the period for the Group's operations, industrialization of technology, and research and development activities.

Other net (losses)/income

The Group recorded other net loss of approximately RMB3.6 million during the six months ended June 30, 2012, compared with other net income of approximately RMB71.3 million for the corresponding period in 2011. This net loss was primarily due to the net foreign exchange loss incurred by the Group's solar products and services business and partially offset by the income from sales of raw materials for the environmental protection products and services business.

Selling and distribution expenses

Selling and distribution expenses increased by approximately RMB22.7 million, or 9.6%, from approximately RMB237.3 million during the six months ended June 30, 2011 to RMB260.0 million during the corresponding period of 2012. This increase was primarily attributable to an increase in transportation expenses associated with the increase in the number of WTG units sold.

Administrative expenses

Administrative expenses increased by approximately RMB48.4 million, or 10.1%, from approximately RMB480.8 million during the six months ended June 30, 2011 to approximately RMB529.2 million during the corresponding period of 2012. This increase was primarily attributable to an approximately RMB45.8 million inventory write-down in relation to the Group's solar power products sales.

Operating profit and operating profit margin

For the foregoing reasons, operating profit increased by approximately RMB288.7 million, or 58.2%, from approximately RMB496.3 million during the six months ended June 30, 2011 to approximately RMB785.0 million during the corresponding period of 2012. Operating profit margin increased from 7.3% for the six months ended June 30, 2011 to 9.8% for the corresponding period of 2012.

其他收入

2012年上半年，其他收入由去年同期的約人民幣56.9百萬元增加至約人民幣200.9百萬元，增加約人民幣144.0百萬元或253.1%。增長主要是由於本集團獲得中國政府授予約人民幣117.0百萬元的經營補貼、科技成果轉化專項資金、研發專案支出補助等額外補貼所致。

其他(虧損)/收益淨額

本集團錄得其他虧損淨額約人民幣3.6百萬元，而去年同期的其他收益淨額約為人民幣71.3百萬元。該筆虧損淨額主要是由於本集團太陽能產品及服務業務產生的匯兌損失造成的，本集團環保產品及服務業務出售原材料獲得的收益抵消了部份虧損。

銷售及分銷開支

銷售及分銷開支由2011年上半年的約人民幣237.3百萬元增長至2012年同期的約人民幣260.0百萬元，增長約人民幣22.7百萬元或9.6%。增長主要是由於風機銷售數量增加相應的運費的增加所致。

行政開支

行政開支由2011年上半年的約人民幣480.8百萬元，增加至2012年同期的約人民幣529.2百萬元，增加約人民幣48.4百萬元或10.1%。增長主要是由於約人民幣45.8百萬元之本集團太陽能產品銷售業務的存貨撇減。

經營利潤及經營利潤率

鑒於上述原因，經營利潤由2011年上半年的約人民幣496.3百萬元增加至2012年同期的約人民幣785.0百萬元，增加約人民幣288.7百萬元或58.2%。經營利潤率由2011年上半年同期的7.3%上升至2012年同期的9.8%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Finance costs

Finance costs increased by approximately RMB111.2 million, or 53.5%, from approximately RMB207.9 million for the six months ended June 30, 2011 to approximately RMB319.1 million for the corresponding period of 2012, primarily due to increases in interest rates and in principal amounts borrowed by the Group. As a percentage of the Group's revenues, finance costs increased from 3.1% for the first half of 2011 to 4.0% for the corresponding period in 2012, because of an increase in principal amount borrowed by the Group to fund its operations and business expansion and an increase of the benchmark interest rate for the one-year term loan from 6.3% to 6.7% adjusted by the People's Bank of China on July 7, 2011. The increase in principal amounts borrowed by the Group in the first half of 2012 was primarily due to an effort to fund capital and other operational expenditures of the Group, in line with its expanded scale of operations. See also "– Liquidity and Capital Resources."

Profit before taxation

As a result of the foregoing factors, profit before taxation of the Group increased by approximately RMB168.5 million, or 55.2%, from approximately RMB305.3 million for the six months ended June 30, 2011 to approximately RMB473.8 million for the corresponding period in 2012.

Income tax

Income tax charges increased by approximately RMB23.5 million, or 49.0%, from approximately RMB48.0 million to RMB71.5 million, in line with the increase in profit before taxation of the Group. The Group's effective tax rate was 15.1% for the first half of 2012, which remained constant compared with 15.7% for the first half of 2011.

Profit for the period

As a result of the foregoing, profit for the period increased by approximately RMB145.0 million, or 56.4%, from approximately RMB257.3 million for the six months ended June 30, 2011 to approximately RMB402.3 million for the corresponding period of 2012.

Profit attributable to non-controlling interests

As a result of the foregoing, profit attributable to non-controlling interests of the Group increased by approximately RMB68.9 million, or 90.4%, from approximately RMB76.2 million for the six months ended June 30, 2011 to approximately RMB145.1 million for the corresponding period of 2012.

財務成本

財務成本由2011年上半年的約人民幣207.9百萬元增加至2012年同期的約人民幣319.1百萬元，增加約人民幣111.2百萬元或53.5%，主要是由於本集團的借款本金額增加以及借款的利率提高所致。財務成本佔本集團收入的百分比由去年同期的3.1%增加至4.0%，原因是本集團增加借款本金用於營運開支及擴大經營規模，以及中國人民銀行於2011年7月7日將一年期人民幣貸款的基準利率由6.31%上升至6.56%。本集團2012年上半年的借款本金額增加主要是出於融資和本集團運營其他開銷的需要，與本集團運營規模的擴展相一致。另參見「— 流動資金與資本來源」。

稅前利潤

鑒於上述原因，本集團的稅前利潤由2011年上半年的約人民幣305.3百萬元增加至2012年同期的約人民幣473.8百萬元，增加約人民幣168.5百萬元或55.2%。

所得稅

所得稅由2011年上半年的約人民幣48.0百萬元增加至2012年同期的約人民幣71.5百萬元，增加約人民幣23.5百萬元或49.0%，所得稅的增加與稅前利潤的增加幅度基本保持一致。本集團2012年上半年的實際稅率為15.1%，與2011年上半年的15.7%基本持平。

期內利潤

鑒於上述原因，2012年上半年的期內利潤由去年同期的約人民幣257.3百萬元增加至約人民幣402.3百萬元，增加約人民幣145.0百萬元或56.4%。

非控股權益應佔利潤

鑒於上述原因，2012年上半年的非控股權益應佔利潤由去年同期的約人民幣76.2百萬元增加至約人民幣145.1百萬元，增加約人民幣68.9百萬元或90.4%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Profit attributable to equity shareholders/owners of the Company

As a result of the foregoing, profit attributable to equity shareholders/owners of the Company increased by approximately RMB76.1 million, or 42.0%, from approximately RMB181.1 million for the six months ended June 30, 2011 to approximately RMB257.2 million for the corresponding period of 2012.

Analysis of Segment Results

The following table sets out the Group's segment revenues and gross profit, each as a percentage of total Group revenues and gross profit for the relevant period, for the for the six months ended June 30, 2012 and 2011, respectively:

本公司權益股東／所有人應佔利潤

鑒於上述原因，2012年上半年的本公司權益股東／所有人應佔利潤由去年同期的約人民幣181.1百萬元增加至約人民幣257.2百萬元，增加約人民幣76.1百萬元或42.0%。

分部業績分析

下表分別載列截至2012年和2011年6月30日止6個月本集團分部收入和毛利，以及各自佔相關期間本集團總收入及總毛利的百分比：

		Six months ended June 30, 截至6月30日止6個月			
		2012 2012年		2011 2011年	
		RMB millions 人民幣百萬元	%	RMB millions 人民幣百萬元	%
Environmental protection and energy conservation solutions	環保及節能解決方案				
Environmental protection:	環保：				
Revenue	收入	1,808.8	22.5	1,721.5	25.5
Gross profit	毛利	364.9	26.5	316.1	29.1
Energy conservation solutions:	節能解決方案：				
Revenue	收入	332.1	4.1	272.4	4.0
Gross profit	毛利	120.0	8.7	101.0	9.3
Segment revenues	分部收入	2,140.9	26.6	1,993.9	29.5
Segment gross profit	分部毛利	484.9	35.2	417.1	38.4
Renewable energy equipment manufacturing and services	可再生能源設備製造及服務				
Wind power products and services:	風電產品及服務：				
Revenue	收入	5,752.3	71.6	3,463.4	51.1
Gross profit	毛利	839.1	60.9	601.5	55.4
Solar power products and services:	太陽能產品及服務：				
Revenue	收入	44.8	0.6	1,233.1	18.2
Gross (loss)/profit	(毛虧)／毛利	(15.5)	(1.1)	45.8	4.2
Segment revenues	分部收入	5,797.1	72.2	4,696.5	69.3
Segment gross profit	分部毛利	823.6	59.8	647.3	59.6

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Environmental protection and energy conservation solutions

Environmental protection

Revenue

Revenue from the environmental protection business increased by approximately RMB87.3 million, or 5.1%, from approximately RMB1,721.5 million for the six months ended June 30, 2011 to approximately RMB1,808.8 million for the corresponding period in 2012. The increase was mainly attributable to increases in revenues from the water treatment, desulfurization concession operations and denitrification services businesses, and partially offset by the decrease of approximately RMB490.8 million in revenues from the desulfurization EPC business. The growth in revenues in various businesses was primarily attributable to the increased market demand, in part due to the impact of the initiatives issued from late 2011 and during the first half of 2012, in particular the Notice Relating to Increase of On-grid Tariffs and the Emissions Standards of Air Pollutants for Thermal Power Plants. In particular, revenues for the six months ended June 30, 2012 from water treatment EPC services, desulfurization concession operations, denitrification EPC services, ash removal services and low-NOx combustion services increased by approximately RMB119.4 million, RMB117.5 million, RMB109.3 million, RMB109.0 million and RMB45.4 million, respectively, representing percentage increases of approximately 140.5%, 30.5%, 37.5%, 521.3% and 50.8%, respectively, as compared to those of the first half of 2011. However, revenue of the Group's desulfurization EPC business decreased by approximately RMB490.8 million, or 68.4%, due to market saturation in that substantially all of the existing coal-fired power plants had been installed with desulfurization devices, and the reduced pace of increases in newly installed coal-fired power plants in the PRC. The revenue decline was also partially attributable to the fact that part of the Group's desulfurization business had changed its business model from an EPC to a concession business.

Cost of sales

Cost of sales for the environmental protection business for the six months ended June 30 2012 remained relatively constant, at approximately RMB1,443.9 million, as compared to approximately RMB1,405.4 million for the corresponding period of 2011, primarily due to the decrease in revenue from the desulfurization EPC business which has a relatively high cost of sales as a percentage of revenues from this sub-segment and the increase in cost-efficiency of the Group's other lines of business under this sub-segment.

環保及節能解決方案

環保

收入

2012年上半年環保業務的收入約為人民幣1,808.8百萬元，較去年同期的約人民幣1,721.5百萬元增加約人民幣87.3百萬元或5.1%。增加的主要原因是水處理、脫硫特許經營和脫硝服務業務所產生的收入增長，而脫硫EPC業務中約人民幣490.8百萬元收入下降部份抵消了上述增長。上述業務領域的收入增長主要是由於市場需求擴大，而市場需求的擴大又可歸因於2011年末和2012年上半年出臺的政策措施，特別是《火電廠大氣污染物排放標準》和《提高上網電價的通知》。2012年上半年，水處理EPC服務、脫硫特許經營、脫硝EPC服務、除塵服務和低氮燃燒服務的收入分別增長了約人民幣119.4百萬元、人民幣117.5百萬元、人民幣109.3百萬元、人民幣109.0百萬元和人民幣45.4百萬元，與2011年上半年相比增幅分別為140.5%、30.5%、37.5%、521.3%和50.8%。但是，本集團的脫硫EPC服務收入減少了約人民幣490.8百萬元或68.4%，這是由於該服務市場飽和造成的。中國大部份現有的燃煤電廠都已經安裝了脫硫設備，且新增的燃煤電廠的需求增速放緩。此外，脫硫業務的模式由EPC模式轉向特許經營模式也是脫硫收入增幅下降的原因之一。

銷售成本

2012年上半年環保業務的銷售成本約為人民幣1,443.9百萬元，較去年同期的人民幣約1,405.4百萬元基本持平，主要是由於銷售成本相對較高的脫硫EPC業務的收入及其對環保業務收入的貢獻率下降，而本集團在環保分部下其他業務的成本效率提升所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Gross profit and gross profit margin

As a result of the foregoing factors, gross profit attributable to the environmental protection business increased by approximately RMB48.8 million, or 15.4%, from approximately RMB316.1 million for the six months ended June 30, 2011 to approximately RMB364.9 million for the corresponding period of 2012. Gross profit margin for this business increased from approximately 18.4% to approximately 20.2% during the respective periods. The increase in gross profit margin was primarily attributable to the increase in the average selling price for the denitrification services due to the surged market demand and the decrease in proportionate contribution by desulfurization EPC business which has a relatively low gross profit margin.

The following table sets out the changes in gross profit margins for the business lines comprising the Group's energy conservation solutions business for the six months ended June 30, 2012 as compared with the six months ended June 30, 2011:

		Six months ended June 30	
		截至6月30日止6個月	
		2012	2011
		2012年	2011年
		%	%
SO ₂ emission reduction	脫硫	19.7	17.2
NO _x emission reduction	脫硝	30.4	29.1
Water treatment	水處理	15.6	11.7
Ash removal*	除塵*	11.0	8.6

* Ash removal was classified under "Others" for the six months ended June 30, 2011.

毛利及毛利率

由於上述原因，2012年上半年環保業務的毛利由去年同期的約人民幣316.1百萬元增加至約人民幣364.9百萬元，增加約人民幣48.8百萬元或15.4%。2012年上半年，此業務的毛利率由去年同期的約18.4%上升至約20.2%。毛利率上升主要是由於脫硝服務市場爆發性增長，平均售價上漲以及毛利率相對較低的脫硫EPC業務所佔的比例下降所致。

下表載列截止2012年6月30日止之六個月構成本集團環保業務的業務線毛利率與截止2011年6月30日止之六個月相比的變化：

* 除塵在2011年6月30日止之六個月被歸類於「其他」。

Energy conservation solutions

Revenue

Revenue attributable to the energy conservation business increased by approximately RMB59.7 million, or 21.9%, from approximately RMB272.4 million for the first half of 2011 to approximately RMB332.1 million for the corresponding period of 2012. This was primarily due to increases in revenues from the plasma-assisted coal combustion services, steam turbine flow passage retrofitting and the energy management contract ("EMC") business lines, partially offset by a decrease in revenue from the waste heat recovery services business.

節能解決方案

收入

2012年上半年節能解決方案業務的收入約為人民幣332.1百萬元，較去年同期的約人民幣272.4百萬元增加約人民幣59.7百萬元或21.9%。收入增加部分主要來自於等離子體點火、汽輪機改造以及合同能源管理業務收入的增加，並被餘熱回收收入下降部分抵消。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Increases in revenues from these business lines were primarily attributable to the favorable policies issued by the PRC Government which incentivized development of the energy conservation services provided to the coal-fired power plants in the PRC. The increase in revenue in the EMC business was also due to a result of regulatory changes in 2011 which required EMC service providers to obtain a certificate in order to receive the PRC Government's grant applicable to EMC services. As a result, the Group postponed a few EMC projects in 2011 until it obtained the relevant certificate in November 2011, thereby allowing the Group to expand its EMC business in the first half of 2012.

The decrease in revenue from the Group's the waste heat recovery business was primarily due to the change in construction schedules for some of the waste heat recovery projects which customers arranged to have a smaller amount of construction work to be completed during the first half of 2012, as compared to the corresponding period of 2011. As the Group's waste heat recovery business is still at the development stage, it is subject to fluctuation due to the limited number of projects.

Cost of sales

Cost of sales for the energy conservation solutions business increased by approximately RMB40.7 million, or 23.7%, from approximately RMB171.4 million for the first half of 2011 to approximately RMB212.1 million for the corresponding period of 2012. This increase was mainly attributable to an increase in the cost of sales for the plasma-assisted coal combustion, steam turbine flow passage improvement and the energy management contract business lines, accompanied with the increases in revenues in these businesses.

Gross profit and gross profit margins

As a result of the foregoing factors, gross profit attributable to the energy conservation solutions business increased by approximately RMB19.0 million, or 18.8%, from approximately RMB101.0 million for the first half of 2011 to RMB120.0 million for the corresponding period of 2012. Gross profit margin for this business decreased from approximately 37.1% for the first half of 2011 to 36.1% for the corresponding period of 2012. This was primarily attributable to a decrease in the gross profit margin for the plasma-assisted coal ignition and combustion stabilization business, due to the decreased average selling prices for the relevant products and services caused by the maturing market and the decrease of investment in the coal-fired power industry, in which the Group's customers for this business operate, during the period. The relatively low gross profit margin of the EMC business, whose proportionate contribution to the revenues from energy conservation solutions business increased during the period, also contributed to the decrease in overall gross profit margin of this sub-segment.

上述各業務的收入增長主要得益於中國政府出臺的利好政策，這些政策旨在促進供中國的燃煤電廠使用的節能設備的發展。合同能源管理業務的收入增長也是2011年監管規定變化的結果。新的監管規定要求合同能源管理服務的供應商取得資格證明，以獲取中國政府的批准而從事合同能源管理服務。結果導致本集團推遲了2011年的一些合同能源管理項目，直至於2011年11月取得了相應資格證明後，本集團才得以在2012年上半年擴展其EPC業務。

本集團的餘熱回收收入下降主要是由於該業務部分合約因工期安排原因導致上半年完工量較去年同期減少所致。由於本集團的餘熱回收業務仍處於發展階段，因此該業務因項目數量較少而容易波動。

銷售成本

2012年上半年節能解決方案業務的銷售成本約為人民幣212.1百萬元，較去年同期的約人民幣171.4百萬元增加約人民幣40.7百萬元，或23.7%。增長部分主要來自於等離子體點火、汽輪機改造及合同能源管理業務增長相應的銷售成本增加。

毛利及毛利率

由於上述因素，節能解決方案業務的毛利由2011年上半年的約人民幣101.0百萬元增加約人民幣19.0百萬元或18.8%至2012年上半年的約人民幣120.0百萬元。此業務的平均毛利率從2011年上半年的37.1%下降至2012年同期的36.1%，主要原因是等離子體點火行業的毛利率下降，而這一毛利率下降是由報告期間燃煤發電行業（本集團該業務的客戶群體所在行業）的投資壓縮引致需求下降有限及相關市場日趨成熟導致的相關產品和服務平均售價降低所致。合同能源管理業務的毛利率相對較低，而在報告期間該業務佔節能解決方案業務的比重卻有所增加，這一點也影響了節能解決方案業務總體毛利率的下降。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The following table sets out the changes in gross profit margins for the business lines comprising the Group's energy conservation solutions business for the six months ended June 30, 2012 as compared with the six months ended June 30, 2011:

下表載列2012年6月30日止之六個月構成本集團節能解決方案業務的業務線毛利率相比截止2011年6月30日止之六個月的變化：

		Six months ended June 30	
		截至6月30日止6個月	
		2012	2011
		2012年	2011年
		%	%
Plasma-assisted coal ignition and combustion stabilization	等離子體點火及穩燃	37.4	49.4
Steam turbine flow passage retrofitting	汽輪機通流改造	50.1	65.7
EMC	EMC	26.7	-
Waste heat recovery	餘熱回收	38.1	25.9

Renewable energy equipment manufacturing and services

可再生能源設備製造及服務

Wind power products and services

風電產品及服務

Revenue

收入

Revenue attributable to the wind power products and services business increased significantly by approximately RMB2,288.9 million, or 66.1%, from approximately RMB3,463.4 million for the first half of 2011 to approximately RMB5,752.3 for the corresponding period of 2012. The increase was primarily due to a significant increase in the Group's sales volume for WTG units from approximately 605 units for the first half of 2011 to 1,093 units for the corresponding period of 2012, resulting from the Group's business expansion efforts to increase its market share in the WTG manufacturing industry during the first half of 2012. However, the Group's increase in its sales volume was partially offset by a decrease in the average selling price of WTG units across the industry, due primarily to increased competition in the WTG manufacturing industry during the period in 2012 as compared with the corresponding period in 2011, even though prices of raw materials used in the WTG manufacturing process also declined during the period.

2012年上半年風電產品及服務業務的收入約為人民幣5,752.3百萬元，較去年同期的約人民幣3,463.4百萬元增加約人民幣2,288.9百萬元或66.1%。增加部份主要來自本集團風力發電機組銷量的顯著增長，即從2011年上半年的605套增加到2012年同期的1,093套。這一銷量的增長是由本集團擴展業務，力圖在風電機組生產行業的市場佔有率的努力的結果。但是，本集團的收入增長被行業普遍的風電機組平均售價下滑所部份抵消。風電機組平均售價的下滑主要是由於2012年上半年相比2011年同期市場競爭加劇所致，儘管風電機組生產過程所用原材料的價格在此期間有所下降。

Cost of sales

銷售成本

Cost of sales attributable to the wind power products and services business increased by approximately RMB2,051.3 million, or 71.7%, from approximately RMB2,861.9 million for the first half of 2011 to approximately RMB4,913.2 million for the corresponding period of 2012, primarily due to a corresponding increase in the number of WTG units manufactured and sold during the period, and partially offset by declines in the prices of raw materials used in WTG manufacturing process.

2012年上半年風電產品及服務業務的銷售成本約為人民幣4,913.2百萬元，較去年同期的約人民幣2,861.9百萬元增加約人民幣2,051.3百萬元或71.7%。增加部分主要來自於報告期內風力發電機組生產和銷售數量增加帶來的銷售成本增加，並被風力發電機組生產過程所用的原材料價格下降部份抵消。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Gross profit and gross profit margin

As a result of the foregoing, gross profit attributable to the wind power products and services business increased by approximately RMB237.6 million, or 39.5%, from approximately RMB601.5 million for the first half of 2011 to approximately RMB839.1 million for the corresponding period of 2012. Gross profit margin for this business decreased from 17.4% for the first half of 2011 to 14.6% for the corresponding period of 2012, primarily due to a decrease in the average selling price of WTG units as a result of intensified competition in the WTG manufacturing industry, in line with industry trend, although partially offset by decreases in raw material costs.

Solar power products and services

Revenues

Revenue attributable to the solar power products and services business decreased by approximately RMB1,188.3 million, or 96.4%, from approximately RMB1,233.1 million for the first half of 2011 to approximately RMB44.8 million for the corresponding period of 2012, primarily due to the decline in market demand for solar cells and modules, the decrease in revenue from the solar power EPC business and the disposal of the Group's equity interest in Jintech. The declines in customer demand and the intensified market competition resulted in a decrease in the sales volume and average selling price for the solar power products. Revenue from Jintech ceased to be consolidated after the Group's disposal of Jintech's equity interest in June 2011. Furthermore, the changed construction schedule for the EPC customers who planned to commence construction of solar power stations only in the second half of 2012 resulted in a decrease in revenues from the solar power EPC business, which also contributed to the decline in revenues of this sub-segment.

Cost of sales

Cost of sales attributable to the solar power products and services business decreased by approximately RMB1,127.0 million, or 94.9%, from approximately RMB1,187.3 million for the first half of 2011 to approximately RMB60.3 million for the corresponding period of 2012, primarily due to corresponding decrease in revenues from this sub-segment, and partially offset by the increased average cost of solar cells and modules per unit because of the decline in utilization rate of the production facilities for such products.

毛利及毛利率

2012年上半年風電產品及服務業務的毛利約為人民幣839.1百萬元，較去年同期的約人民幣601.5百萬元增加約人民幣237.6百萬元或39.5%。此業務的平均毛利率從2011年上半年的17.4%下降至2012年同期的14.6%，主要是由風力發電機組製造業競爭持續加劇所引起的風力發電機組平均售價降低所致，與行業趨勢相一致，儘管該業務毛利率的下降被原材料價格下降部分抵消。

太陽能產品及服務

收入

2012年上半年太陽能產品及服務業務的收入約為人民幣44.8百萬元，較去年同期的約人民幣1,233.1百萬元減少約人民幣1,188.3百萬元或96.4%。主要是由太陽能電池及組件的市場需求萎縮，太陽能EPC業務的收入下降以及本集團出售了所持有的晶德公司的股權所致。客戶需求的下降和競爭加劇導致太陽能產品的銷量減少及平均售價下跌。在2011年6月本集團出售在晶德持有的股權後，晶德的收入不再合併入本集團的賬目。此外，一些EPC客戶改變計劃，準備將太陽能電廠工程推遲至2012年下半年才開始建設，這也是導致太陽能分部收入下降的一個原因。

銷售成本

2012年上半年太陽能產品及服務業務的銷售成本約為人民幣60.3百萬元，較去年同期的約人民幣1,187.3百萬元減少約人民幣1,127.0百萬元或94.9%。減少主要是由太陽能產品及服務業務銷售收入的相應減少所致，並被相關生產設施利用率下降引起的太陽能電池及組件平均單位成本上漲部分抵消。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Gross loss and gross loss margin

As a result of the foregoing, the solar power products and services business of the Group recorded a gross loss of approximately RMB15.5 million during the six months ended June 30, 2012, from a gross profit of approximately RMB45.8 million for the corresponding period in 2011. Gross profit margin for this business decreased from approximately 3.7% for the first half of 2011 to a gross loss margin of approximately 34.6% for the corresponding period of 2012, primarily due to decline in demand and further intensified market competition that resulted in (i) the low utilization rate of production facilities, which caused increased average costs of production per unit for the solar cells and modules and hence increased cost of sales for this business of the Group; and (ii) a sharp decrease in average selling price across the solar power industry, particularly in the solar power cell and module manufacturing sector, causing the Group's average selling price of such products to fall below the corresponding costs. Furthermore, the EPC business to build solar power stations which has a comparatively higher gross profit margin had a smaller contribution to the revenue of solar power products and services during the first half of 2012 compared to the same period in 2011, due to the changed construction schedule of the Group's solar power customers who deferred the construction timetable to the second half of 2012. Furthermore, several factors allowed the Group to significantly accelerate the pace of construction for many of its solar EPC projects in the last quarter of 2011 and eventually completed such projects within 2011. However, many of these projects originally had scheduled to complete during the first half of this year. Please see the Company's circular dated May 14, 2012, for more information.

Liquidity and Capital Resources

The following table sets out the net cashflows of the Group for the six months ended June 30, 2012 and 2011, respectively:

毛虧及毛虧率

鑒於上述原因，2012年上半年太陽能產品及服務業務的毛虧約為人民幣15.5百萬元，而去年同期的毛利約為人民幣45.8百萬元。此業務的平均毛利率由2011年上半年的3.7%下降至今年同期的約為34.6%的毛虧率。下降主要是由光伏行業市場需求下降和競爭加劇導致的：(i)生產設施利用率低下，導致太陽能電池及組件生產的平均單位成本上漲，進而導致本集團在該業務方面的銷售成本上升；和(ii)光伏產業中普遍的平均售價大跌，這一下跌在太陽能電池及組件生產業務中尤為嚴重，導致本集團此類產品的平均售價降至相應成本之下。此外，太陽能電廠EPC業務雖有著相對較高的毛利率，但2012年上半年對太陽能產品與服務的收入貢獻所佔比例較去年同期下降，因為本集團太陽能發電業務的客戶改變了工期，將相應的施工推遲至2012年下半年。此外，幾個其他因素使得本集團在2011年最後一個季度顯著加快多個太陽能EPC項目的施工進度，並最終在2011年度內將這些項目完工。而這其中的多個項目依照原定工期本應於2012年上半年完工。詳情請參見本公司2012年5月14日的通函。

流動資金與資本來源

下表分別載列截至2012年和2011年6月30日止6個月，本集團的現金流量淨額：

		Six months ended June 30, 截至6月30日止6個月	
		2012 2012年 RMB millions 人民幣 百萬元	2011 2011年 RMB millions 人民幣 百萬元
Net cash used in operating activities	經營活動使用的現金淨額	(2,205.9)	(30.6)
Net cash used in investing activities	投資活動使用的現金淨額	(2,041.7)	(891.0)
Net cash generated from financing activities	融資活動產生的現金淨額	2,106.7	2,859.9
Cash and cash equivalents at June 30	6月30日的現金及現金等價物	3,481.4	3,732.6

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Net cash used in operating activities

Net cash used in the Group's operating activities in the first half of 2012 was approximately RMB2,205.9 million, as compared to the corresponding period of 2011, when net cash used in operating activities was approximately RMB30.6 million. The increase in net cash outflows used in operating activities was primarily attributable to cash payments made to reduce accounts payables in relation to the Group's operating expenditures to fund the expansion of the wind power products and services business through purchasing raw materials and other production materials. Due to the supplier credit terms, purchases made for such items increased significantly during last year, thereby cash payments to reduce such accounts payables increased during the first half of 2012. Furthermore, the Group's wind power products and services business, especially the WTG manufacturing business, requires a significant amount of capital to build up the inventory. The lead time between the customer's order and sale of goods is of a considerable length, which is consistent with the nature of the industry.

The significant growth of accounts and bills receivables for the Group's wind power products and services business, which is in line with the growth of such business and its proportionate revenue contribution, was also a factor attributing to the amount of net cash outflows in operating activities.

Net cash used in investing activities

Net cash used in the Group's investing activities in the first half of 2012 was approximately RMB2,041.7 million, as compared to the corresponding period of 2011, when net cash used in investing activities was approximately RMB891.0 million. Cash outflows for investing activities were primarily used in funding the Group's expansion of operations, in particular, construction of solar cells and modules production facilities and desulfurization concessions, as well as the Group's acquiring equity interests from or making capital contribution to a few companies. Please see "– Material Investment" for more information.

Net cash generated from financing activities

Net cash generated from the Group's financing activities in the first half of 2012 was approximately RMB2,106.7 million, as compared to the corresponding period 2011, when net cash generated from financing activities was approximately RMB2,859.9 million. Net cash generated from financing activities in the first half of 2012 was primarily from a net increase in borrowings of approximately RMB2,485.0 million and the net proceeds of approximately RMB192.0 million from the issuance of the additional Over-Allotment Shares during the period, and partially offset by interest payments of approximately RMB505.3 million during the period.

經營活動使用的現金淨額

本集團2012年上半年經營活動使用的現金淨額約為人民幣2,205.9百萬元，而去年同期的經營活動使用的現金淨額約為人民幣30.6百萬元。增加主要是由於在上半年較多的償付為擴張風機和太陽能板塊的業務而採購原材料和其他生產材料產生的應付賬款。由於供應商信貸條款，這些應付賬款中大部份是用於去年完成的採購，因而2012年上半年須付款。並且，本集團的風電產品與服務業務，尤其是風機生產業務，需要較多資金用於備貨。從接獲客戶訂單到貨物銷售之間的備貨週期較長，與本行業的性質相符。

本集團風機板塊的應收賬款及應收票據的大幅上升，與該業務的收入增長及相對應合併收入的貢獻的增長相一致，也是導致生產活動使用現金淨額增長的一個因素。

投資活動使用的現金淨額

本集團2012年上半年投資活動使用的現金淨額約為人民幣2,041.7百萬元，而去年同期的投資活動所用現金淨額約為人民幣891.0百萬元。投資活動中的現金外流主要是用於本集團的經營活動的拓展，尤其是太陽能電池與組件生產設施的建設和脫硫特許經營業務投資，及本集團收購其他公司的股權和對其他公司注資。詳情請參見「—重大投資」。

融資活動產生的現金淨額

本集團2012年上半年融資活動產生的現金淨額由去年同期的約人民幣2,859.9百萬元減少至約人民幣2,106.7百萬元。本集團2012年上半年的融資活動產生的現金淨額主要來源於期內借款淨增長額約人民幣2,485.0百萬元和發行超額配售股所得淨款項約人民幣192.0百萬元，並被期內支付的利息約人民幣505.3百萬元所部分抵消。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Working Capital

As at June 30, 2012, the Group's cash and cash equivalents was approximately RMB3,481.4 million, representing a decrease of approximately RMB2,145.2 million or 38.1%, as compared to that as of December 31, 2011, primarily due to the increases in spending in operating and investing activities.

The Group's gearing ratio, which is calculated by dividing net debt (includes interest-bearing other payables and interest-bearing bank loans, less cash and cash equivalents) by total equity plus net debt, increased from 37.0% as at December 31, 2011 to 50.7% as at June 30, 2012. This was primarily due to an increase of bank borrowings during the period.

Net Current Liabilities

As at June 30, 2012, the Group's net current liabilities were at approximately RMB2,326.7 million, representing an increase in net current liabilities of approximately RMB532.8 million, or 29.7%, as compared to December 31, 2011. The increase was primarily attributable to an increase of the Group's current portion of long-term borrowings and short-term borrowings of RMB1,957.6 million, and to decreases in the Group's cash at bank and in hand and in inventories of approximately RMB2,169.8 million and RMB2,449.1 million, respectively, and partially offset by an increase in the Group's trade and bill receivables of approximately RMB2,367.2 million in line with its revenue growth for the first half of 2012 and a decrease in the Group's trade and bill payables of approximately RMB2,730.7 million. As of June 30, 2012, the Group had unutilized banking facilities of approximately RMB19,989.4 million to fulfill its future capital commitments and other financial requirements. In addition, the Group's plan to issued corporate bonds with a total nominal amount of RMB4.0 billion was approved by the shareholders of the Company and CSRC and the offering commenced on August 20, 2012. The Directors are of the opinion that the Group will have necessary liquid funds to finance its working capital and capital expenditure requirements.

Inventory Analysis

The inventories of the Group decreased to RMB5,039.8 million as of June 30, 2012, as compared to approximately RMB7,488.9 million as of December 31, 2011, due to the increased sales volume of WTG products in the first half of 2012, in line with the growth in the relevant business.

運營資金

於2012年6月30日，本集團的現金及現金等價物約為人民幣3,481.4百萬元，較2011年12月31日減少約人民幣2,145.2百萬元或38.1%，主要是由於以上經營活動和投資活動所使用的現金淨額增長所致。

通過淨債務(包括帶利息其他應付款項和帶利息銀行貸款減現金及現金等價物)除以總權益加上淨債務而計算得出的本集團的資產負債率，同2011年12月31日的37.0%相比升至2012年6月30日的50.7%，上升的主要原因是本集團期間負債量的增加。

流動負債淨額

於2012年6月30日，本集團流動負債淨額約為人民幣2,326.7百萬元，較2011年12月31日增加約人民幣532.8百萬元或29.7%，主要是由於本集團的長期借款的即期部分和短期借款增長約人民幣1,957.6百萬元，銀行存款及庫存現金減少約人民幣2,169.8百萬元，存貨的減少約人民幣2,449.1百萬元，並被本集團應收賬款及應收票據增加的約人民幣2,367.2百萬元及本集團應付賬款及應付票據減少約人民幣2,730.7百萬元部份抵消，應收賬款及應收票據的增加與2012年上半年收入的增長相一致。截至2012年6月30日，本集團擁有金額約為人民幣19,989.4百萬元未動用銀行授信以滿足其未來的資本需求及其他財務需要。此外，本集團發行面值總額為人民幣40億元的公司債券的計劃已獲得本公司股東以及中國證監會批准並於2012年8月20日開始發行。董事們認為，本集團將擁有能滿足其營運資金及資本開支需要所必需的流動資金。

存貨分析

本集團於2012年6月30日存貨減少至約人民幣5,039.8百萬元，而2011年12月31日的存貨約為人民幣7,488.9百萬元，存貨減少主要是由於2012年上半年風機板塊的銷售額增加，這一增加與本集團相關業務的增長相一致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Trade and bill receivables

Trade and bill receivables increased by approximately 23.8% from approximately RMB9,925.6 million as of December 31, 2011 to approximately RMB12,292.8 million as of June 30, 2012. The increase was mainly attributable to the increase in trade and bill receivables for sale of WTG units, in line with the growth of the Group's revenue from this business.

Deposits, prepayments and other receivables

The Group's deposits, prepayments and other receivables increased by approximately 47.6% from RMB1,139.9 million as of December 31, 2011 to approximately RMB1,682.1 million as of June 30, 2012. The increase was primarily attributable to the increase in prepayments to raw materials for the Group's solar power equipment manufacturing business and advances extended by the Company's newly acquired subsidiary to its minority shareholders before the acquisition.

Trade and bills payables

Trade and bills payables decreased by 21.6% from RMB12,644.9 million as of December 31, 2011 to RMB9,914.3 million as of June 30, 2012, primarily due to the Group's payments of its trade and bill payables in relation to wind and solar power equipment manufacturing businesses, part of which were incurred last year.

Indebtedness

The Group's total indebtedness increased by approximately 26.5% from approximately RMB12,077.0 million as of December 31, 2011 to approximately RMB15,275.5 million as of June 30, 2012, primarily attributable to increases in short term (including current-portion of long-term borrowings) and long term borrowings of approximately RMB1,957.6 million and RMB1,240.9 million, respectively. The proportion of short-term indebtedness to overall indebtedness decreased from approximately 90.6% as of December 31, 2011 to approximately 84.4% as of June 30, 2012, with a corresponding proportionate increase in long-term indebtedness.

All of the Group's borrowings are denominated in RMB, and all of its cash and cash equivalents are denominated in RMB, except for insignificant amounts held in Hong Kong dollars, United States dollars and Euros.

應收賬款及票據

本集團的應收賬款及票據從2011年12月31日的約人民幣9,925.6百萬元增加至2012年6月30日的約人民幣12,292.8百萬元，增加了23.8%，主要是因為主要風機板塊應收賬款及應收票據的增加，與本集團在該業務領域的收入增加趨勢相一致。

按金、預付款及其他應收款項

本集團的按金、預付款及其他應收款項從2011年12月31日的約人民幣1,139.9百萬元增加至2012年6月30日的約人民幣1,682.1百萬元，增加了47.6%，主要是由於本集團在太陽能設備製造業務中用於採購原材料的預付款增加以及公司新收購的附屬公司在收購之前向其少數股東進行墊款所致。

應付賬款及票據

應付賬款及票據從2011年12月31日的約人民幣12,644.9百萬元減少至2012年6月30日約人民幣9,914.3百萬元，減少了21.6%，主要是由於風機及太陽能設備生產業務償付到期供應商欠款，其中部分欠款是去年發生的。

債項

於2012年6月30日，本集團債項約為人民幣15,275.5百萬元，比於2011年12月31日的債項約人民幣12,077.0百萬元增加約26.5%。其增長主要是由於約人民幣1,957.6百萬元短期借款(包括長期貸款的即期部分)的增長，以及約人民幣1,240.9百萬元長期借款的增長。其中短期債項佔總債項的比例從於2011年12月31日的90.6%減少至於2012年6月30日的84.4%，而長期債項的比例相應增加。

本集團期內所有的借款都以人民幣計算，其所有的現金及現金等價物也都以人民幣計算，除了其以港幣、美元和歐元計算的微小金額。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The annualized effective interest rate of the Group in the first half of 2012 (determined by dividing total interests expenses by the average of sums of outstanding borrowings and other interest-bearing payables as of January 1 and June 30, 2012) was 7.0%, as compared to the Group's effective interest rate of 6.3% in 2011. The increase in the Group's effective interest rate was primarily due to: (i) the increase of the benchmark interest rate for the one-year term loan set by the People's Bank of China from 6.31% on April 6, 2011 to 6.56% on July 7, 2011; and (ii) the full repayment in 2011 of certain indebtedness owned to subsidiaries of the Guodian Group, whose loans carried comparatively lower interest rates than those offered by PRC commercial banks.

Contingent Liabilities

The Group's contingent liabilities increased by approximately 10.4% from RMB1,615.7 million as of December 31, 2011 to RMB1,784.0 million as of June 30, 2012. The Group's contingent liabilities at the end of the period primarily consisted of bidding guarantees and performance guarantees and a guarantee provided by Galaxy Water, one of the Company's non-wholly owned subsidiaries, to a related party of its minority shareholder.

Material Investments

During the period, the Group acquired 141,062,000 shares of Huadian Fuxing Energy Corporation Limited (華電福新能源股份有限公司), a company listed on the main board of the Hong Kong Stock Exchange (stock code: 0816), representing approximately 1.9% of the latter's total shares as of June 30, 2012, with a purchase price of approximately RMB193.0 million.

Acquisitions and Disposals

On April 20, 2012, the Group entered into purchase agreement to acquire 70% of equity interest in Galaxy Water Treatment Limited Company (銀河水務有限公司) ("**Galaxy Water**"), with a consideration of approximately RMB466.2 million. Galaxy Water became the Group's subsidiary after completion of the acquisition in May 2012.

Market Risk

The Group is exposed to various risks associated with its business operations, including credit and counterparty risk, interest rate risk, exchange rate risk, risks affecting the power and related industries within the PRC generally and volatility risk relating to raw materials and components used in its production activities.

本集團2012年上半年的實際年率(以總利息開支除以2012年1月1日與2012年6月30日的未償還借款及其他帶息應付款項總額的平均值釐定)為7.0%，而本集團的2011年的實際利率為6.3%。該增長主要是由於：(i)中國人民銀行於2011年7月7日將一年期人民幣貸款的基準利率由2011年4月6日設定的6.31%上升至6.56%；以及(ii)於2011年全額償還欠付國電集團的附屬公司的債項，而這些附屬公司提供的貸款利率低於中國的商業銀行提供的貸款利率。

或有負債

本集團的或有負債從2011年12月31日的約人民幣1,615.7百萬元上升至2012年6月30日的約人民幣1,784.0百萬元，增長約10.4%。本集團期末的或有負債主要包括競標和履約擔保以及本公司的一個非全資附屬公司—銀河水務向其少數股東的關聯方提供擔保。

重大投資

就本年度上半年期間，本集團取得了華電福新能源股份有限公司(該公司為在香港的上市公司，股票代碼：0816)141,062,000股的股份，佔該公司截至2012年6月30日所有股份份額約為1.9%，購買金額約為人民幣193.0百萬元。

收購及出售

於2012年4月20日，本集團就收購銀河水務70%的股權達成了購買協議，其涉及對價大約為人民幣466.2百萬元。於2012年5月收購完成之後銀河水務已成為集團的附屬公司。

市場風險

本集團面臨著與其業務經營有關的多種風險，包括信貸和交易對手風險、利率風險、匯率風險、通常會影響中國電力及相關產業的風險及與生產活動所用原材料和零件相關的波動風險。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Credit and counterparty risk

The Group's credit risk is primarily attributable to its cash at bank and in hand, trade and bills receivables, deposits, prepayments and other receivables, gross amounts due from customers from contract work and other non-current assets. The Group has an internal credit policy to monitor its exposure to its counterparty credit risk on an ongoing basis.

Substantially all of the Group's cash is deposited in state-owned or controlled PRC banking institutions. Directors of the Company consider counterparty risks with PRC banks insignificant.

The Group performed credit evaluations on all of its customers, and monitors outstanding receivables due from such customers on an ongoing basis. The Group's credit evaluation focuses on a customer's payment history and its ability to pay and takes into account industry and customer-specific considerations, as well as the general macroeconomic climate. The Group generally requires its customers to settle progress billings and other debts in accordance with agreed contract terms.

Interest rate risk

The Group has significant borrowings and its operating activities are significantly dependent on the availability of credit facilities at competitive rates. All of the Group's borrowings are denominated in RMB and are owed to PRC financial institutions, which are subject to adjustments in interest rates based on changes in the applicable regulations of the People's Bank of China. Accordingly, fluctuations in interest rates may have a significant impact on the Group's business, operations and financial condition.

As of June 30, 2012, approximately RMB4,646.0 million, or 30.4%, of the Group's aggregate borrowings (at approximately RMB15,275.5 million) were subject to fixed interest rates, and the remaining RMB10,629.5 million outstanding amount of borrowings were based on floating rates.

The annualized effective interest rate of the Group in the first half of 2012 (determined by dividing total interests expenses by the average of sums of outstanding borrowings and other interest-bearing payables as of January 1, 2012 and as of June 31, 2012) was 7.0%. The Group does not currently hedge its interest rate risks through any derivative instruments or other hedging arrangements.

信貸和交易對手風險

本集團信貸風險主要歸因於銀行存款及庫存現金、應收賬款及票據、按金、預付款項和其他應收款項，以及應收建造合同客戶款項總額和其他非流動資產。本集團定有內部信貸政策，並以持續的方式對其交易對手方信貸風險進行監控。

本集團幾乎所有現金都存於中國國有或國有控股的銀行業金融機構中。因此，本公司董事認為該等風險並不重大。

本集團對其所有客戶進行信用評估，並持續監控客戶的重大應收款項。本集團的信用評估注重客戶的付款記錄、付款能力，並考慮行業和客戶的具體因素，以及宏觀經濟環境。本集團一般要求其客戶按照合約協定條款支付進度付款和其他債務。

利率風險

本集團有重大借款，其經營活動顯著依賴於以具有競爭力的利率獲得信貸。本集團所有的借款均以人民幣計價，且都是向中國的金融機構借貸的，這些金融機構根據中國人民銀行的適用政策變化而調整其利率。因此，利率波動會對本集團的業務、營運和財務狀況產生重大影響。

於2012年6月30日，本集團借款總額約為15,275.5百萬元，其中約人民幣4,646.0百萬元或30.4%的借款適用固定利率，其餘的約人民幣10,629.5百萬元的借款適用浮動利率。

本集團2012年6月30日的實際年率(以總利息開支除以2012年1月1日與2012年6月31日的未償還借款及其他帶息應付款項的總額平均值釐定)為7.0%。本集團目前尚未通過任何衍生工具或其他對沖安排對沖其利率風險。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Liquidity risk

The Group's operating cash flows are subject to significant irregularity, given the nature of the businesses in which it is engaged. In particular, the Group's wind power products and services business, which contributed approximately 71.6% of the consolidated revenues of the Group for the period, is subject to seasonality. Accordingly, while the Group aims to ensure that it has sufficient working capital to meet its operational requirements, or has access to sufficient banking credit facilities to continue operation without disruption, the cash flow position of the Group is integral to its continued growth and expansion.

Exchange risk

The Group conducts its businesses primarily in RMB. Export of goods and provision of services overseas typically involve foreign currencies. Furthermore, the continued development and expansion of the Group's international operations are expected to result in an increased exposure to exchange rate risk. The Group expects that its future export sales and overseas projects would principally be denominated in the United States dollar, the Euro or the Hong Kong dollar. As of June 30, 2012, the Group recorded a net foreign exchange loss of RMB23.2 million. In addition, after the completion of its IPO on the Stock Exchange in December 2011, the Group holds approximately HKD300 million of partial net proceeds denominated in Hong Kong dollars. The Group does not currently hedge its exchange risk.

The RMB is not a freely convertible currency, and the PRC Government may at its discretion restrict access to foreign currencies for current account transactions in the future. Changes in such foreign exchange controls may adversely affect the Group's international operations and sales, and may prevent the Group from satisfying its foreign exchange denominated obligations. In addition, the Group may be restricted from paying dividends on its listed H shares to shareholders if there were any changes in regulations.

流動資金風險

鑒於其所經營的業務性質，本集團的經營現金流量具有顯著的不規則性。尤其需要注意的是，集團所涉及的風電行業其具有明顯的季節性的特徵，其風電產業約佔到了報告期內公司業務比重的71.6%。因此，本集團旨在確保其有足夠營運資金以達到其經營需求，或者能夠獲得充足的銀行信貸以不中斷地持續運營。本集團的現金流量狀況對於其持續發展和擴張不可或缺。

匯率風險

本集團的大部分經營活動是通過人民幣計價的。產品出口和海外提供服務一般情況是以外幣計價。同時，本集團國際業務的持續發展和擴張預計將導致其面臨的匯率風險增加。本集團預計其未來的出口銷售將主要以美元、歐元或港幣計價。於2012年6月30日，本集團的淨外匯損失為人民幣23.2百萬元。又及，由於本集團於2011年12月在香港聯交所首次公開發售，本集團獲得以港幣計價的部分所得款項淨額餘額於2012年6月30日約為港幣3億元。本集團目前未對沖其匯率風險。

目前人民幣並不是自由兌換的貨幣，未來中國政府可能會酌情決定限制經常賬戶交易的外匯准入。對外幣兌換管控的變化可能會對本集團的國際業務和銷售帶來負面影響，也可能會限制本集團滿足其外匯計價義務。此外，由於政策變化，本集團向其股東支付上市的H股的股息可能會被限制。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

PROSPECTS FOR SECOND HALF OF 2012

The PRC Government issued several regulations and initiatives during the first half of 2012, which are expected to continue to affect the industries in which the Group operates going forward. For example, the 12th Five-year National Strategic Emerging Industries Development Plan issued by the State Council in July 2012 ranks environmental protection and energy conservation industries at the top, and states that the government will provide incentives to these industries by implementing environmental protection levies and promoting market operations of the environmental protection sector. Furthermore, it is generally expected in the PRC that an upward adjustment to the denitrification on-grid tariff, which is currently set at RMB0.008/kWh, would be allowed later this year. The initiatives issued by the State Energy Bureau and Ministry of Treasury earlier this year give additional incentives to the energy conservation retrofitting of the coal-fired power plants with grants and favorable policies. Please also see “– Industry Review” for more information. In the meanwhile, the new emission standards of the coal-fired power plants in the PRC were implemented in 2012. The new air quality standards also require emissions control of PM2.5 pollutants. The market also generally expects that a revised photovoltaic power generation plan for the 12th Five-year period would be promulgated in the near future, which may set the target for newly installed capacity of solar power stations during the 12th Five-year period to 21 GW, more than four times of the current version of the PRC Government’s official figure for the same period of time.

The Group anticipates that such favorable policies may stimulate the businesses of equipment manufacturing and project construction in connection with desulfurization, denitrification, water treatment services, EMC and integrated energy conservation solutions businesses. In addition, the Group expects that its renewable energy related business would have a further development in the second half of the year.

The Group plans to concentrate on the following areas to maximize the opportunities presented in the market during the second half of 2012:

2012年下半年業務展望

中國政府在2012年上半年出臺了一系列法規和措施，這些法規和措施將會繼續影響本集團所從事的產業在今後的發展。例如，2012年7月國務院印發的《「十二五」國家戰略性新興產業發展規劃》將節能環保產業位於首位，將通過推進環保稅、推進環保產業市場化的運營，促進節能環保產業的發展。各方消息表明，火電脫硝補貼電價的調整視窗也即將打開，較目前執行的脫硝補貼電價（每千瓦時人民幣0.008元）進一步提高。中國政府也逐漸重視節能環保的前端綜合防治，國家能源局、財政部發文積極推進燃煤電廠節能改造，並給予資金和政策支持。詳情請參見「一行業回顧」。同時，國內火電廠污染物新的排放標準已於2012年開始執行，新的空氣品質標準也明確提出PM2.5的控制要求。同時受市場廣泛關注的即將出臺的《光伏發電「十二五」規劃》，將「十二五」期間國內光伏發電的裝機目標確定為21GW，是最早版本的4倍多。

本集團預期這些利好因素將刺激與脫硫、脫硝、水處理服務、合同能源管理業務以及綜合節能解決方案相關的設施生產及工程建設業務的發展。此外，本集團的可再生能源業務預計也將在2012年下半年迎來新的發展。

本集團將重點開展以下工作，以更好地把握2012年下半年的市場契機：

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Enhancing technology innovations and research and development capabilities

As technology provides core competitiveness for the industries in which the Group conducts its business, the Group expects to continue to focus on technology innovation and research and development in the second half of 2012. The Group plans to leverage on its key laboratories and research institutes and its relationships with other peer research and development institutes to increase its technology reserve. The focuses for the Group's efforts in technology reserve include low-NOx combustion technology for low-grade coal, plasma-assisted ignition technology for fire-resistant coal, optimized combustion, ignite conversion, synergists for denitrification and offshore wind power technologies.

Cultivating new markets and further expanding market shares

The Group plans to further consolidate its resources and to improve its sales network and management systems, in order to further expand market shares of industries in which it operates and cultivate new businesses such as maintenance and repair businesses of WTG units and solar power stations.

Exploring alternatives for funding sources and reducing financing costs

The Group intends to explore alternative funding sources, optimize centralized management for sourcing and utilizing funds, and strengthen monitoring procedures for using the funds, in order to reduce financing costs and ensure monetary security of the Group.

Promoting standardized administration and management to increase cost-efficiency

The Group plans to improve and optimize management systems and focuses on improving the level of management, in order to increase cost-efficiency level of the Group. The Group plans to promote standardization and systemization of administration and management procedures, and to reduce administrative costs and other costs, in order to achieve higher profitability.

加強科技創新和技術研發，提高企業競爭力

鑒於在本集團所從事的業務領域中，技術進步是核心競爭力之所在，本集團將進一步在2012年下半年加大科研投入和新產品、新技術研發力度，依託本集團的重點技術研究所和實驗室，同時進一步深化和科研院所的合作，重點開展貧煤低NOx燃燒技術、難燃煤等離子體點火技術、燃燒優化、褐煤提質、脫硝增效劑、海上風電等技術的研發。

加大市場開拓，提高市場佔有率

本集團計劃在鞏固目前各業務市場的同時，進行資源整合，健全行銷網路，完善行銷管理體系，以期維持並進一步擴展本集團在其所從事的產業佔據的市場份額，同時進一步開拓如風機運維服務、太陽能电站運維服務等新增市場。

強化資金管理，降低資金成本

本集團擬將拓寬融資管道，加強資金籌集管理和使用管理，強化對資金使用的過程管控，科學合理控制投資節奏，減少融資費用，以保障本集團資金使用安全。

強化經營管理，增加盈利能力

本集團計劃改善和優化基礎管理，深入開展管理提升活動，以期提高本集團的盈利能力。本集團計劃通過促進經營管理程序的標準化和制度化，以減少管理和其他成本，達到提高盈利能力的目的。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

Corporate Governance Report

The Group has established a standardized and sound corporate governance structure in accordance with the applicable laws and regulations, including the Company Law of the PRC and the Listing Rules, as well as the requirements of domestic and offshore regulatory authorities, continuing its efforts to maintain a high standard of corporate governance in a view to maximize shareholders' benefits in the long term.

(1) Compliance with All New Rules of the Code on Corporate Governance Practices

For the six months ended June 30, 2012, the Group has complied with the code provisions set out in the Code on Corporate Governance Practices effective until March 31, 2012 and the Corporate Governance Code effective from April 1, 2012 in Appendix 14 of the Listing Rules. As part of its commitment to good corporate governance, the Group has adopted all new code provisions and, where appropriate, new recommended best practices in Appendix 14 of the Listing Rules.

To promote the long-term and steady development of the Group, the Group has been standardizing its corporate governance structure based on relevant laws and regulations in the PRC, the requirements of the Stock Exchange, and other regulatory requirements, thereby further improving its corporate governance.

(2) Compliance with the Model Code for Securities Transactions by Directors and Supervisors of Listed Issuers

The Company has adopted a code of conduct prepared in accordance with the Model Code for Securities Transactions by Directors and Supervisors of Listed Issuers ("the **Model Code**") set out in Appendix 10 of the Listing Rules. The terms of the code adopted by the Group comply with the requirements of the Model Code. The Company made specific enquiries to all of its Directors and Supervisors; each confirmed that he or she has complied with requirements of the Model Code for the six months ended June 30, 2012.

企業管治報告

本集團按照中國公司法、上市規則等適用的法律法規和境內外監管機構的規定，建立了規範、完善的公司管治結構，不斷致力於維持高水準的公司管治以提高股東的長遠利益。

(1) 遵守並採用《企業管治常規守則》的所有新條文

截至2012年6月30日止6個月內，本集團一直遵守上市規則附錄十四所載的有效期至2012年3月31日的《企業管治常規守則》以及2012年4月1日起生效的《企業管治守則》的守則條文。本集團矢志奉行嚴格的企業管治，並在適當情況下採納上市規則附錄十四所載的有關新建議最佳常規。

為了促進本集團公司長遠、穩定發展，根據中國相關的法律、法規、聯交所的要求以及其他監管要求，本集團不斷規範公司治理結構，進一步提升了公司治理水準。

(2) 遵守上市公司董事及監事進行證券交易的標準守則

本公司已採納根據上市規則附錄十上市公司董事及監事進行證券交易的標準守則（「標準守則」）而製定的操守守則。本公司採納的守則所載條款符合標準守則的規定。本公司對所有董事及監事作出詳盡查詢後，截至2012年6月30日止6個月，本集團董事及監事均確認遵守標準守則的規定。

(3) Audit Committee

The Group has established an audit committee in accordance with the requirements of the Listing Rules. The Audit Committee is responsible for, inter alia, proposing to the Board on the appointment, reappointment and removal of external independent auditors, and monitoring the work of these auditors. The Audit Committee consists of two independent non-executive Directors and one non-executive Director, namely, Mr. FAN Renda Anthony (chairman of the Audit Committee, independent non-executive Director), Mr. ZHAI Ligong (independent non-executive Director) and Mr. YANG Guang (non-executive Director). The Audit Committee reviewed and voted on the unaudited interim financial report of the Group for the six months ended June 30, 2012.

(4) Disseminating Information through the Internet

In order to promote good corporate governance and transparency, the Group uses its website (www.01296.hk) as a medium to disseminate information. The Group implements procedures to vet information which is to be put on its website and also monitors its website to ensure that all published information is up-to-date and accurate.

(5) Overseas Regulatory Announcement

As Yantai Longyuan Power Technology Co., Ltd., a subsidiary of the Company, is a public company listed on the Shenzhen Stock Exchange, the Group has complied with the requirements regarding overseas regulatory announcements in accordance with Rule 13.09(2) of Listing Rules.

Furthermore, the Group has also complied with the requirements regarding overseas regulatory announcements in relation to its bonds offering on the Shanghai Stock Exchange in accordance with Rule 13.09(2) of Listing Rules in this regard.

(6) The Management of "Price Sensitive Information"

In order to promote fairness, transparency, accountability and responsibility, which are the core principles of good corporate governance, the Group assisted by compliance advisors and legal advisors has notified the Stock Exchange and has disclosed to shareholders and other holders of its listed securities as soon as practicable of any price sensitive information of the Group pursuant to the Listing Rules.

(3) 審核委員會

本集團已根據上市規則的規定成立審計委員會，職責包括就外聘獨立核數師的委任、重新委任及罷免向董事會提出建議，並監督他們的工作。董事會審計委員會成員由兩名獨立非執行董事及一名非執行董事組成，為范仁達先生(審核委員會主席，獨立非執行董事)、翟立功先生(獨立非執行董事)及陽光先生(非執行董事)。審核委員會已審閱本集團截至2012年6月30日止6個月的未經審核中期財務報告。

(4) 互聯網資訊發佈的管理工作

為提升企業管治水平和增加企業透明度，本集團設立網站(www.01296.hk)並使用互聯網作為發放資料的管道，制定程式審閱即將登載在互聯網上的資料，同時監察本集團網站，以確保所有公佈的資料都是最新和正確的。

(5) 於其他海外監管市場發佈的公告

由於本集團擁有一間於深圳證券交易所上市的附屬公司，煙臺龍源電力技術股份有限公司，故此，本集團需要根據上市規則第13.09(2)條的規定遵守海外監管公告的相關規定。

此外，本集團已需要根據上市規則第13.09(2)條規定在境內債券發行(於上海證券交易所)事宜遵守海外監管公告的相關規定。

(6) 「股價敏感資料」的管理工作

為促進公平、透明度、問責和責任這幾個方面(上述全是良好企業管治的要素)，根據上市規則，本集團由合規顧問和法律顧問協助，在切實可行的情況下，盡快向聯交所、股東及其上市證券的其他持有人通知任何與該集團有關的股價敏感資料。

(7) **Connected Transaction Management**

In order to strengthen the Company's management of connected transactions, the Company has established the "Management Rules on the Conduct of Connected Transactions of Guodian Technology & Environment Group Corporation Limited" and has designated the Office of the Board (the Securities and Finance Division in particular) for the management of connected transactions. In order to ensure that the Company's connected transactions are carried out in accordance with applicable rules and regulations and that the aggregate transaction amounts do not exceed the annual caps subject to waivers or approval by the shareholders, as the case may be, the Group has notified all subsidiaries and divisions regarding the applicable continuing connected transaction caps, allocated monitoring obligations to specific subsidiaries and divisions and required such subsidiaries or divisions to report to the senior management.

The Company had a technical breach of the Listing Rules regarding one of its continuing connected transactions during the period. As disclosed in the Company's announcement dated July 31, 2012 regarding continuing connected transactions with Guodian Finance Corporation Ltd. (國電財務有限公司) ("**Guodian Finance**"), before entering into a written agreement and before the publication of an announcement, the Company's accounts with Guodian Finance had a positive balance; the maximum daily amount of these accounts was approximately RMB312.0 million for the period from January 29, 2012 to July 31, 2012. This was due to the fact that some of the Group's connected persons, who are also the Group's customers, made "deposits" to the Group's accounts located at Guodian Finance, in an effort to pay these customers' accounts payables in relation to the goods or services provided by the Group. The Company should have notified the Exchange and publish an announcement of the relevant transactions when any of the applicable percentage ratios reached 0.1% or the value reached HK\$1,000,000 (whichever is higher). The failures to notify the Stock Exchange and to make an announcement sooner were not intentional; such failures, however, constituted a non-compliance in full of the relevant disclosure requirement under Rules 14A.47 of the Listing Rules.

The Company intends to designate specific personnel in an effort to ensure full compliance with relevant Listing Rules, and will provide regular training to the Company's internal staff in relation to connected transactions.

(7) **關連交易的管理工作**

本公司製定了《國電科技環保集團股份有限公司關連交易管理辦法》，以加強本集團的關連交易管理，並指定董事會辦公室(尤其是證券融資部)負責關連交易的管理工作。根據適當的情況，本集團已將適用的持續性關連交易上限通知所有附屬公司和部門，將監管職責分配到特定的附屬公司和部門並要求各附屬公司和部門向高級管理層進行報告，以確保本集團的關連交易按適用的規則和制度進行以此保證交易總額不超過可豁免的或董事會或股東批准的年度上限。

報告期內本公司就其中一個持續性關連交易技術性地違反了上市規則。正如本公司2012年7月31日發佈的關於與國電財務有限公司「**國電財務**」的持續性關聯交易的公告所披露，本公司在國電財務的賬戶在簽訂書面協議並發佈相關公告之前擁有結餘金額，2012年1月29日到2012年7月31日的每日存款最高結餘金額約為人民幣312.0百萬元，此乃由於本集團的一些關連人士同時也是本集團的客戶將存款置於本集團在國電財務的賬戶中，以此支付本集團提供的產品或服務。本公司應當在任何適用的百分比率達到0.1%或價值達到1,000,000港元(以較高者為準)時，通知聯交所並就有關交易作出公告。未能通知聯交所並訂立書面協議及作出公告並非蓄意所為；然而，上述行為構成不完全遵守上市規則14A.47條項下的相關披露規定。

本公司計劃設置專職的人事崗位以此盡力保證對相關上市規則的遵守並且將為公司內部員工提供關於關連交易的經常性的培訓。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

(8) Insider Trading Management

In order to monitor and regulate potential insider trading activities, ensure confidentiality insider information, the Company has established a set of "Management Rules on the Conduct of Insider Trading of Guodian Technology & Environment Group Corporation Limited" in accordance with the Company Law of the PRC, Securities and Futures Ordinance, Listing Rules and other relevant laws and regulations and Articles of Association of the Company.

(8) 內幕交易的管理工作

本公司為監管和規範潛在內幕交易行為，確保集團內幕資訊保密工作，根據《中華人民共和國公司法》、《香港證券及期貨條例》、上市規則等有關法律法規及《國電科技環保集團股份有限公司章程》的規定，制定《國電科技環保集團股份有限公司內幕資訊管理辦法》。

OTHER INFORMATION 其他資料

Review of Interim Report

The Audit Committee of the Company has reviewed the Company's interim report. The interim financial report for the six months ended June 30, 2012 was unaudited, but was 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. A copy of such unmodified review report is included in this interim report.

Share Capital

The share capital structure of the Company as at June 30, 2012 is set out in the table below:

中期報告審閱

公司審計委員會已對公司的中期報告進行了審閱。截至2012年6月30日止六個月的中期財務報告未經審核，但已由畢馬威會計師事務所按照香港會計師公會所頒布的《香港審閱工作準則》第2410號「獨立核數師對中期財務信息的審閱」進行審閱，其不附修訂結論的審閱報告已載列於本中期報告內。

股本

截至2012年6月30日，公司的股本構成如下表所示：

Class of shares 股份類別	Number of shares 持有股份	Approximately percentage to the total share capital 近似佔股本總數 之百分比
Domestic shares 內資股	4,754,000,000	78.4%
H shares H股	1,309,770,000	21.6%
Total 總計	6,063,770,000	100.0%

OTHER INFORMATION

其他資料

Purchase, Sale or Redemption of the Company's Listed Securities

On January 13, 2012, as a result of the partial exercise of the over-allotment option in connected with the Company's IPO, the Company issued and allotted additional 121,270,000 H Shares.

The shareholding structure of the Company immediately before and immediately after the issue and allotment by the Company of the Over-allotment Shares is as follows:

購買、出售或贖回本公司的上市證券

於2012年1月13日，因部份行使與本公司首次公開募股相關的超額配股權，本公司額外發行、分配了121,270,000股H股。

下表顯示了在本公司緊接發行、分配超額配售的股票之前及之後的股權結構狀況：

	Immediately before the issue and allotment of the Over-allotment Shares 緊接發行、分配超額配售的股票之前		Immediately after the issue and allotment of the Over-allotment Shares 緊隨發行、分配超額配售的股票之後	
	Number of Shares 股份數目	Approximate percentage of the Company's issued share capital (%) 概約佔本公司已發行股本之百分比 (%)	Number of Shares 股份數目	Approximate percentage of the Company's issued share capital (%) 概約佔本公司已發行股本之百分比 (%)
H Shares H股	1,188,500,000	20.0	1,309,770,000	21.6
Domestic Shares 內資股	4,754,000,000	80.0	4,754,000,000	78.4
Total 總計	5,942,500,000	100.0	6,063,770,000	100.0

Save as disclosed above, neither the Company nor its subsidiaries had purchased, sold or redeemed any shares of the Company for the six months ended June 30, 2012.

截至2012年6月30日止6個月，除以上披露的內容，本公司及本公司的附屬公司並未購買、出售或贖回任何本公司的股份。

OTHER INFORMATION

其他資料

Material Litigation

A subsidiary of the Group is the defendant in a lawsuit arising in the ordinary course of business. On July 13, 2012, the municipal Intermediate People's Court in Chengde decided against the Chengde Branch Company of Beijing Guodian Longyuan Environmental Engineering Co., Ltd. (北京國電龍源環保工程有限公司承德分公司) ("Longyuan Environmental Chengde"), and ordered Longyuan Environmental Chengde to pay the plaintiff RMB18,222,000. On July 31, 2012, Longyuan Environmental Chengde filed an appeal with the provincial higher People's Court in Hebei Province. As of the date hereof, based on the opinion of the Company's PRC counsel, the Directors believes that it is highly likely that the Group would win the appeal. Accordingly, the Group has not made any provision in relation to the matter.

Interim Dividend

The Board has not made any recommendation on the distribution of an interim dividend for the six months ended June 30, 2012.

Interest and Short Positions of Directors, Supervisors and the Chief Executive in the Shares, Underlying Shares and Debentures

As of June 30, 2012, details of the interest or short positions of the Directors, supervisors and senior management of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be registered in the register referred to therein, or which would fall to be disclosed to the Company and the Stock Exchange pursuant to the Model Code are as follows:

重大訴訟

本集團附屬公司為一宗於日常業務過程中產生的訴訟的被告人。於2012年7月13日，承德市中級人民法院判決北京國電龍源環保工程有限公司承德分公司(「龍源環保承德」)敗訴，並勒令其向原告人支付人民幣18,222,000元。於2012年7月31日，龍源環保承德向河北省高級人民法院提出上訴。截至本中期報告刊發日期，根據本公司中國法律顧問的意見，董事相信本集團有極大的可能在上訴審中勝訴。因此，本集團概無確認任何與此有關的撥備。

中期股息

董事會並不建議派發截至2012年6月30日止6個月的中期股息。

董事、監事及高級管理人員於股份相關股份及債券的權益及淡倉

於2012年6月30日，本公司各董事、監事及高級管理人員在本公司或其任何相聯法團(定義見《證券及期貨條例》第XV部)的股份、相關股份或債券中擁有根據(「條例」)條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括根據條例的該等條文被當作或視為擁有的權益或淡倉)，或根據條例第352條須登記於該條所指登記冊的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉的詳細信息如下：

Name of Director	Class of Shares	Capacity	Number of Shares/ Underlying Shares Held (Share)	Percentage in	Percentage in
				the Relevant Class of Share Capital (Note 1)	the Total Share Capital (Note 1)
董事姓名	股份類別	身份	持有股份/ 相關股份數目 (股)	佔有關股本類別之百分比 (附註1)	佔股本總數之百分比 (附註1)
Yan Yan 閻焱	H shares H股	Interests of beneficial owner and controlled corporation 實益擁有人及受控公司之權益	288,200,000 (Notes 2) (Long position) (附註2) (好倉)	22.00	4.75

OTHER INFORMATION

其他資料

Notes:

1. This percentage is calculated on the basis of the number of underlying shares/total shares that had been issued by the Company as of June 30, 2012.
2. Yan Yan holds 22.00% of the H shares indirectly via SAIF Partners IV L. P. through SAIF IV GP Capital Ltd. and SAIF IV GP LP. He is the controlling shareholder of SAIF IV Capital Ltd., SAIF IV GP LP, and SAIF Partners IV L. P. SAIF IV GP Capital Ltd. is the controlling shareholder of SAIF IV GP LP. SAIF IV GP LP is the controlling shareholder of SAIF Partners IV L.P. SAIF Partners IV L.P. has 22.00% of the H shares. Therefore, Yan Yan, SAIF IV GP Capital Ltd., and SAIF IV GP LP are deemed to have the interests in the H shares held by SAIF Partners IV L. P.

Save as disclosed above and as of June 30, 2012, as far as the Company is aware, none of Directors, Supervisors and the Chief Executive of the Company had an interest and short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO, Chapter 571 of the laws of Hong Kong), which would have to notify the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have taken under such provisions of the SFO), or which were recorded in the register required to be kept under section 352 of the SFO, or which would be required to notify the Company and the Stock Exchange pursuant to the Model Code.

附註：

1. 該百分比是以本公司於2012年6月30日已發行的相關股份數目／總股份數目計算。
2. 閻焱透過SAIF IV GP Capital Ltd.及SAIF IV GP LP經SAIF Partners IV L.P.間接持有22.00%的H股。閻焱是SAIF IV GP Capital Ltd.、SAIF IV GP LP以及SAIF Partners IV L.P.的控股股東。SAIF IV GP Capital Ltd.是SAIF IV GPLP的控股股東。SAIF IV GP LP是SAIF Partners IV L.P.的控股股東。SAIF Partners IV L.P.擁有22.00%的H股。因此，閻焱、SAIF IV GP Capital Ltd.以及SAIF IV GP LP被視作為擁有SAIF Partners IV L.P.所持有的H股的權益。

除此以外，於2012年6月30日，就本公司所知，本公司各董事、監事及高級管理人員概無在本公司或任何相關聯法團（定義見條例第XV部，香港法第571章）的股份、相關股份或債券中擁有任何根據條例第XV部第7及第8部須知會本公司及聯交所的權益或淡倉（包括根據條例的該等文件被當作或視為擁有的權益或淡倉），或根據條例第352條需登記於該條所指登記冊的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

OTHER INFORMATION

其他資料

Interests and Short Positions of Substantial Shareholders and Other Persons in Shares and Underlying Shares

主要股東、其他持有人的權益及淡倉

As at 30 June 2012, to the best knowledge of the Directors, Supervisors and the chief executive of the Company, the persons listed in the following table had interests and/or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of Part XV of the SFO:

於2012年6月30日，就董事、監事及高級管理人員所知，表格所列的被登記註冊的如下人士於本公司股份或相關股份中擁有根據條例第XV部第336條所規定權益或淡倉：

Name of Shareholder	Class of Share	Capacity	Number of Shares/ Underlying Shares Held (Share)	Percentage in the Relevant Class of Share Capital (Notes 1) (%) 佔有關股本 類別之百分比 (附註1) (%)	Percentage in the Total Share Capital (Notes 1) (%) 佔股本總數 之百分比 (附註1) (%)
股東姓名／名稱	股份類別	身份	持有股份／相關 股份數目 (股)		
Guodian Group 國電集團	Domestic shares 內資股	Interests of beneficial owner and controlled corporation 實益擁有人及受控公司之權益	4,754,000,000 (Notes 2) (Long position) (附註2) (好倉)	100.00	78.40
GD Power 國電電力	Domestic shares 內資股	Interests of beneficial owner 實益擁有人之權益	2,376,500,000 (Notes 2) (Long position) (附註2) (好倉)	49.99	39.19
Yan Yan 閻焱	H shares H股	Interests of beneficial owner and controlled corporation 實益擁有人及受控公司之權益	288,200,000 (Notes 3) (Long position) (附註3) (好倉)	22.00	4.75
SAIF IV GP Capital Ltd.	H shares H股	Interests of beneficial owner and controlled corporation 實益擁有人及受控公司之權益	288,200,000 (Notes 3) (Long position) (附註3) (好倉)	22.00	4.75
SAIF IV GP LP	H shares H股	Interests of beneficial owner and controlled corporation 實益擁有人及受控公司之權益	288,200,000 (Notes 3) (Long position) (附註3) (好倉)	22.00	4.75

OTHER INFORMATION

其他資料

Name of Shareholder	Class of Share	Capacity	Number of Shares/ Underlying Shares Held (Share)	Percentage in the Relevant Class of Share Capital (Notes 1) (%)	Percentage in the Total Share Capital (Notes 1) (%)
股東姓名／名稱	股份類別	身份	持有股份／相關 股份數目 (股)	佔有關股本 類別之百分比 (附註1) (%)	佔股本總數 之百分比 (附註1) (%)
SAIF Partners IV L.P.	H shares H股	Interests of beneficial owner 實益擁有人之權益	288,200,000 (Long position) (好倉)	22.00	4.75
China High Speed Transmission Equipment Group Co. Ltd. 中國高速傳動設備集團有限公司	H shares H股	Interests of beneficial owner 實益擁有人之權益	144,100,000 (Long position) (好倉)	11.00	2.38
Huaneng Renewables (Hong Kong) Limited 華能新能源(香港)有限公司	H shares H股	Interests of beneficial owner 實益擁有人之權益	108,050,000 (Long position) (好倉)	8.25	1.78
Datang Renewables (H.K.) Co., Limited 大唐新能源(香港)有限公司	H shares H股	Interests of beneficial owner 實益擁有人之權益	108,050,000 (Long position) (好倉)	8.25	1.78
State Grid International Development Limited 國家電網國際發展有限公司	H shares H股	Interests of beneficial owner 實益擁有人之權益	108,050,000 (Long position) (好倉)	8.25	1.78
China Huadian Hong Kong 中國華電香港有限公司	H shares H股	Interests of beneficial owner 實益擁有人之權益	108,050,000 (Long position) (好倉)	8.25	1.78
Beijing High Technology Venture Capital Co., Ltd. 北京高新技術創業投資股份有限公司	H shares H股	Interests of beneficial owner 實益擁有人之權益	105,637,000 (Long position) (好倉)	8.07	1.74
National Council for Social Security Fund of the PRC 全國社會保障基金理事會	H shares H股	Interests of beneficial owner 實益擁有人之權益	96,000,000 (Long position) (好倉)	7.33	1.58
SDIC Capital Holdings Co., Ltd. 國投資本控股有限公司	H shares H股	Interests of beneficial owner 實益擁有人之權益	72,050,000 (Long position) (好倉)	5.50	1.19

OTHER INFORMATION

其他資料

Notes:

1. This percentage is calculated on the basis of the number of underlying shares/ total shares that had been issued by the Company as of June 30, 2012.
2. Guodian Group holds, directly or indirectly, 100% of the domestic shares via GD Power. Guodian Group has 51.72% of the interests in the total shares of GD Power and GD Power has 49.99% of the domestic shares. Therefore, Guodian Group is deemed to have the interests in the domestic shares possessed by GD Power.
3. Yan Yan (Director of the Company) holds 22.00% of the H shares indirectly via SAIF Partners IV L. P. through SAIF IV GP Capital Ltd. and SAIF IV GP LP. He is the controlling shareholder of SAIF IV Capital Ltd., SAIF IV GP LP, and SAIF Partners IV L. P. SAIF IV GP Capital Ltd. is the controlling shareholder of SAIF IV GP LP. SAIF IV GP LP is the controlling shareholder of SAIF Partners IV L.P. SAIF Partners IV L.P. has 22.00% of the H shares. Therefore, Yan Yan, SAIF IV GP Capital Ltd., and SAIF IV GP LP are deemed to have the interests in the H shares held by SAIF Partners IV L. P.

Employees

The Company adopts a position-based remuneration system for its employees, and their remuneration is determined according to the relative strength, seniority and ability. As at June 30, 2012, the Group had approximately 9,400 employees and salaries paid was RMB469.5 million.

Change of Director and Supervisor

On June 8, 2012, Mr. Andrew Y. YAN was appointed as a non-executive Director of the Company. On the same day, Mr. Dinghuan SHI was also appointed as an independent non-executive Director of the Company.

附註：

1. 該百分比是以本公司於2012年6月30日已發行的相關股份數目／總股份數目計算。
2. 國電集團透過國電電力直接及間接持有100%的內資股。國電集團於國電電力股份總額中擁有51.72%的權益，國電電力擁有49.99%的內資股。因此，國電集團被視作為擁有國電電力所持有的內資股的權益。
3. 閻焱為本公司董事，且透過SAIF IV GP Capital Ltd.及SAIF IV GP LP經SAIF Partners IV L.P.間接持有22.00%的H股。閻焱是SAIF IV GP Capital Ltd.、SAIF IV GP LP以及SAIF Partners IV L.P.的控股股東。SAIF IV GP Capital Ltd.是SAIF IV GP LP的控股股東。SAIF IV GP LP是SAIF Partners IV L.P.的控股股東。SAIF Partners IV L.P.擁有22.00%的H股。因此，閻焱、SAIF IV GP Capital Ltd.以及SAIF IV GP LP被視作為擁有SAIF Partners IV L.P.所持有的H股的權益。

僱員資料

本公司僱員的薪酬政策由薪酬委員會根據彼等的長處、資歷及工作能力釐定。於2012年6月30日，本集團共聘用約9,400名僱員，於本期間內，本集團薪酬成本約人民幣469.5百萬元。

董事及監事的變更

於2012年6月8日，閻焱先生被任命為公司非執行董事。同日，石定寰先生也被任命為公司的獨立非執行董事。

REVIEW REPORT

審閱報告



**Review report to the board of directors of
Guodian Technology & Environment Group Corporation Limited**
(a joint stock company incorporated in the People's Republic of China
with limited liability)

Introduction

We have reviewed the interim financial report set out on pages 46 to 84 which comprises the consolidated balance sheet of Guodian Technology & Environment Group Corporation Limited (the "Company") as at 30 June 2012 and the related consolidated income statement, consolidated statement of comprehensive income and consolidated statement of changes in equity and condensed consolidated cash flow statement for the six months then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34, *Interim financial reporting*, issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review 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. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

審閱報告
致國電科技環保集團股份有限公司董事會
(於中華人民共和國註冊成立的股份有限公司)

引言

我們已審閱列載於第46頁至第84頁國電科技環保集團股份有限公司的中期財務報告，此中期財務報告包括於2012年6月30日的合併資產負債表與截至該日止6個月期間的合併收益表、合併綜合收益表及合併權益變動表和簡明合併現金流量表以及附註解釋。根據《香港聯合交易所有限公司證券上市規則》(「上市規則」)，上市公司必須符合上市規則中的相關規定和國際會計準則委員會頒佈的《國際會計準則》第34號「中期財務報告」的規定編製中期財務報告。董事須負責根據《國際會計準則》第34號編製及列報中期財務報告。

我們的責任是根據我們的審閱對中期財務報告作出結論，並按照我們雙方所協定的應聘條款，僅向全體董事會報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

審閱範圍

我們已根據香港會計師公會頒佈的《香港審閱工作準則》第2410號「獨立核數師對中期財務信息的審閱」進行審閱。中期財務報告審閱工作包括主要向負責財務會計事項的人員詢問，並實施分析和其他審閱程序。由於審閱的範圍遠較按照香港審計準則進行審核的範圍為小，所以不能保證我們會注意到在審核中可能會被發現的所有重大事項。因此我們不會發表任何審核意見。

REVIEW REPORT

審閱報告

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2012 is not prepared, in all material respects, in accordance with International Accounting Standard 34, *Interim financial reporting*.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

24 August 2012

結論

根據我們的審閱工作，我們並沒有注意到任何事項使我們相信於2012年6月30日的中期財務報告在所有重大方面沒有按照《國際會計準則》第34號「中期財務報告」的規定編製。

畢馬威會計師事務所

執業會計師
香港中環
遮打道10號
太子大廈8樓

2012年8月24日

CONSOLIDATED INCOME STATEMENT

合并收益表

For the six months ended 30 June 2012 – unaudited 截至2012年6月30日止6個月－未經審計
(Expressed in Renminbi) (以人民幣列示)

		Six months ended 30 June		
		截至6月30日止6個月		
		2012	2011	
		2012年	2011年	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
	Note			
	附註			
Revenue	3	8,032,907	6,774,592	
收入				
Cost of sales		(6,656,050)	(5,688,416)	
銷售成本				
Gross profit		1,376,857	1,086,176	
毛利				
Other revenue	4	200,937	56,873	
其他收入				
Other net (losses)/income		(3,636)	71,287	
其他(虧損)/收益淨額				
Selling and distribution expenses		(260,001)	(237,315)	
銷售及分銷開支				
Administrative expenses		(529,174)	(480,759)	
行政開支				
Profit from operations		784,983	496,262	
經營利潤				
Finance costs	5	(319,072)	(207,879)	
財務成本				
Share of profits less losses of associates		7,856	16,964	
應佔聯營公司利潤減虧損				
Profit before taxation	6	473,767	305,347	
稅前利潤				
Income tax	7	(71,498)	(48,020)	
所得稅				
Profit for the period		402,269	257,327	
本期利潤				
Profit attributable to:				
利潤歸屬於：				
Equity shareholders/owners of the Company		257,193	181,135	
本公司權益股東/所有人				
Non-controlling interests		145,076	76,192	
非控股權益				
Profit for the period		402,269	257,327	
本期利潤				
Basic and diluted earnings per share (RMB cents)	8	4.2	3.7	
每股基本及攤薄盈利 (人民幣分)				

The notes on pages 53 to 84 form part of this interim financial report.

第53頁至第84頁的附註為本中期財務報告之部分。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

合併綜合收益表

For the six months ended 30 June 2012 – unaudited 截至2012年6月30日止6個月 – 未經審計
(Expressed in Renminbi) (以人民幣列示)

		Six months ended 30 June 截至6月30日止6個月	
		2012 2012年 RMB'000 人民幣千元	2011 2011年 RMB'000 人民幣千元
		Note 附註	
Profit for the period	本期利潤	402,269	257,327
Other comprehensive income for the period:	本期其他綜合收益：		
Exchange difference on translation of financial statements of operation outside the People's Republic of China ("PRC")	換算中華人民共和國(「中國」)境外業務財務報表產生的匯兌差額	58	(7)
Total comprehensive income for the period	本期綜合收益總額	402,327	257,320
Attributable to:	歸屬於：		
Equity shareholders/owners of the Company	本公司權益股東／所有人	257,251	181,128
Non-controlling interests	非控股權益	145,076	76,192
Total comprehensive income for the period	本期綜合收益總額	402,327	257,320

The notes on pages 53 to 84 form part of this interim financial report.

第53頁至第84頁的附註為本中期財務報告之部分。

CONSOLIDATED BALANCE SHEET

合併資產負債表

As at 30 June 2012 – unaudited 於2012年6月30日 – 未經審計
(Expressed in Renminbi) (以人民幣列示)

			At 30 June 2012 2012年 6月30日 RMB'000 人民幣千元	At 31 December 2011 2011年 12月31日 RMB'000 人民幣千元
		Note 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	9	11,265,624	10,055,273
Investment properties	投資性物業		254,829	258,392
Lease prepayments	預付土地租賃款		888,884	885,349
Intangible assets	無形資產	10	1,093,120	648,719
Goodwill	商譽	11	57,591	7,082
Interests in associates	對聯營公司的投資	12	479,603	291,998
Other equity investments	其他權益投資		353,779	112,255
Other non-current assets	其他非流動資產		2,465,754	2,297,352
Deferred tax assets	遞延稅項資產		222,311	174,538
Total non-current assets	非流動資產總額		17,081,495	14,730,958
Current assets	流動資產			
Inventories	存貨		5,039,763	7,488,905
Gross amounts due from customers for contract work	應收建造合同客戶款項總額		1,556,486	1,638,456
Trade and bills receivables	應收賬款及票據	13	12,292,826	9,925,578
Deposits, prepayments and other receivables	按金、預付款項及其他 應收款項		1,682,078	1,139,902
Tax recoverable	可收回稅項		98,961	127,962
Restricted deposits	受限制存款		437,356	436,222
Cash at bank and in hand	銀行存款及庫存現金	14	4,397,896	6,567,715
Total current assets	流動資產總額		25,505,366	27,324,740
Current liabilities	流動負債			
Borrowings	借款	15	12,895,934	10,938,282
Trade and bills payables	應付賬款及票據	16	9,914,270	12,644,926
Other payables	其他應付款項		4,140,216	4,807,775
Gross amounts due to customers for contract work	應付建造合同客戶款項總額		671,261	518,044
Income tax payable	應付所得稅		57,178	126,058
Provision for warranty	質保金撥備	17	153,222	83,578
Total current liabilities	流動負債總額		27,832,081	29,118,663
Net current liabilities	流動負債淨額		(2,326,715)	(1,793,923)
Total assets less current liabilities	總資產減流動負債		14,754,780	12,937,035

The notes on pages 53 to 84 form part of this interim financial report.

第53頁至第84頁的附註為本中期財務報告之部分。

CONSOLIDATED BALANCE SHEET

合併資產負債表

As at 30 June 2012 – unaudited 於2012年6月30日 – 未經審計

(Expressed in Renminbi) (以人民幣列示)

			At 30 June 2012 2012年 6月30日 RMB'000 人民幣千元	At 31 December 2011 2011年 12月31日 RMB'000 人民幣千元
Non-current liabilities	非流動負債			
Borrowings	借款	15	2,379,605	1,138,728
Deferred income	遞延收益		334,061	306,072
Deferred tax liabilities	遞延稅項負債		89,369	–
Provision for warranty	質保金撥備	17	354,617	391,868
Other non-current liabilities	其他非流動負債		135,632	104,288
Total non-current liabilities	非流動負債總額		3,293,284	1,940,956
NET ASSETS	資產淨額		11,461,496	10,996,079
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	18	6,063,770	5,942,500
Reserves	儲備		2,821,397	2,829,046
Total equity attributable to shareholders of the Company	歸屬本公司權益股東的 權益總額		8,885,167	8,771,546
Non-controlling interests	非控股權益		2,576,329	2,224,533
TOTAL EQUITY	權益總額		11,461,496	10,996,079

Approved and authorised for issue by the board of directors on 24 August 2012

董事會於2012年8月24日批准及授權刊發

Li Hongyuan
李宏遠
Authorised Director
授權董事

Wang Hongyan
王鴻豔
Authorised Director
授權董事

The notes on pages 53 to 84 form part of this interim financial report.

第53頁至第84頁的附註為本中期財務報告之部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

合併權益變動表

For the six months ended 30 June 2012 – unaudited 截至2012年6月30日止6個月－未經審計
(Expressed in Renminbi) (以人民幣列示)

		Attributable to shareholders of the Company 歸屬於本公司股東								
		Share capital	Capital reserve	PRC statutory reserve	Exchange reserve	Retained profits	Sub-total	Non-controlling interests	Total equity	
		股本	資本儲備	中國法定公積	匯兌儲備	留存利潤	小計	非控股權益	權益總額	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Balance at 1 January 2012	2012年1月1日結餘	5,942,500	1,005,272	40,510	(516)	1,783,780	8,771,546	2,224,533	10,996,079	
Changes in equity:	權益變動：									
Profit for the period	本期利潤	-	-	-	-	257,193	257,193	145,076	402,269	
Other comprehensive income	其他綜合收益	-	-	-	58	-	58	-	58	
Total comprehensive income for the period	本期綜合收益總額	-	-	-	58	257,193	257,251	145,076	402,327	
Capital contributions by non-controlling equity owners	非控股權益所有人繳納資本	-	-	-	-	-	-	45,802	45,802	
Issuance of shares (note 18(a))	發行股份(附註18(a))	121,270	70,705	-	-	-	191,975	-	191,975	
Dilution of equity interest in a subsidiary	附屬公司權益稀釋	-	2,678	-	-	-	2,678	(2,678)	-	
Acquisition of subsidiaries (note 22)	收購附屬公司(附註22)	-	-	-	-	-	-	178,153	178,153	
Special dividend (note 18(b))	特別股息(附註18(b))	-	-	-	-	(338,283)	(338,283)	-	(338,283)	
Dividends paid by subsidiaries to non-controlling equity owners	附屬公司向非控股權益所有人支付股息	-	-	-	-	-	-	(14,557)	(14,557)	
Balance at 30 June 2012	2012年6月30日結餘	6,063,770	1,078,655	40,510	(458)	1,702,690	8,885,167	2,576,329	11,461,496	

The notes on pages 53 to 84 form part of this interim financial report.

第53頁至第84頁的附註為本中期財務報告之部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 合併權益變動表

For the six months ended 30 June 2012 – unaudited 截至2012年6月30日止6個月 – 未經審計

(Expressed in Renminbi) (以人民幣列示)

		Attributable to equity shareholders/owners of the Company 歸屬於本公司權益股東/所有人							
		Paid-in capital/ share capital 實收資本/ 股本	Capital reserve 資本儲備	PRC statutory reserve 中國法定 公積	Exchange reserve 匯兌儲備	Retained profits 留存利潤	Sub-total	Non- controlling interests 非控股權益	Total equity 權益總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 January 2011	2011年1月1日結餘	4,822,590	309,583	22,781	(363)	1,002,585	6,157,176	1,942,855	8,100,031
Changes in equity:	權益變動:								
Profit for the period	本期利潤	-	-	-	-	181,135	181,135	76,192	257,327
Other comprehensive income	其他綜合收益	-	-	-	(7)	-	(7)	-	(7)
Total comprehensive income for the period	本期綜合收益總額	-	-	-	(7)	181,135	181,128	76,192	257,320
Capital contributions by non-controlling equity owners	非控股權益所有人繳納資本	-	-	-	-	-	-	53,055	53,055
Conversion into a joint stock company with limited liability	轉製成股份有限公司	27,410	14,347	(13,638)	-	(28,119)	-	-	-
Dilution of equity interest in a subsidiary	附屬公司權益稀釋	-	4,430	-	-	-	4,430	(4,430)	-
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	(119,335)	(119,335)
Dividends paid by subsidiaries to non-controlling equity owners	附屬公司向非控股權益所有人支付股息	-	-	-	-	-	-	(39,056)	(39,056)
Balance at 30 June 2011	2011年6月30日結餘	4,850,000	328,360	9,143	(370)	1,155,601	6,342,734	1,909,281	8,252,015
Changes in equity:	權益變動:								
Profit for the period	本期利潤	-	-	-	-	659,546	659,546	247,540	907,086
Other comprehensive income	其他綜合收益	-	-	-	(146)	-	(146)	-	(146)
Total comprehensive income for the period	本期綜合收益總額	-	-	-	(146)	659,546	659,400	247,540	906,940
Capital contributions by non-controlling equity owners	非控股權益所有人繳納資本	-	-	-	-	-	-	160,940	160,940
Appropriation	劃撥	-	-	31,367	-	(31,367)	-	-	-
Issuance of shares by initial public offering	通過首次公開招股行股份	1,092,500	676,912	-	-	-	1,769,412	-	1,769,412
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	3,109	3,109
Dividends paid by subsidiaries to non-controlling equity owners	附屬公司向非控股權益所有人支付股息	-	-	-	-	-	-	(96,337)	(96,337)
Balance at 31 December 2011	2011年12月31日結餘	5,942,500	1,005,272	40,510	(516)	1,783,780	8,771,546	2,224,533	10,996,079

The notes on pages 53 to 84 form part of this interim financial report.

第53頁至第84頁的附註為本中期財務報告之部分。

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

簡明合併現金流量表

For the six months ended 30 June 2012 – unaudited 截至2012年6月30日止6個月－未經審計
(Expressed in Renminbi) (以人民幣列示)

		Six months ended 30 June 截至6月30日止6個月	
		2012 2012年 RMB'000 人民幣千元	2011 2011年 RMB'000 人民幣千元
		Note 附註	
Cash (used in)/generated from operations	經營中(使用)/產生的現金		(2,058,357) 122,928
Income tax paid	已付所得稅		(147,582) (153,556)
Net cash used in operating activities	經營活動使用的現金淨額		(2,205,939) (30,628)
Net cash used in investing activities	投資活動使用的現金淨額		(2,041,742) (891,016)
Net cash generated from financing activities	融資活動產生的現金淨額		2,106,717 2,859,931
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物 (減少)/增加淨額		(2,140,964) 1,938,287
Cash and cash equivalents at 1 January	1月1日的現金及現金等價物	14	5,626,647 1,790,924
Effect of foreign exchanges rate changes	外匯匯率變動影響		(4,287) 3,417
Cash and cash equivalents at 30 June	6月30日的現金及現金等價物	14	3,481,396 3,732,628

The notes on pages 53 to 84 form part of this interim financial report.

第53頁至第84頁的附註為本中期財務報告之部分。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

1 Organisation

Guodian Technology & Environment Group Corporation Limited (the “Company”) was formerly known as Guodian Technology & Environment Group Limited Liability Company and was established on 6 April 2001 as a state-owned enterprise with limited liability. The Company was converted into a joint stock company with limited liability in the PRC on 16 May 2011 (the “Conversion”). On 30 December 2011, the Company’s H shares were listed on The Stock Exchange of Hong Kong Limited (“HKSE”).

The Company and its subsidiaries (the “Group”) are principally engaged in manufacturing and sale of ignition equipment, wind turbines, solar cells and modules and other related electric equipment for power plants, construction engineering of desulphurisation, water treatment, solar energy and other environmental protection and energy conservation projects, rental of desulphurisation facilities and provision of integrated services relating to environmental protection, energy conservation and renewable energy businesses.

2 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 HKSE, including compliance with International Accounting Standards (“IAS”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (“IASB”). It was authorised for issue on 24 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 and the Company. 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.

1 組織

國電科技環保集團股份有限公司(「本公司」)前身為國電科技環保集團有限公司，於2001年4月6日以有限責任公司國有企業的形式成立，並於2011年5月16日轉制為一家中國股份有限公司(「轉制」)。於2011年12月30日，本公司的H股於香港聯合交易所有限公司(「香港聯交所」)上市。

本公司及其附屬公司(「本集團」)主要從事生產及銷售電廠所用的點火設備、風力發電機、太陽能電池和組件及其他相關電氣設備、脫硫、水處理、太陽能和其他環保和節能項目的建造工程、脫硫設備租賃及提供環保、節能和可再生能源業務相關的綜合服務。

2 編製基礎

本中期財務報告已按照《香港聯合交易所有限公司證券上市規則》的相關披露條文編製，包括遵守由國際會計準則委員會頒佈的《國際會計準則》第34號「*中期財務報告*」。本中期財務報告於2012年8月24日經授權發出。

本中期財務報告的編製依據為2011年年度財務報表所採納的相同的會計政策。國際會計準則委員已頒佈若干在本集團及本公司當期會計期間首次生效的《國際財務報告準則》的修訂，其中，《國際財務報告準則》第7號的修訂「*金融工具：披露—金融資產的轉讓*」與本集團的財務報表相關。《國際財務報告準則》第7號的修訂要求就所有於報告日(不論其相關的轉讓交易的發生時間)未中止確認的已轉讓金融資產和對已轉讓資產的任何後續涉及的若干披露須載於年度財務報表中。由於該等修訂，相關的信息將於本集團的年度財務報表中披露，但該等修訂對中期財務報告並無影響。其他的改進均與本集團的中期財務報告無關。本集團並未採用當期會計期間尚未生效的任何新準則或新詮釋。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

2 Basis of preparation (continued)

The preparation of this 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.

This 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 on pages 44 to 45.

The financial information relating to the 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 27 March 2012.

This interim financial report has been prepared assuming the Group will continue as a going concern notwithstanding the net current liabilities of the Group as at 30 June 2012. The Group has unutilised banking facilities of RMB19,989,352,000 as at 30 June 2012 to fulfil its future capital commitments and other financial requirements. In addition, the Group issued 3 to 10-year corporate bonds with total nominal amount of RMB4,000,000,000 on 20 August 2012. The directors are of the opinion that the Group will have necessary liquid funds to finance its working capital and capital expenditure requirements.

2 編製基礎(續)

按照《國際會計準則》第34號編製本中期財務報告要求管理層作出判斷、估計和假設，而該等判斷、估計和假設會影響政策的應用、今年迄今為止的資產、負債、收入與支出的呈報金額。實際結果可能有別於該等估計。

本中期財務報告包括簡明合併財務報表和選擇的解釋性附註。附註包括對若干事件或交易的解釋，該等事件和交易對理解在2011年年度財務報表後本集團財務狀況和經營業績的變更情況至關重要。簡明合併中期財務報表及其附註並不包括按照國際會計準則委員會頒佈的《國際財務報告準則》編製的完整財務報表所需要的全部信息。《國際財務報告準則》包括所有適用的《國際財務報告準則》、《國際會計準則》和相關詮釋。

本中期財務報告未經過審計，但已由畢馬威會計師事務所按照香港會計師公會頒佈的《香港審閱工作準則》第2410號「獨立核數師對中期財務信息的審閱」進行審閱。畢馬威會計師事務所致董事會的獨立審閱報告載於第44頁至第45頁。

載於中期財務報告中作為先前已報告信息的截至2011年12月31日止年度的財務信息不構成本公司該年度根據《國際財務報告準則》編製的年度財務報表，但該等財務信息來自該等財務報表。截至2011年12月31日止年度的年度財務報表可從本公司的法定辦事處索取。核數師已在其於2012年3月27日出具的報告中對該等財務報表發表無保留意見。

儘管本集團於2012年6月30日存在淨流動負債，本中期財務報告乃在假設本集團能夠持續經營的基礎編製的。於2012年6月30日，本集團擁有金額為人民幣19,989,352,000元的未動用銀行授信以滿足其未來的資本需求及其他財務需要。此外，本集團於2012年8月20日發行面值總額為人民幣4,000,000,000元的3至10年期公司債券。董事們認為，本集團將擁有能滿足其營運資金及資本開支需要所必需的流動資金。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

3 Revenue and segment reporting

(a) Revenue

Revenue represents the sales value of goods supplied to customers, net of value added tax, revenue from construction contracts, revenue from rendering of services and rental income. The amount of each significant category of revenue recognised during the period is as follows:

		Six months ended 30 June	
		截至6月30日止6個月	
		2012	2011
		2012年	2011年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Sale of goods (note)	銷售商品(附註)	6,296,405	4,679,677
Revenue from construction contracts	建造合同收入	1,186,122	1,635,824
Rendering of services	提供服務	29,749	65,030
Service concession construction revenue	服務特許權建造收入	17,568	8,463
Rental income from operating leases (note 21(a)(i))	經營租賃的租賃收入 (附註21(a)(i))	503,063	385,598
		8,032,907	6,774,592

Note:

Revenue from sale of goods amounting to RMB1,582,718,000 (six months ended 30 June 2011: RMB919,796,000) is sale of wind turbines to contractors who are engaged to construct wind farms for China Guodian Corporation ("Guodian"), the parent company of the Company, and related parties under Guodian.

(b) Segment reporting

The Group manages its businesses by subsidiaries, which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following four reportable segments:

- Environmental protection segment: this segment provides environmental protection products and services which mainly consists of sulphur oxide control technologies, nitrogen oxide control technologies, rental of desulphurisation facilities, fly ash removal with filter bag, water treatment related technologies and products.

3 收入和分部報告

(a) 收入

收入指向客戶供應的商品銷售價值(扣除增值稅)、建造合同收入、提供服務收入及租賃收入。本期已確認收入各重要分類金額如下:

附註:

金額為人民幣1,582,718,000元(截至2011年6月30日止6個月:人民幣919,796,000元)的銷售商品收入為向本公司的母公司中國國電集團公司(「國電」)及國電下屬的關聯方建造風力發電場的承包商銷售風力發電機的金額。

(b) 分部報告

本集團通過按經營範圍(產品及服務)組織的附屬公司管理業務。本集團按與其為進行資源分配和業績評價之用途而向本集團最高級行政管理層作內部報告的資料一致的方式呈報以下四個可呈報分部:

- 環保分部: 該分部提供環保產品及服務, 主要包括脫硫技術、脫硝技術、租賃脫硫設備、過濾袋除塵、水處理相關技術及產品。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

- Energy conservation solutions segment: this segment provides energy saving products and services which mainly consists of plasma ignition and micro-oil ignition equipment and gas turbine improvement services.
- Wind power products and services segment: this segment produces and sells wind turbine and its components, provides related system solutions and services to wind power operators.
- Solar power products and services segment: this segment produces and sells solar cells, solar modules and other solar products, constructs solar power stations and provides related system solutions and services to solar power operators.

The Group combined other business activities that are not reportable in "All others". Revenue included in this category is mainly from the wind power generation by wind farms, biomass power generation, sale of other electric power related products and rental of properties.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all assets with the exception of interests in associates, other equity investments, tax recoverable, deferred tax assets and other corporate assets. Segment liabilities include all liabilities with the exception of tax payables, deferred tax liabilities and other corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments.

3 收入和分部報告(續)

(b) 分部報告(續)

- 節能解決方案分部：該分部提供節能產品及服務，主要包括等離子體點火及微油點火設備及汽輪機改造服務。
- 風電產品及服務分部：該分部生產及銷售風機及其組件，向風電運營商提供相關系統解決方案及服務。
- 太陽能產品及服務分部：該分部生產及銷售太陽能電池、太陽能組件及其他太陽能產品、建造太陽能電站及向太陽能運營商提供相關系統解決方案及服務。

本集團將未呈報的其他經營業務歸為「所有其他」。包括該類別內的收入主要源於風電場風力發電、生物質發電、銷售其他電力相關產品及物業租賃。

(i) 分部業績、資產及負債

就評價分部業績及分部間分配資源而言，本集團的高級行政管理層按以下基準監控各個可呈報分部應佔的業績、資產及負債：

分部資產包括除對聯營公司的投資、其他權益投資、可收回稅項、遞延稅項資產及其他行政資產之外的全部資產。分部負債包括除應付所得稅、遞延稅負債及其他行政負債之外的全部負債。

本集團參照各個可呈報分部所得的收入和產生的開支，將收入及開支分配至各個可呈報分部。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

(i) Segment results, assets and liabilities (continued)

The measure used for reporting segment profit is the gross profit. In addition to receiving segment information concerning the gross profit, management is also provided with segment information concerning depreciation and amortisation, interest income, finance costs, impairment of assets, inventories write-down and additions to segment non-current assets.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2012 and 2011 is set out below:

		Six months ended 30 June 2012 截至2012年6月30日止6個月					
		Environmental protection 環保 RMB'000 人民幣千元	Energy conservation solutions 節能 解決方案 RMB'000 人民幣千元	Wind power products and services 風電 產品及服務 RMB'000 人民幣千元	Solar power products and services 太陽能 產品及服務 RMB'000 人民幣千元	All others 所有其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue from external customers	外部客戶收入	1,808,774	332,133	5,752,299	44,789	94,912	8,032,907
Inter-segment revenue	分部間收入	19,514	-	169,666	-	18,094	207,274
Reportable segment revenue	可呈報分部收入	1,828,288	332,133	5,921,965	44,789	113,006	8,240,181
Reportable segment profit (gross profit)	可呈報分部利潤 (毛利)	371,378	119,500	863,448	(15,490)	86,393	1,425,229
Depreciation and amortisation	折舊及攤銷	164,712	2,384	90,436	32,629	28,311	318,472
Reversal of impairment of trade and other receivables	應收賬款及其他應收款項減值轉回	(138)	(1,167)	-	(11,758)	-	(13,063)
Inventory write-down	存貨撇減	-	-	-	45,778	-	45,778
Interest income	利息收入	20,172	2,613	7,927	3,598	965	35,275
Finance costs	財務成本	34,923	102	173,238	25,824	3,727	237,814
Reportable segment assets	可呈報分部資產	12,684,918	2,701,548	14,958,807	7,796,440	1,864,963	40,006,676
Additions to reportable segment non-current assets during the period	本期添置可呈報分部非流動資產	1,369,672	23,093	133,533	433,121	10,581	1,970,000
Reportable segment liabilities	可呈報分部負債	9,558,280	602,978	12,708,677	6,299,127	388,186	29,557,248

3 收入和分部報告 (續)

(b) 分部報告 (續)

(i) 分部業績、資產及負債 (續)

用於衡量呈報分部利潤的指標為毛利。除獲得有關毛利的分部資料之外，管理層亦獲得有關於折舊及攤銷、利息收入、財務成本、資產減值、存貨撇減及添置分部非流動資產的分部資料。

為資源分配及分部業績評價之目的，向本集團的最高級行政管理層提供的截至2012年6月30日止6個月和2011年6月30日止6個月本集團可呈報分部詳情如下：

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

(i) Segment results, assets and liabilities (continued)

		Six months ended 30 June 2011 截至2011年6月30日止6個月					
		Environmental protection 環保 RMB'000 人民幣千元	Energy conservation solutions 節能解決方案 RMB'000 人民幣千元	Wind power products and services 風電產品及服務 RMB'000 人民幣千元	Solar power products and services 太陽能產品及服務 RMB'000 人民幣千元	All others 所有其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue from external customers	外部客戶收入	1,721,513	272,366	3,463,403	1,233,064	84,246	6,774,592
Inter-segment revenue	分部間收入	43,219	-	-	-	22,232	65,451
Reportable segment revenue	可呈報分部收入	1,764,732	272,366	3,463,403	1,233,064	106,478	6,840,043
Reportable segment profit (gross profit)	可呈報分部利潤 (毛利)	305,077	101,003	601,508	45,755	43,968	1,097,311
Depreciation and amortisation	折舊和攤銷	97,812	4,659	56,235	43,699	7,596	210,001
Impairment of trade and other receivables	應收賬款及其他應收款項減值	-	3,661	-	2,872	6,560	13,093
Interest income	利息收入	4,839	12,712	9,569	680	7	27,807
Finance costs	財務成本	23,074	-	103,778	32,217	10,778	169,847
		Year ended 31 December 2011 截至2011年12月31日止年度					
		Environmental protection 環保 RMB'000 人民幣千元	Energy conservation solutions 節能解決方案 RMB'000 人民幣千元	Wind power products and services 風電產品及服務 RMB'000 人民幣千元	Solar power products and services 太陽能產品及服務 RMB'000 人民幣千元	All others 所有其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Reportable segment assets	可呈報分部資產	9,578,509	2,315,115	16,560,658	8,089,052	1,643,465	38,186,799
Additions to reportable segment non-current assets during the year	本期添置可呈報分部非流動資產	1,683,743	11,075	582,445	1,679,880	509,810	4,466,953
Reportable segment liabilities	可呈報分部負債	7,036,597	550,609	14,894,483	6,880,855	618,692	29,981,236

3 收入和分部報告(續)

(b) 分部報告(續)

(i) 分部業績、資產及負債(續)

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

(ii) Reconciliations of reportable segment revenue, gross profit, assets and liabilities

3 收入和分部報告(續)

(b) 分部報告(續)

(ii) 可呈報分部收入、毛利、資產與負債的調節

		Six months ended 30 June	
		截至6月30日止6個月	
		2012	2011
		2012年	2011年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue			
Reportable segment revenue	收入	8,240,181	6,840,043
Elimination of inter-segment revenue	可呈報分部收入 分部間收入抵銷	(207,274)	(65,451)
Consolidated revenue	合併收入	8,032,907	6,774,592
Gross Profit			
Reportable segment profit	毛利	1,425,229	1,097,311
Elimination of inter-segment profit	可呈報分部利潤 分部間利潤抵銷	(48,372)	(11,135)
Consolidated gross profit	合併毛利	1,376,857	1,086,176

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

3 Revenue and segment reporting (continued)

3 收入和分部報告(續)

(b) Segment reporting (continued)

(b) 分部報告(續)

(ii) Reconciliations of reportable segment revenue, gross profit, assets and liabilities (continued)

(ii) 可呈報分部收入、毛利、資產與負債的調節(續)

		At 30 June 2012 6月30日 RMB'000 人民幣千元	At 31 December 2011 12月31日 RMB'000 人民幣千元
Assets	資產		
Reportable segment assets	可呈報分部資產	40,006,676	38,186,799
Inter-segment elimination	分部間抵銷	(419,668)	(538,811)
		39,587,008	37,647,988
Interests in associates	對聯營公司的投資	479,603	291,998
Other equity investments	其他權益投資	353,779	112,255
Tax recoverable	可收回稅項	98,961	127,962
Deferred tax assets	遞延稅項資產	222,311	174,538
Unallocated head office and corporate assets	未分配總部及行政資產	1,845,199	3,700,957
Consolidated total assets	合併總資產	42,586,861	42,055,698
Liabilities	負債		
Reportable segment liabilities	可呈報分部負債	29,557,248	29,981,236
Inter-segment elimination	分部間抵銷	(360,358)	(485,723)
		29,196,890	29,495,513
Income tax payable	應付所得稅	57,178	126,058
Deferred tax liabilities	遞延稅項負債	89,369	-
Unallocated head office and corporate liabilities	未分配總部及行政負債	1,781,928	1,438,048
Consolidated total liabilities	合併總負債	31,125,365	31,059,619

(iii) Geographical information

(iii) 地理信息

The Group did not have significant business operations outside the PRC, therefore no geographic segment information is presented.

本集團未在中國境外從事重要業務，因此無需呈報任何地理分部信息。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

4 Other revenue

4 其他收入

		Six months ended 30 June 截至6月30日止6個月	
		2012 2012年 RMB'000 人民幣千元	2011 2011年 RMB'000 人民幣千元
Government grants	政府補助	117,030	18,110
Interest income	利息收入	55,568	35,331
Dividend income from unquoted equity investments	非上市權益投資股息收入	7,032	1,547
Others	其他	21,307	1,885
		200,937	56,873

5 Finance costs

5 財務成本

		Six months ended 30 June 截至6月30日止6個月	
		2012 2012年 RMB'000 人民幣千元	2011 2011年 RMB'000 人民幣千元
Interest on bank and other borrowings wholly repayable within five years	須於五年內悉數償還的銀行及其他借款利息	475,038	317,815
Interest on bank and other borrowings repayable after five years	須於五年後償還的銀行及其他借款利息	6,545	15,542
		481,583	333,357
Less: interest expenses capitalised into property, plant and equipment, intangible assets and construction contracts	減：已資本化為物業、廠房及設備、無形資產及建造合同的利息開支	(162,511)	(125,478)
		319,072	207,879

The borrowings costs have been capitalised at a rate of 6.72% per annum (six months ended 30 June 2011: 5.06%).

借款成本已按年利率6.72%(截至2011年6月30日止6個月：5.06%)予以資本化。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

6 Profit before taxation

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

6 稅前利潤

稅前利潤已扣除/(計入)：

		Six months ended 30 June	
		截至6月30日止6個月	
		2012	2011
		2012年	2011年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Amortisation	攤銷		
– lease prepayments	– 預付土地租賃款	9,193	5,422
– intangible assets	– 無形資產	24,421	7,992
Depreciation	折舊		
– investment properties	– 投資性物業	3,563	3,145
– property, plant and equipment	– 物業、廠房及設備	281,933	227,811
Research and development costs	研發成本	50,755	44,495
Inventory write-down (note)	存貨撇減(註)	45,778	–
Dividend and interest income	股息及利息收入	(62,600)	(36,878)

Note:

During the six months ended 30 June 2012, RMB45,778,000 (six months ended 30 June 2011: RMBNil) has been recognised as a write down of inventories in the profit or loss during the period. The write down arose due to the excess of carrying values of certain solar products over their estimated net realisable value as a result of a decrease in market selling price.

註：

於截至2012年6月30日止6個月期間，本期的損益中已確認人民幣45,778,000元(截至2011年6月30日止6個月：人民幣零元)的存貨撇減。撇減乃由於若干太陽能產品市場售價的下降導致其賬面價值高於其估計可變現淨值所產生。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

7 Income tax

7 所得稅

		Six months ended 30 June	
		截至6月30日止6個月	
		2012	2011
		2012年	2011年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current tax	本期稅項		
Provision for the period	本期撥備	106,800	99,574
Under-provision in respect of prior years	過往年度撥備不足	903	3,476
		107,703	103,050
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時性差異的產生和撥回	(36,205)	(55,030)
		71,498	48,020

The charge for PRC enterprise income tax for the Company and the Group's subsidiaries established in the PRC is calculated at the statutory rate of 25% (six months ended 30 June 2011: 25%) on the estimated assessable profit of the period determined in accordance with relevant enterprise income tax rules and regulations, except for certain subsidiaries of the Group, which are tax exempted or taxed at a preferential rates of 12.5% or 15% (six months ended 30 June 2011: 12.5% or 15%) and a subsidiary of the Group which is a small-scale enterprise and is subject to enterprise income tax at 20%.

A subsidiary of the Group is subject to Hong Kong Profits Tax at 16.5% (six months ended 30 June 2011: 16.5%). Taxation for other overseas subsidiaries is charged at the appropriate rate of taxation ruling in the relevant jurisdiction.

本公司及在中國成立的本集團附屬公司的中國企業所得稅在按照相關企業所得稅規則和法規確定的本期估計的應課稅溢利基礎上按25% (截至2011年6月30日止6個月：25%) 的法定稅率進行計算，但本集團的若干附屬公司享受免稅政策或享受12.5%或15% (截至2011年6月30日止6個月：12.5%或15%) 的優惠稅率以及本集團的一家附屬公司為小型企業且應以20%的稅率繳納企業所得稅的除外。

本集團一家附屬公司按照16.5% (截至2011年6月30日止6個月：16.5%) 的稅率繳納香港利得稅。境外附屬公司應按照相關地域的適當稅率納稅。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

8 Earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of RMB257,193,000 (six months ended 30 June 2011: RMB181,135,000) and the weighted average of 6,055,774,000 ordinary shares (six months ended 30 June 2011: 4,850,000,000 ordinary shares) in issue during the interim period, calculated as follows:

Weighted average number of ordinary shares

		Six months ended 30 June 截至6月30日止6個月	
		2012 2012年 '000 千股	2011 2011年 '000 千股
Issued ordinary shares at 1 January	於1月1日已發行的普通股	5,942,500	–
Effect of the Conversion (note)	轉制的影響(附註)	–	4,850,000
Effect of issuance of shares in January 2012	於2012年1月發行股份的影響	113,274	–
Weighted average number of ordinary shares at 30 June	於6月30日普通股的 加權平均數	6,055,774	4,850,000

There were no dilutive potential ordinary shares in existence during the six months ended 30 June 2012 and 2011.

Note:

The Company was converted into a joint stock company with limited liability on 16 May 2011 by converting its equity into 4,850,000,000 ordinary shares. These ordinary shares were issued to its then existing equity owners for no additional consideration. Therefore, the weighted average number of ordinary shares outstanding during the six months ended 30 June 2011 is adjusted as if the Conversion had occurred at the beginning of the earliest period presented.

8 每股盈利

每股基本盈利以歸屬於本公司普通股股東的利潤人民幣257,193,000元(截至2011年6月30日止6個月:人民幣181,135,000元)以及本期內發行在外普通股加權平均數6,055,774,000股(截至2011年6月30日止6個月:4,850,000,000股普通股)·計算如下:

普通股加權平均數

在截至2012年6月30日止和2011年6月30日止的6個月期間·本公司不存在稀釋性潛在普通股。

附註:

本公司於2011年5月16日轉制為股份有限公司·將其權益轉換為4,850,000,000股普通股。該等普通股發行予當時的權益所有人·無需支付對價。因此·對在截至2011年6月30日止6個月期間發行在外的普通股的加權平均數進行了調整·如同上述轉制事宜發生於所列示的最早的列報期期初。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

9 Property, plant and equipment

During the six months ended 30 June 2012, the Group acquired items of property, plant and equipment with a cost of RMB1,492,768,000 (six months ended 30 June 2011: RMB2,082,108,000), including assets acquired through a business combination (see note 22). Items of property, plant and equipment with a net book value of RMB984,000 were disposed of during the six months ended 30 June 2012 (six months ended 30 June 2011: RMB965,000), resulting in a loss on disposal of RMB671,000 (six months ended 30 June 2011: a loss of RMB62,000), which is included in "other net losses" in the consolidated income statement.

The Group disposed of items of property, plant and equipment with a net book value of RMB1,022,063,000 through the disposal of subsidiaries during the six months ended 30 June 2011.

10 Intangible assets

The addition of intangible assets during the six months ended 30 June 2012 mainly represents the addition of concession assets acquired through a business combination. The details of the acquisition are set out in note 22.

11 Goodwill

The addition of goodwill during the six months ended 30 June 2012 represents the goodwill arose from the business combination as disclosed in note 22.

9 物業、廠房及設備

在截至2012年6月30日止6個月期間，本集團收購物業、廠房及設備支付的成本為人民幣1,492,768,000元(截至2011年6月30日止6個月：人民幣2,082,108,000元)，包括通過業務合併(詳見附註22)收購的資產。在截至2012年6月30日止6個月期間，賬面淨值為人民幣984,000元的物業、廠房及設備被出售(截至2011年6月30日止6個月：人民幣965,000元)，導致出售虧損為人民幣671,000元(截至2011年6月30日止6個月：虧損為人民幣62,000元)，虧損金額計入合併收益表的「其他虧損淨額」中。

在截至2011年6月30日止6個月期間，本集團通過出售附屬公司出售賬面淨值為人民幣1,022,063,000的物業、廠房及設備。

10 無形資產

在截至2012年6月30日止6個月期間增加的無形資產主要為通過業務合併所增加的特許權資產。收購詳情見附註22。

11 商譽

在截至2012年6月30日止6個月期間增加的商譽為附註22所述的業務合併所產生的商譽。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

12 Interests in associates

The movement of interests in associates during the period/year is as follows:

12 對聯營公司的投資

本期/年對聯營公司的投資的變動如下：

		At 30 June 2012 2012年 6月30日 RMB'000 人民幣千元	At 31 December 2011 2011年 12月31日 RMB'000 人民幣千元
At 1 January	於1月1日	291,998	209,730
Addition of investments	增加投資	110,000	54,221
Addition through acquisition of subsidiaries (note 22)	通過收購附屬公司增加(註22)	71,774	-
Retained interest of a subsidiary disposed of	對已處置附屬公司的留存權益	-	97,727
Share of profits less losses of associates	應佔聯營公司利潤減虧損	7,856	24,510
Disposal of associates	處置聯營公司	-	(21,509)
Dividends receivable from associates	自聯營公司應收股息	(2,025)	(72,681)
At 30 June 2012/ 31 December 2011	於2012年6月30日/ 2011年12月31日	479,603	291,998

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

13 Trade and bills receivables

13 應收賬款及票據

		At 30 June 2012 2012年 6月30日 RMB'000 人民幣千元	At 31 December 2011 2011年 12月31日 RMB'000 人民幣千元
Trade receivables for contract work due from:	合同工程的應收賬款：		
– related parties under Guodian	– 國電下屬的關聯方	2,165,273	2,958,402
– associates	– 聯營公司	10,417	10,436
– third parties	– 第三方	856,806	740,572
		3,032,496	3,709,410
Bills receivable for contract work due from:	合同工程的應收票據：		
– related parties under Guodian	– 國電下屬的關聯方	30,000	82,932
– third parties	– 第三方	234,769	227,157
		264,769	310,089
Trade receivables for operating lease due from:	經營租賃的應收賬款：		
– related parties under Guodian	– 國電下屬的關聯方	504,536	327,352
– third parties	– 第三方	3,901	4,938
		508,437	332,290
Trade receivables for sale of goods and rendering of services due from:	貨物銷售及提供服務應收賬款：		
– Guodian	– 國電	145	145
– related parties under Guodian	– 國電下屬的關聯方	1,684,071	863,546
– associates	– 聯營公司	2,753	11,530
– third parties	– 第三方	5,340,230	3,299,075
		7,027,199	4,174,296
Bills receivable for sale of goods and rendering of services due from third parties	貨物銷售及提供服務應收第三方的應收票據	1,542,718	1,495,265
		12,375,619	10,021,350
Less: allowance for doubtful debts	減：呆壞賬撥備	(82,793)	(95,772)
		12,292,826	9,925,578

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

13 Trade and bills receivables (continued)

All trade and bills receivables (net of impairment losses for doubtful debts) are expected to be recovered within one year.

Trade receivables are generally due immediately without credit or with credit period ranged from 30 days to 180 days.

The aging analysis of trade and bills receivables (net of allowance for doubtful debts) is as follows:

		At 30 June 2012 2012年 6月30日 RMB'000 人民幣千元	At 31 December 2011 2011年 12月31日 RMB'000 人民幣千元
Within 1 year	1年以內	11,496,355	9,385,711
Between 1 to 2 years	1-2年內	691,664	466,396
Between 2 to 3 years	2-3年內	59,180	50,315
Over 3 years	3年以上	45,627	23,156
		12,292,826	9,925,578

The movement in the allowance for doubtful debt during the period/year, including both specific and collective loss components, is as follows:

		At 30 June 2012 2012年 6月30日 RMB'000 人民幣千元	At 31 December 2011 2011年 12月31日 RMB'000 人民幣千元
At 1 January	於1月1日	95,772	49,992
Impairment losses recognised	確認的減值虧損	-	49,045
Reversal of impairment losses	減值虧損轉回	(12,844)	(2,859)
Uncollectible amounts written off	不可回收款項的沖銷	(135)	(406)
At 30 June 2012/ 31 December 2011	於2012年6月30日/ 2011年12月31日	82,793	95,772

13 應收賬款及票據(續)

所有應收賬款及票據(扣除減呆壞賬的減值虧損)預期將於一年之內收回。

應收賬款一般沒有信用期,或信用期從30天至180天。

應收賬款及票據(減呆壞賬撥備)的賬齡分析如下:

本期/年個別和整體的呆壞賬撥備的變動如下:

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

14 Cash at bank and in hand

14 銀行存款及庫存現金

		At 30 June 2012	At 31 December 2011
		2012年 6月30日	2011年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash in hand	現金	803	1,032
Cash at bank	銀行存款	4,094,822	6,566,683
Cash at Guodian Finance Corporation Limited	國電財務有限公司中的存款	302,271	-
		4,397,896	6,567,715
Representing:	包括：		
- cash and cash equivalents	- 現金及現金等價物	3,481,396	5,626,647
- deposits with banks over three months of original maturity	- 到期日三個月以上的銀行存款	916,500	941,068
		4,397,896	6,567,715

15 Borrowings

15 借款

(a) The long-term interest-bearing borrowings comprise:

(a) 長期帶息借款包括：

		At 30 June 2012	At 31 December 2011
		2012年 6月30日	2011年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank loans	銀行貸款		
- secured	- 抵押	1,057,624	293,140
- unsecured	- 無抵押	1,912,900	1,175,200
Other loans	其他貸款		
- secured	- 抵押	11,545	-
- unsecured	- 無抵押	106,730	11,727
		3,088,799	1,480,067
Less: current portion of long-term borrowings	減：長期借款的即期部分	(709,194)	(341,339)
		2,379,605	1,138,728

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

15 Borrowings (continued)

(a) (continued)

Secured long-term interest-bearing borrowings are guaranteed and/or secured by concession assets and receivables with carrying value amounting to RMB1,436,970,000 (2011: RMB84,707,000), equity interests in and income stream of certain subsidiaries. Guarantees are provided by Guodian for the Group's borrowings amounting to RMB450,000,000 (2011: RMBNil).

(b) The short-term interest-bearing borrowings comprise:

		At 30 June 2012 2012年 6月30日 RMB'000 人民幣千元	At 31 December 2011 2011年 12月31日 RMB'000 人民幣千元
Bank loans	銀行貸款		
– secured	– 抵押	950,000	249,499
– unsecured	– 無抵押	11,236,740	10,347,444
Current portion of long-term borrowings	長期借款的即期部分	709,194	341,339
		12,895,934	10,938,282

Secured short-term interest-bearing borrowings are guaranteed and/or secured by trade and bills receivables of RMB1,046,278,000 (2011: RMB335,620,000) and concession assets and receivables with carrying values totalling RMB121,467,000 (2011: RMBNil). Guarantees are provided by third parties for the Group's borrowings amounting to RMB130,000,000 (2011: RMBNil).

16 Trade and bills payables

All of the trade and bills payables are repayable on demand except for bills payable amounting to RMB2,302,103,000 (2011: RMB3,028,022,000) which are repayable within 6 months. All trade and bills payables are expected to be settled within one year.

15 借款(續)

(a) (續)

抵押的長期帶息借款為已擔保及／或以賬面價值為人民幣1,436,970,000元(2011年：人民幣84,707,000元)的特許權資產和應收款及若干附屬公司的股權和收費權作抵押。擔保由國電提供，對本集團人民幣450,000,000元(2011年：人民幣零元)的借款作擔保。

(b) 短期帶息借款包括：

抵押的短期帶息借款為已擔保及／或以人民幣1,046,278,000元(2011年：人民幣335,620,000元)的應收賬款及票據和賬面價值為人民幣121,467,000元(2011年：人民幣零元)的特許權資產和應收款作抵押。擔保由第三方提供，對本集團人民幣130,000,000元(2011年：人民幣零元)的借款作擔保。

16 應付賬款和票據

除金額為人民幣2,302,103,000元的應付票據(2011年：人民幣3,028,022,000元)須於6個月之內償還外，所有應付賬款及票據應在對方提出要求之後立即還款。預計所有應付賬款及票據將在一年之內結清。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

17 Provision for warranty

The movement of provisions for product warranty during the period/year is as follows:

		At 30 June 2012 2012年 6月30日 RMB'000 人民幣千元	At 31 December 2011 2011年 12月31日 RMB'000 人民幣千元
At 1 January	於1月1日	475,446	228,914
Additional provision made	額外撥備	110,456	255,907
Provision utilised	未使用撥備	(5,370)	(9,375)
Provision reversed	已轉回的撥備	(72,693)	-
At 30 June 2012/ 31 December 2011	於2012年6月30日/ 2011年12月31日	507,839	475,446
Less: current portion of provision for warranty	減：質保撥備即期部分	(153,222)	(83,578)
		354,617	391,868

Under the terms of the Group's sales agreements, the Group will rectify product defects of wind turbines and steam turbines arising within two to five years of the date of sale. Provision is therefore made for the best estimate of the expected settlement under these agreements in respect of sales made within two to five years prior to the balance sheet date.

In addition, the Group's photovoltaic modules typically sold with a two or five-year warranty for defects in materials and workmanship and a ten and twenty-five years minimum power output warranty, against declines of more than 10% and 20%, respectively, of initial power generation capacity from the date of delivery. The Group has the responsibility to repair or replace solar modules, at customers' option, under the terms of the warranty policy. The Group maintains warranty provision to cover potential liabilities that could arise under these warranties.

The amount of the provision takes into account the Group's recent claim experience and the experiences of other companies for similar products and is only made where a warranty claim is probable.

17 質保金撥備

本期／年產品質保金撥備的變動如下：

根據本集團銷售協議條款規定，產品售出日期之後2—5年內風機與汽輪機產生的產品缺陷，本集團將進行保修。因此，就在資產負債表日期之前2—5年內的銷售，根據協議項下預期償付金額的最佳估計作出了撥備。

此外，本集團的光伏組件通常提供2年或5年的原材料及製作工藝缺陷質保期，且針對交付日期時的初始發電能力降低超過10%與20%時，分別提供10年及25年的最小發電量質保。在質保條款項下，根據客戶的要求，本集團有責任維修或更換太陽能組件。本集團對此等質保項下潛在的責任計提質保撥備。

根據本集團近年來的理賠經驗以及其他公司關於類似產品的處理經驗，確定此類質保撥備，僅對可能產生質保要求的情形提取撥備。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

17 Provision for warranty (continued)

As at 30 June 2012, the warranty period of a number of wind turbine sold has lapsed which has provided more reliable internal historical product failure data to management for estimating the Group's warrant costs. In addition, the market price of wind turbine materials has continuously decreased since 2012 which has resulted in a decrease in warranty costs to the Group. Therefore, management reassessed the provision for outstanding warranty obligation at the balance sheet date and has reversed a provision of RMB72,693,000 in respect of the wind turbines sold in prior years.

18 Capital, reserves and dividends

(a) Issue of shares

On 13 January 2012, the over-allotment option granted by the Company was partially exercised. The Company issued and allotted an aggregate of 121,270,000 H shares at HKD2.16 each. After the issuance and allotment of these shares, the registered and issued ordinary shares of the Company have increased to 6,063,770,000 shares with 1,309,770,000 H shares being listed on HKSE. The net proceeds of RMB191,975,000 were credited to share capital and capital reserves at the amount of RMB121,270,000 and RMB70,705,000 respectively.

(b) Dividend

As disclosed in the prospectus of the Company dated 9 December 2011, in accordance with the Interim Provisions on the Management and Financial Treatment of State Owned Capital in Enterprise Corporate Restructuring (企業公司制改建有關國有資本管理與財務處理的暫行規定) issued by the Ministry of Finance and which was effective on 27 August 2002, and pursuant to an ordinary resolution passed by the shareholders on 3 June 2011, the Company would have to pay a dividend to Guodian and GD Power Development Co., Ltd. ("GD Power"), which represents an amount equal to the net profit attributable to the shareholders of the Company generated by the Group from 1 November 2010, the date following the day on which the Group's state-owned assets were valued, to 30 June 2011.

17 質保金撥備(續)

於2012年6月30日，已出售的一些風機的質保期已過期，這給管理層估算本集團保修費用提供了更可靠的內部歷史產品故障數據。此外，自2012年起，風機材料的市場價格持續下降，這導致本集團的保修費用減少。因此，管理層重新評估截至資產負債表日尚未履行的保修義務撥備並就以往年度銷售的風機撥回金額為人民幣72,693,000元的撥備。

18 資本、儲備金及股息

(a) 發行股份

2012年1月13日，本公司授出的超額配售選擇權被部分行使。本公司以每股港幣2.16元發行並配發總數為121,270,000股的H股份。在發行並分配該等股份後，本公司已註冊且發行的普通股增至6,063,770,000股，其中1,309,770,000股H股於香港聯交所掛牌上市。人民幣191,975,000元的所得款項淨額分別以人民幣121,270,000元和人民幣70,705,000元計入股本和資本儲備。

(b) 股息

如2011年12月9日的本公司招股書所述，根據2002年8月27日財政部頒發的《企業公司制改建有關國有資本管理與財務處理的暫行規定》以及2011年6月3日股東通過的普通決議案，本公司將向國電和國電電力發展股份有限公司(「國電電力」)支付股息，股息金額等於自2010年11月1日(對本集團國有資產進行估價之翌日)起至2011年6月30日本集團產生的歸屬於本公司股東的利潤淨額。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

18 Capital, reserves and dividends (continued)

(b) Dividend (continued)

Pursuant to a resolution passed at a directors' meeting on 27 March 2012, the directors resolved to distribute the special dividend to Guodian and GD Power amounting to RMB338,283,000 in aggregate. As at 30 June 2012, the special dividend has not been paid to Guodian and GD Power.

Other than the special dividend, the directors of the Company do not recommend the payment of any interim dividend for the six months ended 30 June 2012.

18 資本、儲備金及股息(續)

(b) 股息(續)

根據2012年3月27日董事會通過的決議，董事決定向國電和國電電力分發金額共人民幣338,283,000元的特別股息。截至2012年6月30日，該等特別股息尚未支付給國電和國電電力。

截至2012年6月30日止的6個月，除特別股息外，本公司董事不建議支付任何中期股息。

19 Capital commitments outstanding not provided for in the interim financial report

19 中期財務報告中未列出的資本承擔

		At 30 June 2012 2012年 6月30日 RMB'000 人民幣千元	At 31 December 2011 2011年 12月31日 RMB'000 人民幣千元
Contracted for	已訂約	443,174	1,872,569
Authorised but not contracted for	已授權但未訂約	3,512,998	1,926,309
		3,956,172	3,798,878

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

20 Contingent liabilities

At the balance sheet date, the Group issued financial guarantees to a bank in respect of the bank loans granted to a third party and provided bid and performance guarantees to customers for construction contracts and sale of wind turbines as follows:

		At 30 June 2012 2012年 6月30日 RMB'000 人民幣千元	At 31 December 2011 2011年 12月31日 RMB'000 人民幣千元
Financial guarantees to a bank for a third party (note)	為第三方向銀行提供的財務擔保(附註)	260,000	–
Bid guarantees provided to:	向如下各方提供的投標擔保：		
– related parties under Guodian	– 國電下屬的關聯方	19,586	800
– third parties	– 第三方	36,151	20,030
Performance guarantees provided to:	向如下各方提供的履約擔保：		
– related parties under Guodian	– 國電下屬的關聯方	227,889	303,659
– third parties	– 第三方	1,240,419	1,291,238
		1,784,045	1,615,727

As at the balance sheet date, the directors do not consider it probable that a claim will be made against the Group under any of the guarantees.

In addition, a subsidiary is the defendant in a lawsuit arising from the ordinary course of business. On 13 July 2012, the Chengde Municipal Intermediate People's Court of Hebei Province decided against the subsidiary and ordered the subsidiary to pay the plaintiff an amount of RMB18,222,000. On 31 July 2012, the subsidiary filed an appeal with the Hebei Provincial Higher People's Court and the litigation is currently in the process of appeal. Up to the date of authorisation of this interim financial report, taking into account of the relevant legal opinion, management believes that it is more probable than not that the Group would win the appeal. Accordingly, no provision has been recognised by the Group for this claim.

Note:

The financial guarantee for a third party is assumed by the Group in the acquisition of Galaxy Water Corporation Limited ("Galaxy Water") during the six months ended 30 June 2012. Details of the acquisition are set out in note 22.

20 或有負債

於資產負債表日，本集團就授予第三方的銀行貸款而向銀行提供財務擔保及就建造合同和出售風力發電機而向客戶提供投標擔保和履約擔保的詳情如下：

於資產負債表日，董事們認為根據所提供的擔保向本集團或本公司提出任何索賠的機會不大。

此外，本集團的一家附屬公司在日常業務過程中產生訴訟成為被告。於2012年7月13日，承德市中級人民法院判決該附屬公司敗訴，並勒令其向原告人支付人民幣18,222,000元。於2012年7月31日，該附屬公司提出上訴至河北省高級人民法院，目前訴訟在上訴過程中。至本中期財務報告批准日，在考慮有關的法律意見後，管理層認為本集團很可能上訴勝訴。因此，本集團沒有對該索賠確認撥備。

附註：

為第三方向銀行提供的財務擔保是由於本集團在截至2012年6月30日止6個月期間收購銀河水務股份有限公司(以下簡稱「銀河水務」)所承擔。收購的細節詳見附註22。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

21 Material related party transactions

(a) Transactions with related parties

The Group is part of a larger group of companies under Guodian and has significant transactions and relationships with Guodian and related parties under Guodian.

Except as disclosed in notes 12 and 15 in the interim financial report, the principal transactions which were carried out in the ordinary course of business are as follows:

21 重大關聯交易

(a) 與關聯方交易

本集團是一更大的國電下屬的公司集團的一部分，與國電及國電下屬的關聯方之間具有重大交易量及重要關係。

除於本中期財務報告中的附註12和15所披露外，在正常業務過程中與關聯方的主要交易如下所述：

		Six months ended 30 June	
		截至6月30日止6個月	
		2012	2011
		2012年	2011年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<i>Sale of goods to</i>	<i>出售貨物予</i>		
Related parties under Guodian	國電下屬的關聯方	3,337,493	2,339,754
Associates	聯營公司	-	202
<i>Construction service provided to</i>	<i>提供建造服務予</i>		
Related parties under Guodian	國電下屬的關聯方	587,410	1,254,058
<i>Services provided to</i>	<i>提供服務予</i>		
Related parties under Guodian	國電下屬的關聯方	29,898	22,840
<i>Lease to (note (i))</i>	<i>出租予(附註(i))</i>		
Related parties under Guodian	國電下屬的關聯方	493,064	385,598
<i>Lease of investment properties to</i>	<i>租賃投資性物業予</i>		
Related parties under Guodian	國電下屬的關聯方	1,456	-
Associates	聯營公司	-	1,397
<i>Purchase of goods from</i>	<i>貨物購買自</i>		
Related parties under Guodian	國電下屬的關聯方	-	26,117
<i>Purchase of equipment from</i>	<i>設備購買自</i>		
Related parties under Guodian	國電下屬的關聯方	473,828	533,816
<i>Services provided by</i>	<i>服務提供自</i>		
Related parties under Guodian	國電下屬的關聯方	5,930	4,537
<i>Working capital obtained from</i>	<i>周轉資金取得自</i>		
Related parties under Guodian	國電下屬的關聯方	-	911,213

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

21 Material related party transactions (continued)

21 重大關聯交易(續)

(a) Transactions with related parties (continued)

(a) 與關聯方交易(續)

		Six months ended 30 June	
		截至6月30日止6個月	
		2012	2011
		2012年	2011年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<i>Working capital repaid to</i>	<i>償還周轉資金予</i>		
Guodian	國電	-	1,120,000
Related parties under Guodian	國電下屬的關聯方	-	1,480,000
<i>Working capital provided to</i>	<i>提供周轉資金予</i>		
Associates	聯營公司	18,668	118,880
<i>Working capital repaid from</i>	<i>償還周轉資金自</i>		
Related parties under Guodian	國電下屬的關聯方	-	50
Associates	聯營公司	-	151,200
<i>Loans received from</i>	<i>貸款借取自</i>		
Related parties under Guodian	國電下屬的關聯方	-	920,000
<i>Loans repaid to</i>	<i>償還貸款予</i>		
Related parties under Guodian	國電下屬的關聯方	-	1,520,000
<i>Interest expenses paid to</i>	<i>支付利息費用予</i>		
Guodian	國電	-	33,322
Related parties under Guodian	國電下屬的關聯方	-	23,474
<i>Interest income received from</i>	<i>收取利息收入自</i>		
Related parties under Guodian	國電下屬的關聯方	84	43
Associates	聯營公司	-	1,835
<i>Net deposits placed with/(withdrawn from)</i>	<i>存入/(提取)存款淨額</i>		
Related parties under Guodian	國電下屬的關聯方	302,271	(517,413)
<i>Capital investment in</i>	<i>資本投資予</i>		
Related parties under Guodian	國電下屬的關聯方	48,532	-

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

21 Material related party transactions (continued)

(a) Transactions with related parties (continued)

Notes:

- (i) Pursuant to the Notice of Pilot Plan of Concession of Fossil-Fired Power Plant Flue Gas Desulphurisation (《關於開展火電廠煙氣脫硫特許經營試點工作的通知》) promulgated by the National Development and Reform Commission of the PRC (the “NDRC”) and Ministry of Environmental Protection in 2007, the state encourages power plants to engage professional desulphurisation service providers to construct, operate and maintain the desulphurisation facilities and the Group is one of the approved service providers. Accordingly, the Group entered into various service arrangements with power plants, including power plants of Guodian and related parties under Guodian, to operate the desulphurisation facilities for the treatment of sulphur dioxide generated by power plants during their electricity generation. The Group acquires or constructs the desulphurisation facilities and then maintains and operates the desulphurisation facilities to provide pollutant treatment services to power plants during the useful lives of power plants. The service charge is based on the volume of electricity sold by the power plant and a tariff determined by the NDRC. These arrangements are not in the legal form of leases, but are deemed as operating leases based on their terms and conditions.
- (ii) During the six months ended 30 June 2011, the Group disposed of certain subsidiaries to related parties under Guodian at a consideration totalling RMB74,161,000 and resulted in a net gain of RMB51,046,000.

21 重大關聯交易(續)

(a) 與關聯方交易(續)

附註：

- (i) 根據中國發展與改革委員會(「發改委」)與國家環境保護部於2007年頒佈的《關於開展火電廠煙氣脫硫特許經營試點工作的通知》規定，國家鼓勵電廠聘請專業的脫硫服務提供商建設、運行並維護脫硫設施，本集團已批准為此類服務提供商。因此，本集團已與電廠簽訂了大量的服務安排，包括國電和國電下屬的關聯方的電廠，負責脫硫設施的運行工作，以在發電過程中處理電廠生成的二氧化硫。本集團購買或建造脫硫設備，之後在電廠運行期間負責運行脫硫設施以向電廠提供污染物處理服務。根據電廠提供的電量以及發改委制定的收費標準收取脫硫服務費用。此等安排並非採用租賃合同形式簽訂，但根據此等安排項下的條款和條件，此等安排被視為經營租賃。
- (ii) 於截至2011年6月30日止6個月期間，本集團以對價合共人民幣74,161,000元將若干附屬公司出售予國電下屬的關聯方，並因此產生淨收益人民幣51,046,000元。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

21 Material related party transactions (continued)

21 重大關聯交易(續)

(b) Balances with related parties

At the balance sheet date, the Group's significant balances with related parties are as follows:

(b) 與關聯方的餘額

於資產負債表日，本集團與關聯方的重大餘額如下：

		At 30 June 2012 6月30日 RMB'000 人民幣千元	At 31 December 2011 2011年 12月31日 RMB'000 人民幣千元
<i>Other non-current assets</i>	<i>其他非流動資產</i>		
Related parties under Guodian	國電下屬的關聯方	422,405	449,540
<i>Gross amount due from customers for contract work</i>	<i>應收建造合同客戶款項總額</i>		
Related parties under Guodian	國電下屬的關聯方	1,095,315	1,069,492
<i>Trade and bills receivables</i>	<i>應收賬款及票據</i>		
Guodian	國電	145	145
Related parties under Guodian	國電下屬的關聯方	4,383,880	4,232,232
Associates	聯營公司	13,170	21,966
<i>Deposits, prepayments and other receivables</i>	<i>按金、預付款項及其他應收款項</i>		
Guodian	國電	305	300
Related parties under Guodian	國電下屬的關聯方	180,781	199,587
Associates	聯營公司	23,659	21,952
<i>Cash at bank and in hand</i>	<i>銀行存款及庫存現金</i>		
Related parties under Guodian	國電下屬的關聯方	302,271	-
<i>Trade and bills payables</i>	<i>應付賬款及票據</i>		
Related parties under Guodian	國電下屬的關聯方	173,987	74,932
Associates	聯營公司	31,756	28,424
<i>Other payables</i>	<i>其他應付款項</i>		
Related parties under Guodian	國電下屬的關聯方	570,368	779,764
Associates	聯營公司	-	124,175
<i>Gross amount due to customers for contract work</i>	<i>應付建造合同客戶款項總額</i>		
Related parties under Guodian	國電下屬的關聯方	314,805	244,073

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

21 Material related party transactions (continued)

(c) Commitments with related parties

At the balance sheet date, the Group's commitments with related parties that have been contracted for but not yet been recognised in this interim financial report were as follows:

		At 30 June 2012 6月30日 RMB'000 人民幣千元	At 31 December 2011 12月31日 RMB'000 人民幣千元
Sale of goods to Related parties under Guodian	出售貨物予 國電下屬的關聯方	1,692,291	4,654,284
Construction service to be provided to Related parties under Guodian	提供建造服務予 國電下屬的關聯方	1,636,596	1,583,525

(d) Contribution to defined contribution retirement plans

The Group participates in various defined contribution retirement plans organised by relevant local government authorities and Guodian for its staff. As at 30 June 2012 and 31 December 2011, there was no material outstanding contribution to post-employment benefit plans. The Group's contributions to defined contribution retirement plans for the six months ended 30 June 2012 amounted to RMB46,695,000 (six months ended 30 June 2011: RMB29,115,000).

(e) Transactions with other government-related entities in the PRC

The Group operates in an economic regime currently dominated by entities directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government and numerous government authorities and agencies (collectively referred to as "government-related entities"). Guodian, the parent and ultimate holding company of the Company, is a PRC state-owned enterprise and these government-related entities are also considered as related parties of the Group in this respect.

21 重大關聯交易(續)

(c) 與關聯方的承擔

於資產負債表日，本集團與關聯方之間已訂約但在本中期財務報告中尚未確認的承擔如下：

(d) 界定供款退休計劃的供款

本集團參加了相關政府機構及國電內部組織的各種界定供款退休計劃。於2012年6月30日和2011年12月31日，在退休福利計劃項下，沒有重大未支付供款。截至2012年6月30日止6個月，本集團對界定供款退休計劃的供款金額為人民幣46,695,000元(截至2011年6月30日止6個月：人民幣29,115,000元)。

(e) 與中國其他政府相關實體之間的交易

在本集團目前從業的經濟體制之下，主導企業是由中國政府及各種政府機關及機構直接或間接控制、聯合控制或重大影響的實體(合稱為「政府相關實體」)。國電(本公司的母公司及最終控股公司)是中國的國有企業，此等政府相關實體因此也視為本集團的關聯方。

21 Material related party transactions (continued)

(e) Transactions with other government-related entities in the PRC (continued)

Apart from transactions with Guodian and related parties under Guodian mentioned above, the Group conducts a majority of its business activities with other government-related entities in the ordinary course of business. These transactions are carried out at terms similar to those that would be entered into with non-government-related entities.

The Group prices its services and products based on the commercial negotiations. The Group has also established its approval process for sales of goods, provision of services, purchase of products and services and its financing policy for borrowings. Such approval process and financing policy do not depend on whether the counterparties are government-related entities or not.

Having considered the potential for transactions to be impacted by related party relationships, the Group's approval processes and financing policy, and what information would be necessary for an understanding of the potential effect of the relationship on this interim financial report, the directors are of the opinion that further information about the following transactions that are collectively significant is required for disclosure:

- Sales of goods and provision of construction services;

The Group sells its goods and provide construction services to a wide range of government-related power companies and manufacturing enterprises. These transactions individually are not significant to the Group.

- Deposits and borrowings;

The Group deposits most of its cash in government-related financial institutions, and also obtains short-term and long-term loans from these financial institutions in the ordinary course of business. The interest rates of the bank deposits and loans are regulated by the People's Bank of China.

21 重大關聯交易(續)

(e) 與中國其他政府相關實體之間的交易(續)

除上述與國電及國電下屬關聯方之間的交易之外，在正常業務過程中，本集團大部分業務活動是與其他政府相關實體交易的。此等交易的執行條款與非政府相關實體的交易條款相似。

本集團根據市場談判條件對服務及產品定價。關於貨物銷售、服務提供、產品及服務的購買，本集團已建立了審批程序，並建立了關於借款方面的融資政策。此等審批程序及融資政策並不考慮交易對方是否是政府相關實體。

考慮到關聯方關係對交易的潛在影響、本集團的審批程序以及融資政策，以及為瞭解關聯關係對中期財務報告的潛在影響而需要的信息，董事們認為，對於整體而言重大的如下交易，需要披露進一步的詳細信息：

- 貨物銷售及建造服務的提供；

本集團向各種政府相關電力公司及製造企業銷售貨物並提供建造服務。此等交易個別而言對本集團並不重大。

- 存款及借款；

本集團的大部分現金存於政府相關的金融機構，且在正常業務過程中也從此等金融機構獲取短期及長期貸款。銀行存款及貸款利率由中國人民銀行制訂。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

21 Material related party transactions (continued)

(e) Transactions with other government-related entities in the PRC (continued)

- Purchase of materials and receiving construction services; and

The Group purchases materials and receives construction services from a wide range of government-related manufacturing enterprises and construction contractors. These transactions individually are not significant to the Group.

- Service concession arrangements;

The Group entered into a number of service concession agreements with local governments to construct and operate water treatment plants during the concession period. All transactions under the service concession arrangements were made with local governments and carried out at terms set out in the respective service concession arrangements.

(f) Key management personnel remuneration

Key management personnel are those persons holding positions with authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including the Company's directors.

Remuneration for key management personnel, including amounts paid to the Company's directors and supervisors is as follows:

		Six months ended 30 June	
		截至6月30日止6個月	
		2012	2011
		2012年	2011年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries and other emoluments	工資和其他酬金	2,077	1,895
Discretionary bonus	酌情花紅	1,313	668
Retirement scheme contributions	退休計劃供款	400	356
		3,790	2,919

21 重大關聯交易(續)

(e) 與中國其他政府相關實體之間的交易(續)

- 材料購買及獲得建造服務；及

本集團向各種政府相關製造企業購買材料並向各種政府相關建造承包商獲取建造服務。此等具體交易個別而言對本集團不重大。

- 服務特許權安排；

本集團已與當地政府簽訂了多項服務特許權協議，在特許期限之內，負責建設以及經營水處理廠。服務特許權協議項下的所有交易均由地方政府作出，且在各自的服務特許權安排中規定了交易執行條款。

(f) 重要管理人員薪酬

重要管理人員指對其所處職位具有權力與責任、可直接或間接地規劃、領導以及控制本集團的活動的個人，包括本公司董事們。

重要管理人員薪酬(包括支付給本公司董事和監事們的費用)的詳情如下：

22 Acquisition of subsidiaries

On 16 May 2012, the Group acquired 70% equity interests in Galaxy Water and obtained the control of Galaxy Water and its subsidiaries. Galaxy Water is principally engaged in the construction and operation of water treatment plants under service concession agreements with local municipal governments. The acquisition of Galaxy Water allows the Group to benefit from its expertise in the construction and operation of water treatment projects and increases the Group's market share of water treatment business in the environmental protection segment.

In the period from the date of acquisition to 30 June 2012, Galaxy Water contributed revenue of RMB19,497,000 and profit of RMB9,277,000 to the Group's results. Management estimates that if the acquisition had occurred on 1 January 2012, the consolidated revenue of the Group would have been RMB8,084,639,000, and consolidated profit of the Group for the six months ended 30 June 2012 would have been RMB408,933,000. In determining these amounts, management has assumed that the provisional fair value adjustments 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 RMB466,200,000, which is to be satisfied fully by cash. As at 30 June 2012, RMB416,200,000 had been paid by the Group.

22 收購附屬公司

2012年5月16日，本集團收購銀河水務70%的股權並獲得銀河水務及其附屬公司的控制權。銀河水務主要從事根據與當地市政府簽訂的服務特許權協議的水處理廠的建設和運營。收購銀河水務使得本集團能受惠於其水處理項目的建設和運營方面的專業知識並增加本集團水處理業務在環保領域的市場份額。

在收購日至2012年6月30日期間，銀河水務為本集團經營業績帶來人民幣19,497,000元的收入和人民幣9,277,000元的利潤。管理層估算，如果已於2012年1月1日收購附屬公司，本集團合併收入將為人民幣8,084,639,000元，且截至2012年6月30日止6個月本集團的合併利潤將為人民幣408,933,000元。在確定該等金額時，管理層已假設如果已於2012年1月1日收購附屬公司，假定的公允價值調整額將與在收購日產生的金額相同。

轉讓對價

收購日轉讓的總對價的公允價值為人民幣466,200,000元，悉數以現金支付對價。於2012年6月30日，本集團已支付人民幣416,200,000元。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

22 Acquisition of subsidiaries (continued)

22 收購附屬公司(續)

Identified assets acquired and liabilities assumed

已確認收購的資產和承擔的責任

The following summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition date.

以下為於收購日收購的資產和承擔的負債的已確認金額。

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	1,117
Intangible assets	無形資產	418,152
Interests in associates	對聯營公司的投資	71,774
Deferred tax assets	遞延稅項資產	3,361
Long-term receivables	長期應收款項	791,754
Inventories	存貨	181
Trade and other receivables	應收賬款及其他應收款項	255,205
Cash at bank and in hand	銀行存款及庫存現金	63,052
Borrowings	借款	(713,501)
Trade and other payables	應付賬款及其他應付款項	(216,089)
Deferred tax liabilities	遞延稅項負債	(81,162)
		593,844

Goodwill

商譽

Goodwill arising from the acquisition has been recognised as follows:

收購產生的商譽確認如下：

		RMB'000 人民幣千元
Total consideration	總對價	466,200
Non-controlling interests, based on their proportionate interest in the recognised amounts of the asset and liabilities of the acquiree	根據被收購方資產和負債確認金額持有的權益比例而確定的非控股權益	178,153
Fair value of identifiable net assets	可辨認淨資產的公允價值	(593,844)
Goodwill	商譽	50,509

Goodwill is attributable mainly to the skills and expertise of Galaxy Water's work force and management. None of the goodwill recognised is expected to be deductible for income tax purpose.

商譽主要歸屬於銀河水務的工作團隊和管理層的技能 and 專業知識。未有預期可作扣減所得稅之用的已確認的商譽。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審計的中期財務報告附註

(Expressed in Renminbi) (以人民幣列示)

22 Acquisition of subsidiaries (continued)

Acquisition-related costs

The Group incurred acquisition-related costs of RMB4,440,000 relating to external legal fees and due diligence costs. These amounts have been included in “administrative expenses” in the consolidated income statement.

23 Accounting judgements and estimates

The Group believes that the critical accounting judgements and estimates as disclosed in the 2011 annual financial statements are material to an understanding of this interim financial report.

24 Non-adjusting post balance sheet event

On 20 August 2012, the Company issued corporate bonds and will list them on the Shanghai Stock Exchange of the PRC. The bonds were issued at a total par value of RMB4,000,000,000, have a maturity period of 3 to 10 years and bear interests ranging from 4.30% to 5.15% per annum.

22 收購附屬公司(續)

收購相關費用

本集團產生了外部法律費用和盡職調查成本的收購相關費用人民幣4,440,000元。該等金額已計入合併收益表中的「行政開支」中。

23 會計判斷及估計

本集團相信在2011年年度財務報表中所披露的關鍵會計判斷及估計對於理解本中期財務報告是重要的。

24 資產負債表日後非調整事項

2012年8月20日，本公司發行公司債券並將於中國上海證券交易所將其上市。發行債券的總面值為人民幣4,000,000,000元，期限為3至10年，年利率為4.30%至5.15%。



國電科技環保集團股份有限公司

GUODIAN TECHNOLOGY & ENVIRONMENT GROUP CORPORATION LIMITED*

(於中華人民共和國註冊成立的股份有限公司)

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

Stock Code 股份代號 : 01296

www.01296.hk

Suite 1101, 11/F, Building No.1
Block No. 16 Xi Si Huan Zhong Road
Haidian District, Beijing, PRC

北京海澱區
西四環中路16號院
1號11樓1101室



This interim report is printed on environmentally friendly paper.
此中期報告以環保紙張印製。