Beijing Jingneng Clean Energy Co., Limited
北京京能清潔能源電力股份有限公司

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

(Stock Code: 00579)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

FINANCIAL HIGHLIGHTS

- Revenue for the year ended 31 December 2015 was RMB14,346.0 million, increased by 64.35% as compared with the previous year.
- Profit before taxation for the year ended 31 December 2015 was RMB2,561.2 million, increased by 62.97% as compared with the previous year.
- Profit attributable to ordinary shareholders of the Company for the year ended 31 December 2015 was RMB1,910.6 million, increased by 58.12% as compared with the previous year.
- Basic and diluted earnings per share for the year ended 31 December 2015 was RMB27.81 cents.

FINAL DIVIDEND

- The Board recommended a final dividend of RMB6.83 cents per share (tax inclusive) for the year ended 31 December 2015, which represent a total distribution of RMB469.2 million.

RESULTS HIGHLIGHTS

The board of directors (the "**Board**") of Beijing Jingneng Clean Energy Co., Limited (the "**Company**") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**" or "**we**" or "**us**") for the year ended 31 December 2015 (the "**Reporting Period**"), prepared under International Financial Reporting Standards ("**IFRSs**").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2015

		Year ended December 31,	
		2015	2014
	Notes	***RMB'000***	*RMB'000*
Revenue	*5*	**14,346,034**	8,728,687
Other income	*6*	**3,248,431**	1,425,623
Gas consumption		**(10,545,320)**	(5,401,450)
Depreciation and amortization	*10*	**(1,871,192)**	(1,304,095)
Personnel costs	*10*	**(550,911)**	(417,394)
Repairs and maintenance		**(526,266)**	(308,804)
Other expenses		**(672,308)**	(488,804)
Other gains and losses	*7*	**(55,545)**	96,327
Profit from operations		**3,372,923**	2,330,090
Interest income	*8*	**54,963**	21,421
Finance costs	*8*	**(1,197,841)**	(1,099,556)
Share of results of associates		**331,178**	319,656
Share of results of a joint venture		**5**	3
Profit before taxation		**2,561,228**	1,571,614
Income tax expense	*9*	**(528,478)**	(284,321)
Profit for the year	*10*	**2,032,750**	1,287,293
Profit for the year attributable to:			
– Ordinary shareholders of the Company		**1,910,643**	1,208,330
– Holders of perpetual notes		**41,482**	—
– Non-controlling interests		**80,625**	78,963
		2,032,750	1,287,293
Earnings per share			
Basic *(RMB cents)*	*12*	**27.81**	18.39

	Notes	Year ended December 31, 2015 RMB'000	2014 RMB'000
Profit for the year	*10*	**2,032,750**	1,287,293
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations:			
Exchange differences arising during the year		**(35,270)**	(92,734)
Cash flow hedges:			
Loss during the year		**(5,717)**	(11,226)
Income tax effect		**1,715**	3,368
Reclassification adjustments for cash flow hedges recognized in profit or loss, net of income tax		**9,381**	—
Other comprehensive expense for the year, net of income tax		**(29,891)**	(100,592)
Total comprehensive income for the year		**2,002,859**	1,186,701
Total comprehensive income for the year attributable to:			
– Ordinary shareholders of the Company		**1,886,311**	1,132,147
– Holders of perpetual notes		**41,482**	—
– Non-controlling interests		**75,066**	54,554
		2,002,859	1,186,701

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT DECEMBER 31, 2015

	Notes	At December 31, 2015 RMB'000	2014 RMB'000 (Restated)
Non-current assets			
Property, plant and equipment		**30,858,075**	29,448,034
Intangible assets		**4,153,766**	4,317,071
Goodwill		**190,049**	190,049
Prepaid lease payments		**159,832**	136,334
Investments in associates		**2,080,553**	1,853,829
Loans to associates		**150,000**	150,000
Investments in a joint venture		**80,471**	80,466
Deferred tax assets		**185,011**	222,183
Derivative financial assets		**85,049**	91,952
Available-for-sale financial assets		**128,028**	128,528
Value-added tax recoverable		**486,427**	414,170
Deposit paid for acquisition of property, plant and equipment		**792,560**	663,448
		39,349,821	37,696,064
Current assets			
Inventories		**134,170**	116,687
Trade and bill receivables	*13*	**2,994,101**	4,020,647
Other receivables, deposits and prepayments		**422,638**	395,355
Derivative financial assets		**—**	18,163
Current tax assets		**18,491**	10,472
Amounts due from related parties		**393,599**	266,347
Prepaid lease payments		**4,383**	3,983
Value-added tax recoverable		**525,647**	875,052
Held for trading financial asset		**338,873**	370,803
Restricted bank deposits		**105,215**	157,348
Cash and cash equivalents		**2,114,669**	4,206,827
		7,051,786	10,441,684

	Notes	At December 31, 2015 RMB'000	2014 RMB'000 (Restated)
Current liabilities			
Trade and other payables	*14*	**3,807,239**	5,188,552
Amounts due to related parties		**224,398**	290,356
Bank and other borrowings – due within one year		**3,557,535**	5,286,789
Short-term debentures		**6,000,000**	1,800,000
Medium-term notes – due within one year		**—**	1,000,000
Corporate bonds – due within one year		**—**	2,397,701
Income tax payable		**205,547**	192,570
Deferred income – current portion		**394,515**	331,603
		14,189,234	16,487,571
Net current liabilities		**(7,137,448)**	(6,045,887)
Total assets less current liabilities		**32,212,373**	31,650,177
Non-current liabilities			
Derivative financial liabilities		**3,542**	30,998
Bank and other borrowings – due after one year		**13,396,508**	15,996,513
Corporate bonds – due after one year		**2,189,854**	2,184,649
Deferred tax liabilities		**98,418**	106,236
Deferred income		**372,541**	334,742
Other non – current liability		**44,266**	55,269
		16,105,129	18,708,407
Net assets		**16,107,244**	12,941,770
Capital and reserves			
Share capital		**6,870,423**	6,870,423
Reserves		**7,226,480**	5,629,414
Equity attributable to ordinary shareholders of the Company		**14,096,903**	12,499,837
Perpetual notes		**1,527,982**	—
Non-controlling interests		**482,359**	441,933
Total equity		**16,107,244**	12,941,770

1. GENERAL INFORMATION

The Company was a joint stock company established in the People's Republic of China (the "PRC") with limited liability and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The address of the Company's registered office is at Room 118, No.1 Ziguang East Road, Badaling Economic Development Zone, Yanqing County, Beijing, the PRC.

In the opinion of the directors of the Company (the "Directors"), 北京能源集團有限責任公司 (Beijing Energy Holding Co., Ltd., English name for identification purpose) ("BEH") is the Company's ultimate holding company (also the immediate parent company). BEH is a state-owned enterprise established in the PRC with limited liability and is wholly-owned by 北京市人民政府國有資產監督管理委員會 (State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality, English name for identification purpose).

The principal activities of the Company and its subsidiaries (collectively referred to as the "Group") are gas-fired power and heat energy generation, wind power generation, hydropower generation, photovoltaic power generation and other business.

The consolidated financial statements are presented in Renminbi ("RMB"), which is the same as the functional currency of the Company.

2. BASIS OF PREPARATION

In preparing the consolidated financial statements, the Directors have given careful consideration that at December 31, 2015, the Group has net current liabilities of RMB7,137,448,000. The Group meets its working capital requirements from cash generated from its operating activities and available financing facilities from banks. At December 31, 2015, the Group has committed unutilized financing facilities amounting to approximately RMB19,772,502,000, of which approximately RMB16,070,602,000 are subject to renewal during the next 12 months from balance sheet date of these consolidated financial statements. The Directors are confident that these financing facilities will continue to be available to the Group for the foreseeable period not less than 12 months from the balance sheet date of these financial statements. Based on its assessment, the Directors are satisfied that the Group will be able to meet in full its financial obligations as they fall due for the foreseeable future. Accordingly the consolidated financial statements have been prepared on a going concern basis.

3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

In the current year, the Group has applied the following amendments to IFRSs:

Amendments to IAS 19	Defined Benefit Plans: Employee Contributions
Amendments to IFRSs	Annual Improvements to IFRSs 2010-2012 Cycle
Amendments to IFRSs	Annual Improvements to IFRSs 2011-2013 Cycle

The application of the new and revised IFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial Instruments[1]
IFRS 14	Regulatory Deferral Accounts[2]
IFRS 15	Revenue from Contracts with Customers[1]
IFRS 16	Leases[3]
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations[4]
Amendments to IAS 1	Disclosure Initiative[4]
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[4]
Amendments to IFRSs	Annual Improvements to IFRSs 2012–2014 Cycle[4]
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants[4]
Amendments to IAS 27	Equity Method in Separate Financial Statements[4]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception[4]
Amendments to IAS 7	Disclosure Initiative[6]
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses[6]

Notes:

(1) Effective for annual periods beginning on or after January 1, 2018
(2) Effective for first annual IFRS financial statements beginning on or after January 1, 2016
(3) Effective for annual periods beginning on or after January 1, 2019
(4) Effective for annual periods beginning on or after January 1, 2016
(5) Effective for annual periods beginning on or after a date to be determined
(6) Effective for annual periods beginning on or after January 1, 2017

Except as described below, the Directors anticipate that the application of the amendments will have no impact on the Group.

4. SEGMENT INFORMATION

The Group manages its businesses by divisions, such as performs the monthly revenue analysis by segments which are organized by types of business. Information is reported internally to the Group's chief operating decision maker ("CODM"), including general manager, deputy general managers and financial controller, for the purposes of resource allocation and performance assessment. The Group has presented the following operating and reportable segments.

– Gas-fired power and heat energy generation: manages and operates natural gas-fired power plants and generates electric power and heat energy for sale to external customers.

– Wind power: constructs, manages and operates wind power plants and generates electric power for sale to external customers.

– Hydropower: manages and operates hydropower plants and sales of electricity generated to external customers.

– Photovoltaic power: manages and operates photovoltaic power plants and sales of electricity generated to external customers.

– Business activities other than "Gas-fired power and heat energy generation", "Wind power", "Hydropower" and "Photovoltaic power" are individually not significant and not constitute a reportable segment by itself. Accordingly, they are presented as "others" in aggregate.

(a) Segment revenue, results, assets and liabilities

An analysis of the Group's reportable segment revenue, results, assets, and liabilities for the year ended December 31, 2015 by reportable segment is as follows:

	Gas-fired power and heat energy generation *RMB'000*	Wind power *RMB'000*	Hydropower *RMB'000*	Photovoltaic power *RMB'000*	Others *RMB'000*	Total *RMB'000*
For the year ended December 31, 2015						
Revenue from external customers						
Sales of electricity	10,525,045	1,573,670	425,599	531,302	—	13,055,616
Sales of heat energy	1,286,549	—	—	—	—	1,286,549
Others	609	—	—	—	3,260	3,869
Reportable segment revenue/ consolidated revenue	11,812,203	1,573,670	425,599	531,302	3,260	14,346,034
Reportable segment results *(Note (i))*	2,326,869	717,655	162,902	322,914	(160,475)	3,369,865
Reportable segment assets	16,061,175	16,023,535	3,341,435	5,695,716	12,506,701	53,628,562
Reportable segment liabilities	(9,620,504)	(11,240,575)	(2,154,639)	(3,387,584)	(13,438,114)	(39,841,416)
Additional segment information:						
Depreciation	854,460	552,198	102,609	159,972	2,363	1,671,602
Amortization	5,171	167,606	26,161	132	520	199,590
Finance costs *(Note (ii))*	292,390	549,408	80,674	88,838	186,531	1,197,841
Other income	3,053,308	191,736	263	—	3,124	3,248,431
Including:						
– Government grant related to clean energy production	3,020,252	19,835	—	—	—	3,040,087
– Grants related to construction of assets	5,000	2,632	48	—	—	7,680
– Income from carbon credits	7,863	129,312	—	—	—	137,175
– Others	20,193	39,957	215	—	3,124	63,489
Expenditures for reportable segment non-current assets	903,688	1,485,135	171,236	1,512,382	50,310	4,122,751

	Gas-fired power and heat energy generation *RMB'000*	Wind power *RMB'000*	Hydropower *RMB'000*	Photovoltaic power *RMB'000*	Others *RMB'000*	Total *RMB'000*
For the year ended December 31, 2014						
Revenue from external customers						
Sales of electricity	5,787,854	1,567,424	370,504	390,492	—	8,116,274
Sales of heat energy	610,689	—	—	—	—	610,689
Others	197	—	—	—	1,527	1,724
Reportable segment revenue/ consolidated revenue	6,398,740	1,567,424	370,504	390,492	1,527	8,728,687
Reportable segment results *(Note (i))*	1,170,352	855,149	161,199	163,811	(22,711)	2,327,800
Reportable segment assets	16,892,396	16,403,421	4,822,620	3,921,342	10,839,072	52,878,851
Reportable segment liabilities	(11,570,694)	(11,757,358)	(2,233,050)	(2,373,125)	(14,139,054)	(42,073,281)
Additional segment information:						
Depreciation	471,754	367,681	78,603	194,634	2,370	1,115,042
Amortization	4,439	158,031	26,071	25	487	189,053
Finance costs *(Note (ii))*	247,426	544,422	67,154	66,654	173,900	1,099,556
Other income	1,357,955	62,104	3,174	100	2,290	1,425,623
Including:						
– Government grant related to clean energy production	1,296,354	22,240	—	—	—	1,318,594
– Grants related to construction of assets	3,775	2,632	—	—	—	6,407
– Income from carbon credits	127	—	447	—	—	574
– Others	57,699	37,232	2,727	100	2,290	100,048
Expenditures for reportable segment non-current assets	2,122,883	1,384,298	305,684	1,275,049	81,589	5,169,503

Notes:

(i) The segment profit is arrived at after the deduction from revenue of gas consumption, depreciation and amortization, personnel costs, repair and maintenance, other expenses, and including other gains and losses and other income (excluding dividend from AFS financial assets).

(ii) Finance costs have been allocated among the segments for the additional information to the CODM, but are not considered to arrive at the segment profit. It represents amounts regularly provided to the CODM but not included in the measure of segment profit or loss. However, the relevant borrowings have been allocated into the segment liabilities.

(b) Reconciliations of segment results, assets and liabilities to the consolidated financial statements

	Year ended December 31,	
	2015	2014
	RMB'000	*RMB'000*
Results		
Reportable segment profit	**3,369,865**	2,327,800
Unallocated		
Dividend income from available-for-sale financial asset	**3,058**	2,290
Profit from operations	**3,372,923**	2,330,090
Interest income	**54,963**	21,421
Finance costs	**(1,197,841)**	(1,099,556)
Share of results of associates	**331,178**	319,656
Share of results of a joint venture	**5**	3
Consolidated profit before taxation	**2,561,228**	1,571,614

	At December 31,	
	2015	2014
	RMB'000	*RMB'000*
Assets		
Reportable segment assets	**53,628,562**	52,878,851
Inter-segment elimination	**(10,863,092)**	(8,520,600)
Unallocated assets:		
– Investments in associates	**2,080,553**	1,853,829
– Loans to associates	**150,000**	150,000
– Investments in a joint venture	**80,471**	80,466
– Deferred tax assets	**185,011**	222,183
– Available-for-sale financial assets	**128,028**	128,528
Different presentation on:		
– Value-added tax recoverable *(Note (i))*	**1,012,074**	1,289,222
Consolidated total assets	**46,401,607**	48,082,479

	At December 31, 2015	2014
	RMB'000	*RMB'000*
Liabilities		
Reportable segment liabilities	**39,841,416**	42,073,281
Inter-segment elimination	**(10,863,092)**	(8,520,600)
Unallocated liabilities:		
– Income tax payable	**205,547**	192,570
– Deferred tax liabilities	**98,418**	106,236
Different presentation on:		
– Value-added tax recoverable *(Note (i))*	**1,012,074**	1,289,222
Consolidated total liabilities	**30,294,363**	35,140,709

Note:

(i) Value-added tax recoverable was net-off with value-added tax payables under segment information, but reclassified and presented as assets on the consolidated statement of financial position.

All assets are allocated to reportable segments, other than AFS financial assets, investments in associates and joint venture, loans to associates and deferred tax assets; all liabilities are allocated to reportable segments other than income tax payable and deferred tax liabilities.

(c) Geographical information

Over 90% of the Group's revenue and non-current assets (non-current assets excluded deferred tax assets and financial assets) are located in the PRC, therefore no geographical segment information was presented. The basis for attributing the revenue is based on the location of customers from which the revenue is earned, which are located in/out of the PRC and the sales activities are made in the/out of PRC. Information about the Group's non-current assets is presented based on the geographical location of the assets.

(d) Information of major customers

Revenue from the PRC government controlled power grid companies for the year ended December 31, 2015 amounted to RMB12,937,340,000 (2014: RMB8,067,253,000). Sales of electricity to the major customers for the year ended December 31, 2015 by segment were as follows:

	Year ended December 31,	
	2015	2014
	RMB'000	*RMB'000*
Gas-fired power and heat energy generation	**10,525,045**	5,787,854
Wind power	**1,469,375**	1,562,333
Hydropower	**411,618**	326,574
Photovoltaic power	**531,302**	390,492
Total	**12,937,340**	8,067,253

5. REVENUE

An analysis of the Group's revenue is as follows:

	Year ended December 31,	
	2015	2014
	RMB'000	*RMB'000*
Sales of goods:		
– Electricity	**13,055,616**	8,116,274
– Heat energy	**1,286,549**	610,689
Service income from:		
– Third parties *(Note)*	**3,869**	1,724
	14,346,034	8,728,687

Note: The service income for the year ended December 31, 2015 and December 31, 2014 represented repair and maintenance service provided.

6. OTHER INCOME

	Year ended December 31,	
	2015	2014
	RMB'000	*RMB'000*
Government grants and subsidies related to:		
– Clean energy production	**3,040,087**	1,318,594
– Construction of assets	**7,680**	6,407
Income from carbon credits *(Note (a))*	**137,175**	574
Value-added tax refunds *(Note (b))*	**42,423**	42,377
Dividend from available-for-sale financial asset	**3,058**	2,290
Income from grid compensation *(Note (c))*	**—**	41,422
Others	**18,008**	13,959
	3,248,431	1,425,623

Notes:

(a) During the year ended December 31, 2015, income from carbon credits were mainly derived from the sales of carbon credits registered under relevant mechanisms in Australia and PRC. For the year ended December 31, 2014, the income from carbon credits were derived from the United Nation's Clean Development Mechanism.

(b) The Group entitles to a 50% refund of value-added tax for its revenue from the sale of electricity generated from the wind farms and a full refund of value-added tax for its revenue from the sale of heat energy generated to residential customers. A receivable and the corresponding income of the value-added tax refund are recognized when relevant value-added tax refund application is registered with the relevant PRC tax authorities.

(c) During the year ended December 31, 2014, the State Grid provided corresponding compensation for unaccomplished planned on-grid hours due to a temporary adjustment on electricity dispatching.

7. OTHER GAINS AND LOSSES

	Year ended December 31,	
	2015	2014
	RMB'000	*RMB'000*
Other gains (losses) comprise:		
Impairment loss on doubtful receivables	**(3,996)**	(2,964)
Reversal of impairment loss on doubtful receivables	**2,708**	50,551
Loss on disposal of property, plant and equipment	**(1,056)**	(1,481)
Gain on disposal of an available-for-sale investment	**10,700**	—
Net exchange loss	**(12,016)**	(16,231)
(Loss) gain arising on change in fair value of financial asset classified as held for trading	**(52,623)**	64,751
Loss on settlement of hedged derivatives	**(13,401)**	—
Loss on change in fair value of financial asset classified as other derivatives	**(1,578)**	—
Others	**15,717**	1,701
	(55,545)	96,327

8. INTEREST INCOME/FINANCE COSTS

	Year ended December 31,	
	2015	2014
	RMB'000	*RMB'000*
Interest income from:		
– Loans to associates	**7,968**	9,243
– Deposits with a related non-bank financial institution *(Note)*	**17,392**	3,001
– Bank balances	**29,603**	9,177
Total interest income	**54,963**	21,421
Interest on bank and other borrowings, short-term debentures, medium-term notes, and corporate bonds wholly repayable:	**1,281,767**	1,508,404
Less: Amounts capitalized in property, plant and equipment	**(83,926)**	(408,848)
Total finance costs	**1,197,841**	1,099,556
Net finance costs	**1,142,878**	1,078,135

	Year ended December 31,	
	2015	2014
Capitalization rate of borrowing costs to expenditure on qualifying assets	**5.21%**	5.92%

Note: A related non-bank financial institution refers to 京能集團財務有限公司 (BEH Finance Co, Ltd., English name for identification purpose) ("BEH Finance") which is a fellow subsidiary of the Group.

9. INCOME TAX EXPENSE

	Year ended December 31, 2015 RMB'000	2014 RMB'000
Current tax:		
PRC enterprise income tax ("EIT")	**501,448**	322,408
Other jurisdictions	**—**	444
	501,448	322,852
Deferred tax:		
Current year	**27,030**	(38,531)
Income tax expense	**528,478**	284,321

PRC enterprise income tax has been generally provided at the applicable enterprise income tax rate of 25% (2014: 25%) on the estimated assessable profits of the group companies established in the PRC for the year ended December 31, 2015.

Under the EIT Law, the preferential tax treatment for encouraged enterprises located in western PRC and certain industry-oriented tax incentives remains available up to December 31, 2020 when the original preferential tax period was expired. A PRC enterprise which enjoys this tax treatment is entitled to a preferential tax rate of 15% with a two-year tax exemption and a three-year 50% deduction on the PRC enterprise income tax for taxable income commencing from the first year when relevant projects generate revenue. The Group's certain wind farm projects, hydropower projects and photovoltaic power projects were entitled to this tax concession.

Hong Kong Profit Tax and Australia Profit Tax are calculated at 16.5% and 30%, respectively, of the estimated assessable profit. During the year ended December 31, 2015, taxation arising in other jurisdictions is calculated at the rate prevailing in Australia. No provision for Hong Kong profit tax has been made as the Group has no assessable profit derived in Hong Kong.

The tax charge for the year can be reconciled to the profit before taxation per consolidated statement of profit or loss and other comprehensive income as follows:

	Year ended December 31,	
	2015	2014
	RMB'000	*RMB'000*
Profit before taxation	**2,561,228**	1,571,614
PRC enterprise income tax at 25% (2014: 25%)	**640,307**	392,904
Tax effect on:		
– Expenses not deductible for tax purposes	**2,332**	5,537
– Tax effect of share of result of associates and a joint venture	**(82,796)**	(79,915)
– Tax losses not recognized as deferred tax assets	**101,479**	72,864
– Utilization of tax losses not recognized previously	**(876)**	(4,803)
– PRC enterprise income tax exemption and concessions	**(120,189)**	(97,743)
– Effect of different tax rates of group entities operating in jurisdictions other than PRC	**(11,779)**	(4,523)
	528,478	284,321

10. PROFIT FOR THE YEAR

	Year ended December 31,	
	2015	2014
	RMB'000	*RMB'000*
Profit for the year has been arrived at after charging:		
Auditors' remuneration	**5,953**	5,606
Prepaid lease payments released to profit or loss	**4,459**	3,410
Operating lease payments in respect of land and building	**25,092**	14,342
Depreciation and amortization:		
Depreciation of property, plant and equipment	**1,671,652**	1,115,042
Amortization of intangible assets	**199,590**	189,513
Less: Amount capitalized to construction in progress	**50**	460
Total depreciation and amortization	**1,871,192**	1,304,095
Personnel costs:		
Directors' emoluments	**1,561**	1,466
Other personnel costs	**549,350**	415,928
Total personnel costs	**550,911**	417,394

11. DIVIDENDS

(a) On June 25, 2015, a final dividend of RMB4.21 cents per share (tax inclusive) in respect of the year ended December 31, 2014 amounting to RMB289,245,000 was declared by the Directors and subsequently paid by July 30, 2015.

(b) On June 9, 2014, a final dividend of RMB4.34 cents per share (tax inclusive) in respect of the year ended December 31, 2013 amounting to RMB281,120,000 was declared by the Directors and subsequently paid by September 30, 2014.

12. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to ordinary shareholders of the Company is based on the following data:

	Year ended December 31,	
	2015	2014
	RMB'000	*RMB'000*
Earnings		
Profit for the year attributable to ordinary shareholders of the Company for the purpose of earnings per share	**1,910,643**	1,208,330

	Year ended December 31,	
	2015	2014
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**6,870,423**	6,570,013

No diluted earnings per share are presented as there were no potential ordinary shares in issue during both years.

13. TRADE AND BILL RECEIVABLES

	At December 31, 2015 RMB'000	2014 RMB'000
Trade receivables	**2,914,815**	3,969,927
Bill receivables	**81,863**	52,343
	2,996,678	4,022,270
Less: allowance for doubtful receivables	**2,577**	1,623
	2,994,101	4,020,647

The following is an aged analysis of the Group's trade and bill receivables net of allowance for doubtful receivables based on the invoices dates which approximated the respective dates on which revenue was recognized as at the end of reporting period:

	At December 31, 2015 RMB'000	2014 RMB'000
Within 60 days	**1,729,396**	2,934,813
61 to 365 days	**717,475**	552,741
1 to 2 years	**363,584**	155,960
2 to 3 years	**145,996**	40,258
Over 3 years	**37,650**	336,875
	2,994,101	4,020,647

The Group's major customers are the PRC state-owned grid companies with good credit rating.

The wind power price premium is included as a component of the government-approved on-grid tariff of wind power. The financial resource for the wind power price premium is the national renewable energy fund that accumulated through a special levy on the consumption of electricity. The government in the PRC is responsible to collect and allocate the fund and make settlement through state-owned grid companies to the wind farm project companies.

As of December 31, 2015, the Group's total outstanding balance of wind power price premium was RMB1,086,917,000 (2014: RMB1,215,603,000), comprise RMB553,353,000 incurred in the year ended December 31, 2015, RMB350,476,000 incurred in the year ended December 31, 2014, RMB145,996,000 incurred in the year ended December 31, 2013 and RMB37,092,000 incurred in and before the year ended December 31, 2012.

The trade receivables that were past due but not impaired mainly represented the wind power price premium. The Directors consider that there has not been a significant change in credit quality and is no impairment in view of the creditability of the debtors and the continuing repayment from these debtors.

The aged analysis of trade receivables which are past due but not impaired is as follows:

	At December 31,	
	2015	2014
	RMB'000	*RMB'000*
1 to 2 years	**350,476**	146,924
2 to 3 years	**145,996**	40,258
Over 3 years	**37,092**	336,311
	533,564	523,493

Bill receivables are mainly bank's acceptance bills endorsed by the PRC state-owned grid companies.

The Director considers the debts that are neither past due nor impaired are of good credit quality.

At December 31, 2015, trade receivables amounting to RMB87,023,000 (2014: RMB119,009,000) are pledged for bank borrowings.

Movements in the allowance of doubtful receivables are set out as follows:

	Year ended December 31,	
	2015	2014
	RMB'000	*RMB'000*
At the beginning of the year	**1,623**	1,580
Provided during the year	**1,027**	194
Reversed during the year	**(73)**	(151)
At the end of the year	**2,577**	1,623

14. TRADE AND OTHER PAYABLES

	At December 31,	
	2015	2014
	RMB'000	*RMB'000*
Trade payables	**1,807,212**	2,405,988
Payables for acquisition of property, plant and equipment	**597,289**	1,158,738
Retention payables	**817,395**	589,511
Bills payable	**112,773**	438,438
Advance received from customers	**59,747**	34,139
Salary and staff welfares	**66,912**	58,644
Non-income tax payables	**73,527**	50,703
Accrued interests payable	**168,828**	228,600
Dividend payables to a non-controlling equity owner of subsidiary	**34,769**	39,312
Payable for acquisition of a subsidiary	**—**	95,913
Other payables	**68,787**	88,566
	3,807,239	5,188,552

Trade payables principally comprise amounts outstanding for trade purchases and ongoing costs. At December 31, 2015, there was RMB231,737,000 (2014: RMB287,638,000) retention payables to be settled after one year at the end of the reporting period. The Group normally settles the trade payable related to gas purchase within 30 days, settles the payable related to equipment purchase and construction cost, according to related contractual arrangements which normally requires progress payments during the construction period and a final payment after construction cost verified by independent valuer.

The following is an aged analysis of the Group's trade payables by invoices date as at the reporting date:

	At December 31,	
	2015	2014
	RMB'000	*RMB'000*
Within 30 days	**1,219,643**	561,986
31 to 365 days	**238,069**	1,803,496
1 to 2 years	**315,887**	32,352
2 to 3 years	**27,540**	3,250
Over 3 years	**6,073**	4,904
	1,807,212	2,405,988

The Group's trade payables denominated in a currency other than the functional currency of the relevant group entities are set out below:

	Year ended December 31,	
	2015	2014
	RMB'000	*RMB'000*
EUR	**15,833**	22,247

MANAGEMENT DISCUSSION AND ANALYSIS

I. Industry Review

In 2015, growth rate of world economy slowed down while recovery of the global economy remained rough and hard. Under the context of unprecedentedly complicated internal and external environment and increasing economic downturn, China's economy achieved new progress in institutional reform, structural optimization, and element upgrading. The year 2015 marked the end of the "12th Five-year Plan", and the overall economy of the country showed the new normal state of stable but gentle, stable but evolving development.

In 2015, national electricity consumption was 5.55 trillion KWH, with year-on-year growth rate of 0.5%. Net increased installed generating capacity was 140 million KWH all over the country, marking new historical high for annual operation scale. However, being affected by slump in electrical demand growth, average operating hours of the generating equipment continued to decrease. The proportions of installed generating capacity for non-fossil energy and generating capacity increased by 8.1% and 8.3%, respectively comparing with 2010, and electricity supplying structure continued to optimize year by year. In 2015, newly increased installed generating capacity for gas-fired power was 9.4 million KW, with year-on-year growth rate of 16.5%. The generating capacity was 165.8 billion KWH, with year-on-year growth rate of 24.4%; newly increased installed generating capacity for wind power was 31.44 million KW, with year-on-year growth rate of 31.5% while the generating capacity was 185.1 billion KWH with year-on-year growth rate of 15.8%; newly increased installed generating capacity for photovoltaic power was 16.72 million KW, with year-on-year growth rate of 67.3% while the generating capacity was 38.3 billion KWH with year-on-year growth rate of 64.4%.

In 2015, the central and local governments expressed their great support for clean energy from various aspects, and launched relevant supportive policies to advocate acceleration in the development of clean energy, enhancement of stored energy and intelligent power grids construction, development of distributed energy, promotion of energy-saving low carbon electricity dispatching, and structure reforms within the energy market to form effective market competition mechanism.

During the Reporting Period, while facing complicated economic situation, the Group, through standing by its investment and operation policy of "standardizing procedures, strengthening implementation, integrating production and financing integration, innovating development" and by overcoming difficulties at all levels to realize stable growth, development promotion, structure adjustment, maintainance of electric capacity, made a leap into growth of operation benefit.

II. Business Review for the Year of 2015

1. Further expanded installed capacity of clean energy and largely increased power generating capacity.

In 2015, all business segments of the Group shown different development tendencies, but in general maintained a sound momentum of development. As each project was smoothly put into operation, clean energy installed capacity further expanded. As of 31 December, the consolidated installed capacity of the Group was 7,240 MW, of which, the installed capacity based on gas-fired power generation was 4,436 MW, accounting for 61.27% of total installed capacity; the installed capacity based on wind power generation was 1,915 MW, accounting for 26.45% of total installed capacity; the installed capacity of hydopower generation was 449 MW, accounting for 6.20% of total installed capacity; the installed capacity based on photovoltaic power generation was 440 MW, accounting for 6.08% of total installed capacity. More efforts was put into the air pollution control in Beijing, supporting policies became further stablized. At the same time, the Group strengthened its internal management, properly arranged the production plan and took full use of productivity, and achieved rapid growth in gas-fired power and heat energy generation business, of which the generating capacity increased by 81.02% as compared to the same period last year, accounting for 76.13% of total generating capacity of all business segments of the Group, which highlighted its advantages of gas-fired power and heat energy generation business in Beijing. The Group seized the opportunity in the photovoltaic segment to expand its photovoltaic power generation business. Along with large increase in installed photovoltaic power capacity in 2015, photovoltaic generating capacity markedly increased with a year-on-year growth rate of 39.62%. As of 31 December, the aggregate consolidated power generation of the Group was 25,905 million KWH, representing an increase of 58.43% as compared to 16,350 million KWH for the same period of last year.

As of 31 December 2015, the consolidated installed capacity of the Group, classified by types of power generation, was as follows:

Types of power generation	Consolidated installed capacity as of 31 December 2015	Percentage
	(MW)	*(%)*
Gas-fired power and heat energy generation	**4,436**	**61.27%**
Wind power generation	**1,915**	**26.45%**
Hydropower generation	**449**	**6.20%**
Photovoltaic power generation	**440**	**6.08%**
Total	**7,240**	**100.00%**

As of 31 December 2015, the aggregate consolidated power generation of the Group, classified by types of power generation, was as follows:

Types of power generation	Aggregate consolidated power generation as of 31 December 2015	Aggregate consolidated power generation as of 31 December 2014	Aggregate consolidated power generation increase year-on-year
	(MWH)	*(MWH)*	*(%)*
Gas-fired power and heat energy generation	**19,722,392**	10,895,277	81.02
Wind power generation	**3,689,824**	3,448,426	7.00
Hydropower generation	**1,862,841**	1,555,983	19.72
Photovoltaic power generation	**630,044**	451,243	39.62
Total	**25,905,101**	16,350,929	58.43

2. **Rapid increase of profit, continuous improvement of financial position**

In 2015, the Group strictly controlled the management of production and operation while balancing the development of various business segments. By ensuring professional, refined, regulated, standardized and informatized management, and attaching importance to the stock foundation and incremental benefit, the Group managed to achieve total assets of RMB46,401.6 million, and total consolidated equity attributable to equity holders reached RMB16,107.2 million, of which equity attributable to ordinary shareholders was RMB14,096.9 million, profit for the year was RMB2,032.8 million, representing an increase of 57.91% from RMB1,287.3 million for the same period last year, and profit attributable to ordinary shareholders was RMB1,910.6 million, representing an increase of 58.12% from RMB1,208.3 million for the same period last year. Earnings per share was RMB27.81 cents, representing an increase of 51.22% as compared to RMB18.39 cents for the same period last year. At the time of expanding the operation business, the Company has been always maintaining a sound and safety financial structure. The Company further optimized its financial structure, through which its net debts ratio decreased to 58.84% in 2015 from 65.40% in 2014.

3. **Actively playing the exemplary role in Beijing and surrounding areas and accelerating the energy cooperation of the Beijing-Tianjin-Hebei Integration**

In 2015, following the commencement of operation of the Northeast Thermal Power Center and the Northwest Thermal Power Center, all of the four thermal power centers commissioned by the Group came into operation successfully and safely. The Company had secured a market share of approximately 60% in Beijing's gas-fired power market in terms of installed capacity, accounted for over 70% in central heating, and therefore became the largest gas-fired thermal power supplier in Beijing. For the development of the regional energy, both of the two regional energy projects approved by the Beijing government were owned by the Group. The Future Hightech City Project in Changping commenced operation on 3 July 2014 as scheduled, becoming the only regional energy project in operation in the city of Beijing, as well as a national level energy demonstration project. With an installed capacity of 240 MW, Shangzhuang Thermal Project was approved in 2014 and officially commenced construction in 2015. The construction progress of the project went sound and steady, positioning itself to becoming a state-of-the-art project.

During the Reporting Period, the Group actively participated in the demonstration project of renewable energy and clean heat energy generation in Beijing, implemented the guidance of "Notice on relevant requirement of carrying out demonstration of heat generation with renewable energy in Beijing" issued by the National Energy Administration of the PRC, and fully exerted the demonstration of full utilization of wind power and photovoltaic power in Beijing and surrounding areas. It spared no effort to advance other key projects such as the Badaling Solar Energy Composite Pilot Project, Qianxi Photovoltaic Project, etc.. In the meantime, in order to follow the "Pilot Development Plan of Renewable Energy Zone in Zhangjiakou, Hebei Province" approved by the State Council, to further improve the environment and air quality in Beijing and Zhangjiakou, to increase the proportion of clean energy in Beijing and to realize the goal of alternative coal-fired heating in Yanqing county in 2020, the Group planned to develop wind and solar energy resources with capacity of 1,000 MW in Zhangjiakou City and construct transmission lines to transmit new-energy-generated power to Beijing. The Group, by utilizing certain kinds of new energy for power and heat generation to achieve clean energy cogeneration, made tremendous contributions to energy transformation, easing of haze and the acceleration of synergistic development and regional integration of Beijing-Tianjin-Hebei while providing clean and efficient energy sources to the Winter Olympics.

4. Balanced development of all business segments and sufficient subsequent resource reserve

The Group owned diversified business structure, which helped it to reduce the volatility and risk arising from single power generation. Meanwhile, the Group seized the opportunity to develop all business segments, explored alternately the potential of each clean energy generation business, and further brought sustainable benefits to the Group. All business segments were under balanced development and business structure became increasingly optimized.

In 2015, the Group actively explored the sustainable development path by cooperating with China Southern Power Grid and Shenzhen Gas for the purpose of developing the Shenzhen International Low Carbon City Project, and seeking new breakthrough in power grid pattern and business pattern. The Group's wind power business continued to grow at a stable speed, and currently the total installed capacity reached 1,915 MW. During the Reporting Period, the Company focused on construction of quality and efficient wind power fields with abundant wind resources in the West Inner Mongolia, Ningxia and other regions, and actively proceeded the work in preliminary project stage in regions with abundant wind resources, such as Xinjiang, Gansu and Shaanxi, providing strong impetus for the sustainable development of the Group. In addition, the Group completed the acquisition of the GR wind power project in Australia and achieved grid-connection and power generation at the end of last year, signaling a good start for our "go global" strategy. We entered into Australia's wind power market through acquisitions of overseas wind power assets, and the Group's core competitiveness was enhanced with an increased market share.

In 2015, the central and local governments continued to launch supportive policies for the photovoltaic power industry, and hence the Group kept up with the trend through strengthened expansion and development. Photovoltaic power generation business grew rapidly. Our consolidated installed capacity by photovoltaic power generation amounted to 440 MW, representing a year-on-year increase of 62.96%, and our consolidated photovoltaic power generation amounted to 630 million KWH, representing a year-on-year increase of 39.62%. The Group has been identified as one of the seven pacemakers in national 1,000 MW solar model projects, reflecting the Company's position in the photovoltaic power generation industry.

In addition, Beijing Huayuan Huizhong Environmental Protection Technology Co., Ltd., a joint venture of the Group, obtained the approval from the Commission of Development and Reform of Beijing for the development of Asuwei Circular Economy Park Project (Asuwei Waste-to-Electricity Project) on 8 May 2015. The project has a planned municipal solid waste incineration capacity of 3,000 tonne per day, decomposed waste screening capacity of 3,000 tonne per day, residue treatment capacity of 1,200 tonne per day, and leakage treatment capacity of 850 tonne per day. The project encompasses four sets of machinery grate incinerators, each with a capacity of 750 tonne per day and two sets of 30 MW extraction condensing steam turbine power generators. Major construction facilities include municipal solid waste incineration power generation facilities, decomposed waste screening facilities, residue landfills, leakage treatment facilities, integrated management area and relevant ancillary facilities. Construction of the project has already commenced.

5. Continuous innovation in project development and starting a new energy-internet mode

According to the 2015 Report on the Work of the Government, Premier Li Keqiang proposed the action plan of "Internet+", aiming to deeply combine the energy and Internet technology, and improve energy utilization efficiency. Building the energy Internet is significantly beneficial to the economy and environmental protection. The Group, corresponding with the demands of the times, has speeded up the Internet-based clean energy project. The Group plans to establish an energy Internet demonstration base in the northern part of Haidian District, Beijing, which, by making effective and comprehensive use of cold energy, thermal energy and electric energy, could greatly facilitate the utilization of renewable energy. Meanwhile, the project could help to create multilateral open and flexible electricity trading, achieving deep interconnection between information and energy. The project includes a generation unit of cold, thermal and electric combined energy under construction, with installed capacity of 240 MW; 7 newly built distributed generation units of cold, thermal and electric combined energy, with installed capacity of 66.5 MW; roof photovoltaic power generation construction area of 1.61 square kilometers; maximum power generation capacity of 124.94 MW; phase transition storage capacity of 343 MW; and electricity storage capacity of 80 MWH.

In addition, the Group follows through the national principle of low carbon and sustainable development with efforts to push forward the development of the Shenzhen International Low Carbon Energy Project, which is a 50 MW-graded integrated system, reflecting a genuine distributed energy resource system. The system works on the basis of a distributed energy resource combining thermal energy, electric energy and cold energy with smart power grid being the core and renewable energy as supplement, and it coordinates and solves the demand for electric energy, thermal energy and cold energy in the launching zone, helping to attain the goal of energy on-site supplies and consumption. The project intends to adopt the most advanced equipment and facilities in the world and make some innovations in solutions to energy systems by achieving direct regional power-supply model through smart power grid. At the same time, we explored energy operating models different from the traditional ones, which provided new thoughts for structural reforms of the electric power system. Meanwhile, this project will strengthen the leading position of the Group in the domestic distributed energy sector.

6. Diversifying financing channels and significantly reducing financing cost

As domestic monetary policy was eased, the People's Bank of China continuously reduced the interest and deposit reserve ratio, and bond issuance interest continued to be reduced. The Group took the chance to register the bond limit up to RMB9,900.0 million, with RMB3,000.0 million for short term financing bond, RMB4,000.0 million for ultra short-term financing bond, and RMB2,900.0 million for the perpetual bond. The Group also successively issued short-term financing bond of RMB3,000.0 million and perpetual bonds of RMB1,500.0 million, and circularly issued ultra short-term financing bond of RMB4,500.0 million. The short-term bond issuance interest rate was around 3.5%, with minimum rate being 3.25%. Meanwhile, as overseas financing cost declined, the Group actively coordinated interest reduction of overseas loans and loan replacement, which greatly reduced the financing cost.

7. Fully promoting the project under construction and actively coping with the tariff adjustment

To cope with the long-term influence as a result of tariff adjustment, the Group further strengthened management on the project under construction and project approved to be commenced so as to complete the project as scheduled with quality and quantity assured and to implement higher on-grid electricity price. During the Reporting Period, Ningxia Taiyangshan Project Stage III, Zhongning, Beitashan and Huhe Horse Ranch Wind Power Project Stage II successfully obtained the higher policy electricity price. To cope with the situation where the reduction in electricity price for wind power generation and photovoltaic power generation may become normal state, the Group strictly controlled the investment in new project and selected proper project. The Group spared no effort to ensure its profit by controlling pre-stage development cost, further optimizing the design, strengthening cost control of the construction over the whole process, strengthening foundation management and reducing operation cost of completed projects.

III. Operating Results and Analysis

1. Overview

In 2015, the Company's profitability improved significantly. Profit for the whole year amounted to RMB2,032.8 million, representing an increase of 57.91% as compared to RMB1,287.3 million for 2014. Profit attributable to the ordinary shareholders of the Company amounted to RMB1,910.6 million, representing an increase of 58.12% as compared to RMB1,208.3 million for 2014.

2. Operating Income

Total revenue increased 64.35% from RMB8,728.7 million for 2014 to RMB14,346.0 million for 2015. Adjusted total operating income increased 73.04% from RMB10,047.3 million in 2014 to RMB17,386.1 million in 2015, due to the increase in sales volume of electricity as a result of the inauguration of installed capacity in gas-fired power and heat energy generation segment and photovoltaic segment in 2015.

Gas-fired Power and Heat Energy Generation Segment

The revenue from the gas-fired power and heat energy generation segment increased by 84.60% from RMB6,398.7 million for 2014 to RMB11,812.2 million for 2015, due to the increase in sales volume of electricity and heat as a result of an increase in the installed capacity in this segment. Revenue from sales of electricity increased by 81.84% from RMB5,787.9 million for 2014 to RMB10,525.0 million for 2015, due to the increase in sales volume of electricity as a result of an increase in the installed capacity in this segment. Revenue from sales of heat energy increased by 110.66% from RMB610.7 million for 2014 to RMB1,286.5 million for 2015, due to hike of the heat tariffs and the increase in sales volume of heat energy as a result of an increase in the installed capacity.

Wind Power Segment

The revenue from wind power segment increased by 0.40% from RMB1,567.4 million for 2014 to RMB1,573.7 million for 2015.

Photovoltaic Power Segment

The revenue from photovoltaic power segment increased by 36.06% from RMB390.5 million for 2014 to RMB531.3 million for 2015, due to the increase in sales volume of electricity as a result of an increase in the installed capacity in this segment.

Hydropower Segment

The revenue from hydropower segment increased by 14.87% from RMB370.5 million for 2014 to RMB425.6 million for 2015, due to the increase in sales volume of electricity as a result of an increase in rainfall in this segment.

Others

Other revenue increased by 120.00% from RMB1.5 million for 2014 to RMB3.3 million for 2015, due to the increase in revenue from providing external maintenance service.

3. Other Income

Other income increased by 127.86% from RMB1,425.6 million for 2014 to RMB3,248.4 million for 2015, due to an increase in gas prices in the gas-fired power and heat energy generation segment and increase in government grants and subsidies related to clean energy production as a result of the increase in sales volume of electricity.

4. Operating Expenses

Operating expenses increased by 81.76% from RMB7,824.2 million for 2014 to RMB14,221.5 million for 2015, due to an increase in gas cost as a result of rising in gas prices and sales volume in the gas-fired power and heat energy generation segment as well as the increase in production costs and corresponding expenses following the commencement of production of projects in each segment.

(1) Gas Consumption

Gas consumption increased by 95.23% from RMB5,401.5 million for 2014 to RMB10,545.3 million for 2015, due to an increase in gas cost in the gas-fired power and heat energy generation segment as a result of rising gas prices as well as an increase in gas consumption as a result of an increase in sales volume of electricity.

(2) Depreciation and Amortization

Depreciation and amortization increased by 43.49% from RMB1,304.1 million for 2014 to RMB1,871.2 million for 2015, due to an increase in installed capacity in each segment.

(3) Personnel Cost

Personnel cost increased by 31.98% from RMB417.4 million for 2014 to RMB550.9 million for 2015, due to the increased number of employees as a result of the business development of the Group and additional personnel costs expensed following the commencement of production of new projects.

(4) Repairs and Maintenance

Repairs and maintenance increased by 70.43% from RMB308.8 million for 2014 to RMB526.3 million for 2015, due to an increase in maintenance expenses as a result of an increase in the installed capacity in the gas-fired power and heat energy generation segment.

(5) Other Expenses

Other expenses increased by 37.54% from RMB488.8 million for 2014 to RMB672.3 million for 2015, due to an increase in other expenses as a result of the inauguration of new projects.

(6) Other Gains and Losses

Other gains decreased from RMB96.3 million for 2014 to losses of RMB55.5 million for 2015. Gains in 2014 mainly resulted from subsequent receipt of payments from the equity transfer in Inner Mongolia Jingneng Bayin Wind Power Co., Ltd. and written back of provision on transfer payment receivable previously made as well as changes in the fair value of H shares of CGN Power Co., Ltd. held by the Company during the holding period. Loss in 2015 mainly resulted from changes in the fair value of H shares held by the Company during the holding period.

5. Operating Profit

As a result of the above, our operating profit increased by 44.75% from RMB2,330.1 million for 2014 to RMB3,372.9 million for 2015.

6. Adjusted Segment Operating Profit

The total adjusted segment operating profit increased by 42.36% from RMB2,220.8 million for 2014 to RMB3,161.5 million for 2015, due to an increase in sales volume in electricity as a result of the increase in the inauguration of installed capacity in the gas-fired power and heat energy generation segment as well as the photovoltaic segment.

Gas-fired Power and Heat Energy Generation Segment

The adjusted segment operating profit of our gas-fired power and heat energy generation segment increased by 106.87% from RMB1,108.8 million for 2014 to RMB2,293.8 million for 2015, as a result of the increase in electricity sales and heat supply due to the newly installed capacity in this segment.

Wind Power Segment

Adjusted segment operating profit of our wind power segment decreased by 33.06% from RMB815.3 million for 2014 to RMB545.8 million for 2015 due to a decrease in sales of electricity as a result of regional power restriction in this segment.

Photovoltaic Power Segment

The adjusted segment operating profit of our photovoltaic power segment increased by 97.25% from RMB163.7 million for 2014 to RMB322.9 million for 2015, due to the increase in electricity sales as a result of the newly installed capacity in this segment.

Hydropower Segment

The adjusted segment operating profit of our hydropower segment increased by 2.91% from RMB158.0 million for 2014 to RMB162.6 million for 2015, due to the increase in electricity sales as a result of an increase in rainfall in this segment.

Others

Other adjusted operating profit decreased from loss of RMB25.0 million for 2014 to loss of RMB163.6 million for 2015, due to gains in 2014 mainly resulted from changes in the fair value of H shares of CGN Power Co., Ltd. held by the Company transferred into loss from changes in the fair value in 2015.

7. Finance Costs

Our finance costs increased by 8.93% from RMB1,099.6 million for 2014 to RMB1,197.8 million for 2015 due to the interest payments expensed following the commencement of production of new projects.

8. Share of Results of Associates and a Joint Venture

Share of results of associates and a joint venture increased by 3.60% from RMB319.7 million for 2014 to RMB331.2 million for 2015, due to an increase in profit for the year driven by the equity earnings from holding interests in a subsidiary of Beijing Jingneng International Power Co., Ltd., an associate of the Company.

9. Profit before Taxation

As a result of the above, profit before taxation increased by 62.97% from RMB1,571.6 million for 2014 to RMB2,561.2 million for 2015.

10. Income Tax Expense

Income tax expense increased by 85.90% from RMB284.3 million for 2014 to RMB528.5 million for 2015. Effective tax rate increased from 18.09% for 2014 to 20.63% for 2015, primarily due to an increase in income tax expense on the newly operated gas-fired power projects.

11. Profit for the Year

As a result of the above, profit for the year increased by 57.91% from RMB1,287.3 million for 2014 to RMB2,032.8 million for 2015.

12. Profit for the Year Attributable to Ordinary Shareholders of the Company

Profit for the year attributable to ordinary shareholders of the Company increased 58.12% from RMB1,208.3 million in 2014 to RMB1,910.6 million in 2015.

IV. Financial Position

1. Overview

As of 31 December 2015, total assets of the Group amounted to RMB46,401.6 million, total liabilities were RMB30,294.4 million and shareholders' equity reached RMB16,107.2 million, among which equity attributable to the ordinary shareholders amounted to RMB14,096.9 million.

2. Particulars of Assets and Liabilities

Total assets decreased by 3.61% from RMB48,137.7 million as at 31 December 2014 to RMB46,401.6 million as at 31 December 2015, due to the recycling of electricity tariffs and remittance of placing funds for H share. Total liabilities decreased by 13.93% from RMB35,196.0 million as at 31 December 2014 to RMB30,294.4 million as at 31 December 2015, due to the repayment of borrowings. Total equity of shareholders increased by 24.46% from RMB12,941.8 million as at 31 December 2014 to RMB16,107.2 million as at 31 December 2015. Equity attributable to ordinary shareholders of the Company increased by 12.78% from RMB12,499.8 million as at 31 December 2014 to RMB14,096.9 million as at 31 December 2015, due to the operating accretion from business.

3. Liquidity

As of 31 December 2015, current assets amounted to RMB7,051.8 million, including monetary capital of RMB2,114.7 million; bills and trade receivables of RMB2,994.1 million (mainly comprising receivables from sales of electricity and heat energy); and prepayment and other current assets of RMB1,943.0 million (mainly comprising deductible value added tax and other account receivables). Current liabilities amounted to RMB14,189.2 million, including short-term borrowings of RMB3,557.5 million, short-term debentures of RMB6,000.0 million and bills and trade payables of RMB3,807.2 million (mainly comprising payables for gas, payables for engineering and purchase of equipment); other current liabilities amounted to RMB824.5 million, mainly including income tax payable and amounts due to related parties.

Net current liabilities increased by 18.05% from RMB6,045.9 million as at 31 December 2014 to RMB7,137.4 million as at 31 December 2015, due to the issuance of short-term debentures.

Current ratio decreased by 13.63% from 63.33% as at 31 December 2014 to 49.70% as at 31 December 2015, due to the recycling of electricity tariffs and remittance of placing funds for H share.

4. Net Gearing Ratio

Net gearing ratio, calculated by dividing net debts (total borrowings minus cash and cash equivalents) by the sum of net debts and total equity, decreased by 6.56% from 65.40% as at 31 December 2014 to 58.84% as at 31 December 2015 due to the repayment of borrowings.

The Group's long-term and short-term borrowings decreased by 12.29% from RMB28,665.7 million as at 31 December 2014 to RMB25,143.9 million as at 31 December 2015, including short-term borrowings of RMB3,557.5 million, long-term borrowings of RMB13,396.5 million, corporate bonds of RMB2,189.9 million and short-term debentures of RMB6,000.0 million.

Bank deposits and cash held by the Group decreased by 49.73% from RMB4,206.8 million as at 31 December 2014 to RMB2,114.7 million as at 31 December 2015, due to a partial utilization of the proceeds from the placing of H shares and the receipt of government grants and subsidies related to clean energy production for 2014 at the end of the year.

V. Other Significant Events

1. Financing

On 15 May 2015, the Group issued the first tranche ultra short-term debentures of 270 days, proceeds from which amounting to RMB1,000.0 million with an interest rate of 3.50%. On 26 May 2015, the Group issued the second tranche ultra short-term debentures of 270 days, proceeds from which amounting to RMB1,000.0 million with an interest rate of 3.45%. On 11 June 2015, the Group issued the third tranche ultra short-term debentures of 60 days, proceeds from which amounting to RMB1,500.0 million with an interest rate of 3.25%. On 18 August 2015, the Group completed the issuance of the fourth tranche ultra short-term debentures of 270 days, amounting to RMB1,000.0 million with an interest rate of 3.30%.

On 27 May 2015, the Group issued the first tranche short-term debentures, proceeds from which amounting to RMB1,000.0 million with an interest rate of 3.70%. On 22 July 2015, the Group issued the second tranche short-term debentures, proceeds from which amounting to RMB2,000.0 million with an interest rate of 3.30%.

On 18 June 2015, the Group completed the issuance of the first tranche perpetual notes in the PRC, proceeds from which amounting to RMB1,500.0 million with an interest rate of 5.15% and the term of 3+N.

2. Capital Expenditure

In 2015, the Group's capital expenditure amounted to RMB4,122.7 million, including RMB903.7 million incurred for construction projects in the gas-fired power and heat energy generation segment, RMB1,485.1 million incurred for construction projects in the wind power segment, RMB1,512.4 million incurred for construction projects in the photovoltaic power segment, RMB171.2 million incurred for construction projects in the hydropower segment, and RMB50.3 million incurred for construction projects in other segments.

3. Significant Investment

According to the development plan of the Group, the Group established Fugu Jingneng New Energy Co., Limited (府谷縣京能新能源有限公司) and Jingyuan Jingneng New Energy Co., Limited (靖遠京能新能源有限公司) as wholly-owned subsidiaries in 2015 to carry out construction in wind power projects and established Gonghe Jingneng Clean Energy Co., Limited (共和京能清潔能源有限公司), Ningxia Haiyuan Jingneng New Energy Co., Limited (寧夏海原京能新能源有限公司) and Datong Jingneng New Energy Co., Limited (大同京能新能源有限公司) as wholly-owned subsidiaries to carry out the construction of photovoltaic power projects.

4. Contingent Liabilities

As of 31 December 2015, the Group had no external guarantees.

5. Mortgage of Assets

As of 31 December 2015, the Group's bank borrowings were secured by trade receivables of RMB87.0 million and fixed assets of RMB1,471.8 million.

VI. Risk Factors and Risk Management

Currently, the operation and development of the Group are not exposed to any material risk factors, but they will be impacted to a certain extent by several factors in the short run:

1. Interest rate risk

The Group is principally engaged in electricity investment, which requires relatively high capital requirements, thus the uncertainties of interest rate will affect the financing cost of the Group. The Group's results enhances steadily. It has good credit condition and diversified financing channel. A large amount of low cost capital was obtained by the Group through many ways, such as the issue of ultra short-term financing bonds, short-term financing bonds, corporate bonds and perpetual bonds. In addition, the Group effectively prevented the interest risk by participating in the overseas financing market and using financial derivative instruments with long-term and fixed interest rate.

The Group tracked closely the change of economic environment, made judgments on the trend of the market interest rate, enhanced the management of the debt structure and made adjustment to it in a timely manner, to evade from the effect of the interest risk to the greatest extend.

2. **Exchange rate risk**

Most of the transactions of the Group are carried out in mainland China, from which most of the income and expenses are denominated in Renminbi. The Group has a small portion of overseas investments and loans in foreign currencies (including deposits denominated in AUD, HK dollars, as well as borrowings in US dollars, AUD). Movement in the Renminbi exchange rate may cause exchange loss or gain to the Group's foreign currency-denominated business.

The Group will continue to keep an eye on the exchange rate so as to cope with changes in the foreign exchange market and enhance the risk management on exchange rate by various means.

VII. 2016 Business Outlook

As China's economic development has entered into a new normal state and rate of growth in demand for electric power is being slackened, it is expected that during the early and medium stage of "the 13th Five-year Plan" period, the power supply will continue to present the pattern of "surplus in general and overcapacity in partial areas" and the power sector will face an array of challenges in its development. Under this situation, the commodity property of power energy is increasingly recognized and regarded by the whole society, which helps to build the market structure and market system under effective competition, as well as establish and improve the mechanism in which the on-grid price and retail price are determined by the market while the transmission and distribution price is determined by the government. The implementation of the five major development concepts of innovation, coordination, green, openness and sharing is required, to speed up the transformation of the electric development pattern, to optimize the increment, and to transform the industrial development basis from denotative expansion to innovation and deepened reform. According to the Guidance Opinions on Establishing Renewable Energy Development and Utilization Target Leading System issued by the National Energy Administration on 3 March 2016, by 2020, all power generation enterprises (excluding those special non-fossil energy production enterprises) are required to comply such that the energy generating capacity from renewable resources other than hydropower accounts for 9% of the total generating capacity. This is the first time that the National Energy Administration issues mandatory provisions on the renewable energy quota system.

In 2016, the Group will strive to realize various business objectives by accomplishing the following tasks:

1. Strengthening fine management and improving stock assets efficiency

The Group will spare no efforts in professional and refined management, while focusing on lowering costs, improving efficiency, exploring internal potential and trying to achieve an increase in business efficiency by taking all effective measures. The Group shall continue to optimize the production management mode, strictly implement the management system, improve comprehensive control and operation management of equipment, focus on cost control, and improve equipment efficiency; additionally, the Group shall make use of the full consumption policy for clean energy and renewable energy, actively increase the generating capacity and heat amount to ensure that our profit increases to a higher level.

2. The Group will master three orientations and actively develop high-quality projects; focus on improving the quality and efficiency of development and make layout for the "13th Five-Year" development plan

Firstly, the Group will grasp the coordinated and sustainable development orientation of each business segment and firmly adhere to the strategic concept of "expanding gas-fired power", "strengthening wind power", "optimizing photovoltaic power", and developing hydropower and waste-to-power in a safe and orderly way.

With regard to gas-fired power business development, the Group will focus on the development of regional energy projects combining distributed gas-fired and energy Internet in Beijing, Shanghai, Guangzhou, Shenzhen and other first tier major cities based on local planning and endeavor to push the "Shenzhen Low-carbon City" project being approved and start of construction in 2016. The Group will choose quality projects for development in other regions subject to the price formation mechanism of gas-fired power generation and power generation utilization hours, and actively promote preparations for projects in Anhui, Jiangsu, Hubei, etc.. With regard to wind power business development, the Group will focus on pushing the development and construction of cost-effective UHV supporting project and base power project. The Group will endeavor to capture the development of UHV supporting project in Ximeng and power project in Zhangjiakou Alternative Energy Base. With regard to photovoltaic power business, while continuing to seek quality projects in the traditional areas of Qinghai, Inner Mongolia, Xinjiang, and Ningxia, the Group will shift the development range to areas with favorable on-grid conditions such as Shanxi, Shandong, Jiangsu, and Hebei and develop the centralized and distributed photovoltaic projects such as "agricultural-photovoltaic power projects", "fishingphotovoltaic power projects", "animal-photovoltaic power projects" and BMPV according to local conditions. In the meantime, the Group will pay close attention to industry dynamics and propel the solar thermal power projects in areas with favorable light conditions in due time.

Secondly, the Group will grasp the regional dimension of project development and develop domestic projects with steady overseas market layout.

The Group will adapt to the domestic economic new normal and actively explore overseas project to expand the international opportunities. For projects in the developed economies, the Group will carry out in-depth study of local national policies, regional capacity, grid balancing and other conditions and make key layout and project development properly when the market conditions are mature and higher rate of return is promised. The Group's international business team will positively keep an eye on the key project opportunities in areas along "One Belt and One Road" such as Australia and Southeast Asia to push forward international layout steadily.

Thirdly, the Group will grasp the timing dimension of project development, construction and reserve to ensure coordination between the development pace and size and quality efficiency.

The Group will strictly follow the principle of coordination between the development pace and size and quality efficiency based on the specific characteristics of different power projects in different areas. The Group will give high priority to the development and construction of projects with high tariffs and favorable on-grid conditions; we will actively reserve the projects requiring further improvement in external investment environment and policy supporting measures and then make investment decisions at the right time when conditions are mature to constantly expand the Group's business and create maximum benefits for shareholders.

3. Seizing the new opportunity of the structural reform of the electric system and actively coping with the market changes

Along with deep development of electric system reform, clean energy faces an unprecedented development opportunity. Due to overcapacity in power industry, the structure of the power generation system has to be adjusted urgently. Under the policy of the structural reform of the electric system, the Company will actively explore the application of energy Internet technology, expand new development ideas, overcome various local and industrial obstacles and take actions where conditions permit. The Group will expand local high-quality and high-efficiency project, starting from ultra-high voltage and based on external power transmission around areas such as Zhangjiakou and West Inner Mongolia, and actively explore power sales business to broaden the road for the Company's future development.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2015.

FINAL DIVIDEND

The Board resolved to propose to the shareholders of the Company at the 2015 Annual General Meeting (the "**AGM**"), for the payment of a final dividend of RMB6.83 cents per share (tax inclusive) for the year ended 31 December 2015 (the "**2015 Final Dividends**") payable to the shareholders of the Company whose names are listed in the register of members of the Company on relevant date, in an aggregate amount of approximately RMB469.2 million. The 2015 Final Dividends will be denominated and declared in RMB. Dividends on domestic shares will be paid in RMB and dividends on H Shares will be paid in Hong Kong dollars. Subject to the passing of the relevant resolution at the AGM, the 2015 Final Dividends is expected to be paid on or around 5 August 2016.

Pursuant to the Enterprise Income Tax Law of the PRC and its implementation regulations, which came into force since 1 January 2008 and other relevant rules, where the Company distributes the proposed 2015 Final Dividends to non-resident enterprise shareholders whose names appear on the register of members for H shares of the Company, it is required to withhold enterprise income tax at a rate of 10%. Any H shares registered in the name of non-individual registered shareholders, including HKSCC Nominees Limited, other nominees or trustees, or other organizations or groups, will be treated as shares being held by non-resident enterprise shareholders, and consequently will be subject to the withholding of the enterprise income tax.

Pursuant to the PRC Individual Income Tax Law, the Implementation Regulations of the Individual Income Tax Law, the Tentative Measures on Withholding and Payment of Individual Income Tax and other relevant laws and regulations, the foreign individuals who are the holders of H shares shall pay individual income tax at a tax rate of 20% upon their receipt of distribution of dividend from domestic enterprises which issued such H shares, which shall be withheld and paid by such domestic enterprises on behalf of the such individual H shareholders. However, the Notice of the Ministry of Finance and the State Administration of Taxation on Certain Policies Regarding Individual Income Tax effective from 13 May 1994 (the "**1994 Notice**") grants exemption to foreign individuals from PRC individual income tax on dividend from foreign-invested enterprises. Since the Company has become a "foreign-invested enterprise" since August 2010 as approved by the relevant PRC authorities, the individual shareholders who hold the Company's H shares and whose names appear on the register of members of H shares of the Company (the "**Individual H Shareholders**") are not required to pay PRC individual income tax when the Company distributes the 2015 Final Dividends based on the 1994 Notice. Therefore, the Company will not withhold any amount of the 2015 Final Dividends to be distributed to the Individual H Shareholders to pay the PRC individual income tax.

The last date of registration and the book closure period for shareholders who are qualified to attend the AGM convened by the Company in 2016 and shareholders who are qualified to receive 2015 Final Dividends, and the date of declaring dividends is pending further announcement by the Company after the date of AGM has been set.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

As a company listed on the Stock Exchange, the Company always strives to maintain a high level of corporate governance and complied with all code provisions as set out in the Corporate Governance Code as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") for the year ended 31 December 2015.

COMPLIANCE WITH CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions of the Company by the directors and supervisors of the Company. Upon making specific enquiries to all of the directors and supervisors of the Company, all directors and supervisors of the Company confirmed that during the Reporting Period, each of the directors and supervisors of the Company had fully complied with the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers.

AUDITORS

Deloitte Touche Tohmatsu was appointed as the auditor for the year ended 31 December 2015. The figures in this results announcement have been reviewed by Deloitte Touche Tohmatsu and the Company's financial statements for the year 2015 prepared in accordance with IFRSs have been audited by Deloitte Touche Tohmatsu. The work performed by Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Deloitte Touche Tohmatsu on the preliminary announcement.

A resolution on re-appointing Deloitte Touche Tohmatsu as the auditor for the financial statements prepared in accordance with IFRSs of the Company in the year of 2016 will be proposed at the Company's forthcoming AGM.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed the Group's 2015 annual results and the financial statements for the year ended 31 December 2015 prepared in accordance with the IFRSs.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the HKExnews website of the Stock Exchange at http://www.hkexnews.hk and on the website of the Company at http://www.jncec.com/. The 2015 annual report containing all the information required by the Listing Rules will be dispatched to the shareholders in due course and will be published on the websites of the Company and the Stock Exchange.

By order of the Board
Beijing Jingneng Clean Energy Co., Limited
KANG Jian
Company Secretary

Beijing, the PRC
29 March 2016

As at the date of this announcement, the non-executive directors of the Company are Mr. Guo Mingxing, Mr. Xu Jingfu, Mr. Liu Guochen, Mr. Yu Zhongfu and Mr. Jin Yudan; the executive director of the Company is Mr. Chen Ruijun; and the independent non-executive directors of the Company are Mr. Liu Chaoan, Mr. Zhang Fusheng, Ms. Lau Miu Man and Mr. Han Xiaoping.