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

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

(Stock Code: 1071)

2016 INTERIM RESULTS ANNOUNCEMENT

The board of directors (the "**Board**") of Huadian Power International Corporation Limited* (the "**Company**") hereby announces the summary of the unaudited interim consolidated financial results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2016 (the "**Period**") prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting".

FINANCIAL AND BUSINESS SUMMARIES

- Power generation amounted to approximately 86.55 million MWh, representing an increase of approximately 6.17% over the corresponding period in 2015;
- The on-grid power sold amounted to approximately 80.98 million MWh, representing an increase of approximately 6.11% over the corresponding period in 2015;
- Turnover amounted to approximately RMB29,374 million, representing a decrease of approximately 3.24% over the corresponding period in 2015;
- Profit for the Period attributable to equity shareholders of the Company amounted to approximately RMB2,469 million, representing a decrease of approximately 30.61% over the corresponding period in 2015; and
- Earnings per share was approximately RMB0.25.

The Board of the Company hereby announces the unaudited operating results for the Period and the comparison between such results and the relevant results of the corresponding period in 2015. During the Period, turnover of the Group amounted to approximately RMB29,374 million, representing a decrease of approximately 3.24% over the corresponding period in 2015; profit for the Period attributable to equity shareholders of the Company amounted to approximately RMB2,469 million, representing a decrease of approximately 30.61% over the corresponding period in 2015; earnings per share was approximately RMB0.25; net asset value per share (excluding non-controlling interests) amounted to approximately RMB4.38.

The Board did not recommend declaring any interim dividend for the Period.

The Group's interim financial statements for the Period are unaudited, but they have been reviewed by Deloitte Touche Tohmatsu, the auditor of the Company, in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The unmodified review report addressed to the Board will be included in the interim report to be sent to the Company's shareholders in due course. The audit committee of the Company (the "**Audit Committee**") has also reviewed the 2016 interim results and the relevant financial information of the Group.

MAJOR ASSETS

The Group is one of the largest comprehensive energy companies in the PRC, primarily engaging in the construction and operation of power plants, including large-scale efficient coal- or gas-fired generating units and various renewable energy projects. The Group's power generating assets are located in 13 provinces, autonomous regions or municipalities around China, which are strategically built in advantageous geographical locations, mainly in the vicinity of electricity load centres or coal mining regions. As at the date of this announcement, the number of controlled power plants of the Group which have commenced operations totaled 57, with the total controlled installed capacity amounting to 46,108.7 MW, including 41,236.5 MW of the controlled installed capacity attributable to coal- or gas-fired generating units, and 4,872.2 MW of the controlled installed capacity attributable to renewable energy generating units such as hydropower, wind power, solar power power generating units.

Details of the Group's major operational power generating assets as at the date of this announcement are as follows:

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

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Group	Generating units
1	Zouxian Plant	2,575	100%	1 x 635 MW + 1 x 600 MW + 4 x 335 MW
2	Shiliquan Plant	800	100%	2 x 330 MW + 1 x 140 MW
3	Laicheng Plant	1,200	100%	4 x 300 MW
4	Shuozhou Thermal Power Branch	700	100%	2 x 350 MW
5	Huadian Zouxian Power Generation Company Limited ("**Zouxian Company**")	2,000	69%	2 x 1,000 MW
6	Huadian Laizhou Power Generation Company Limited ("**Laizhou Company**")	2,000	75%	2 x 1,000 MW
7	Huadian Weifang Power Generation Company Limited ("**Weifang Company**")	2,000	45%	2 x 670 MW + 2 x 330 MW
8	Huadian Qingdao Power Generation Company Limited ("**Qingdao Company**")	1,220	55%	1 x 320 MW + 3 x 300 MW
9	Huadian Zibo Thermal Power Company Limited ("**Zibo Company**")	950	100%	2 x 330 MW + 2 x 145 MW

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Group	Generating units
10	Huadian Zhangqiu Power Generation Company Limited ("**Zhangqiu Company**")	925	87.5%	1 x 335 MW + 1 x 300 MW + 2 x 145 MW
11	Huadian Tengzhou Xinyuan Thermal Power Company Limited ("**Tengzhou Company**")	930	93.257%	2 x 315 MW + 2 x 150 MW
12	Hudian Longkou Power Generation Company Limited ("**Longkou Company**")	880	84.31%	4 x 220 MW
13	Huadian Ningxia Lingwu Power Generation Company Limited ("**Lingwu Company**")	3,320	65%	2 x 1,060 MW + 2 x 600 MW
14	Ningxia Zhongning Power Generation Company Limited ("**Zhongning Company**")	660	50%	2 x 330 MW
15	Sichuan Guang'an Power Generation Company Limited ("**Guang'an Company**")	2,400	80%	2 x 600 MW + 4 x 300 MW
16	Huadian Xinxiang Power Generation Company Limited ("**Xinxiang Company**")	1,320	90%	2 x 660 MW
17	Huadian Luohe Power Generation Company Limited ("**Luohe Company**")	660	75%	2 x 330 MW
18	Huadian Qudong Power Generation Company Limited ("**Qudong Company**")	660	90%	2 x 330 MW
19	Anhui Huadian Suzhou Power Generation Company Limited ("**Suzhou Company**")	1,260	97%	2 x 630 MW
20	Anhui Huadian Wuhu Power Generation Company Limited ("**Wuhu Company**")	1,320	65%	2 x 660 MW
21	Anhui Huadian Lu'an Power Generation Company Limited ("**Lu'an Company**")	1,320	95%	2 x 660 MW
22	Hangzhou Huadian Banshan Power Generation Company Limited ("**Hangzhou Banshan Company**")	2,545	64%	3 x 415 MW + 3 x 390 MW + 1 x 130 MW
23	Hangzhou Huadian Xiasha Thermal Power Company Limited ("**Xiasha Company**")	246	56%	1 x 88 MW + 2 x 79 MW
24	Hangzhou Huadian Jiangdong Thermal Power Company Limited ("**Jiangdong Company**")	960.5	70%	2 x 480.25 MW
25	Hangzhou Huadian Longyou Thermal Power Company Limited ("**Longyou Company**")	405	100%	2 x 127.6 MW + 1 x 130.3 MW + 1 x 19.5 MW
26	Hebei Huadian Shijiazhuang Thermal Power Company Limited ("**Shijiazhuang Thermal Power Company**")	475	82%	2 x 200 MW + 3 x 25 MW
27	Hebei Huadian Shijiazhuang Yuhua Thermal Power Company Limited ("**Yuhua Company**")	600	100%	2 x 300 MW
28	Hebei Huadian Shijiazhuang Luhua Thermal Power Company Limited ("**Luhua Company**")	660	90%	2 x 330 MW

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Group	Generating units
29	Hebei Huarui Energy Group Corporation Limited ("**Huarui Company**") *(Note)*	1,544.36	100%	–
30	Shaoguan City Pingshi Electric Power Plant Company Limited (Plant B) ("**Pingshi Power Company**")	725	100%	2 x 300 MW + 1 x 125 MW
31	Tianjin Huadian Fuyuan Thermal Power Company Limited ("**Fuyuan Thermal Power Company**")	400	100%	2 x 200 MW
32.	Huadian Hubei Power Generation Company Limited ("**Hubei Company**")	5,120	82.56%	2 x 680 MW + 2 x 640 MW + 6 x 330 MW + 1 x 300 MW + 1 x 200 MW

Note: As at the date of this announcement, the interested installed capacity of Huarui Company held by the Group amounted to 1,544.36 MW. The installed capacity of wind power of Hebei Huadian Yuzhou Wind Power Company Limited, a wholly-owned subsidiary of Huarui Company, amounted to 99 MW.

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

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Group	Generating units
1	Huadian Suzhou Biomass Energy Power Company Limited ("**Suzhou Biomass Energy Company**")	25	78%	2 x 12.5 MW
2	Sichuan Huadian Luding Hydropower Company Limited ("**Luding Hydropower Company**")	920	100%	4 x 230 MW
3	Sichuan Huadian Za-gunao Hydroelectric Development Company Limited ("**Za-gunao Hydroelectric Company**")	591	64%	3 x 65 MW + 3 x 56 MW + 3 x 46 MW + 3 x 30 MW
4	Lixian Xinghe Ganbao Power Company Limited ("**Ganbao Company**")	34	100%	4 x 8.5 MW
5	Lixian Xinghe Power Company Limited ("**Lixian Company**")	33	100%	3 x 11 MW
6	Sichuan Liangshan Shuiluohe Hydropower Development Company Limited ("**Shuiluohe Company**")	324	57%	3 x 70 MW + 3 x 38 MW
7	Hebei Huadian Complex Pumping-storage Hydropower Company Limited ("**Hebei Hydropower Company**")	57	100%	1 x 16 MW + 2 x 15 MW + 1 x 11 MW

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Group	Generating units
8	Huadian Inner Mongolia Kailu Wind Power Company Limited ("**Kailu Wind Power Company**")	399	100%	262 x 1.5 MW + 2 x 3 MW
9	Huadian Kezuozhongqi Wind Power Company Limited ("**Kezuozhongqi Wind Power Company**")	49.5	100%	33 x 1.5 MW
10	Huadian Power International Ningxia New Energy Power Company Limited ("**Ningxia New Energy Company**")	1,262	100%	123 x 2 MW + 664 x 1.5 MW + 20 x 1 MW
11	Hebei Huadian Guyuan Wind Power Company Limited ("**Guyuan Wind Power Company**")	270.5	100%	167 x 1.5 MW + 20 MW
12	Hebei Huadian Kangbao Wind Power Company Limited ("**Kangbao Wind Power Company**")	129	100%	48 x 2 MW + 2 x 1.5 MW + 30 MW
13	State Development Zhangjiakou Wind Power Company Limited ("**Zhangjiakou Wind Power Company**")	100.5	100%	67 x 1.5 MW
14	Huadian Laizhou Wind Power Company Limited ("**Laizhou Wind Power Company**")	40.5	55%	27 x 1.5 MW
15	Huadian Laizhou Wind Power Generation Company Limited ("**Laizhou Wind Company**")	48	100%	24 x 2 MW
16	Huadian Laizhou Wind Energy Power Company Limited ("**Laizhou Wind Energy Company**")	99.6	55%	48 x 2 MW + 2 x 1.8 MW
17	Huadian Changyi Wind Power Company Limited ("**Changyi Wind Power Company**")	49.5	100%	33 x 1.5 MW
18	Huadian Zibo Wind Power Company Limited ("**Zibo Wind Power Company**")	48	100%	24 x 2 MW
19	Huadian Longkou Wind Power Company Limited ("**Longkou Wind Power Company**")	49.5	65%	23 x 1.5 MW + 6 x 2.5 MW
20	Huadian Zaozhuang New Energy Generation Company Limited ("**Zaozhuang New Energy Company**")	50	100%	25 x 2 MW
21	Huadian Feicheng New Energy Generation Company Limited ("**Feicheng New Energy Company**")	99.8	100%	48 x 2 MW + 2 x 1.9 MW
22	Huadian Laixi New Energy Generation Company Limited ("**Laixi New Energy Company**")	49.8	100%	24 x 2 MW + 1 x 1.8 MW

	Name of power plant/company	Installed capacity *(MW)*	Equity interest held by the Group	Generating units
23	Longkou Dongyi Wind Power Company Limited ("**Dongyi Wind Power Company**")	30	100%	20 x 1.5 MW
24	Huadian Ningxia Ningdong Shangde Solar Power Company Limited ("**Shangde Solar Company**")	10	60%	10 x 1 MW
25	Huadian Zhangjiakou Saibei New Energy Generation Company Limited ("**Zhangjiakou Saibei New Energy Company**")	4	100%	4 x 1 MW

ADDITIONAL INSTALLED CAPACITY

From 1 January 2016 up to the date of this announcement, the capacity of the Group's newly-installed generating units amounted to 333.4 MW:

Name of company	Category	Installed capacity *(MW)*
Laizhou Wind Energy Company	Wind power	49.8
Zaozhuang New Energy Company	Wind power	50
Feicheng New Energy Company	Wind power	99.8
Laixi New Energy Company	Wind power	49.8
Dongyi Wind Power Company	Wind power	30
Kangbao Wind Power Company	Solar power	30
Guyuan Wind Power Company	Solar power	20
Zhangjiakou Saibei New Energy Company	Solar power	4
Total		333.4

PROJECTS APPROVED AND UNDER CONSTRUCTION

As at the date of this announcement, the Group's principal generating units approved and under construction are as follows:

	Generating units approved and under construction	Planned installed capacity *(MW)*
1	Two 600 MW Generating Units Project of Chongqing Fengjie Plant	1,200
2	One 600 MW Generating Unit Expansion Project of Shiliquan Plant	660
2	The Second 660 MW Coal-fired Generating Units Project of Shiliquan Plant	660
3	Phase II of two 1,000 MW Coal-fired Generating Units Project of Laizhou Company	2,000
4	Two 660 MW Coal-fired Generating Units Project of Ningxia Huadian Yongli Power Generation Company Limited	1,320
5	Phase II of the first 1,000 MW Coal-fired Generating Unit Project of Wuhu Company	1,000
6	Two 600 MW Coal-fired Generating Units Project of Shantou Huadian Power Generation Company Limited	1,200
7	Two 350 MW Heat-Power Co-generating Project of Guangdong Huadian Shaoguan Thermal Power Company Limited	700
8	Two 660 MW Generating Units Project of Hubei Jiangling Power Generation Company Limited	1,320
9	900 MW Natural Gas newly-added Generating Units Project of Tianjing Huadian Nanjiang Thermal Power Company Limited	900
10	Three 100 MW Distributed Energy Resources Project of Shenzhen Huadian Pingshan	300
11	Two 400 MW Natural Gas Thermal Co-generating Project of Shijiazhuang Thermal Power Company	800
12	Three 59 MW Distributed Energy Resources Project of Huadian Guangdong Shunde Energy Company Limited	177
13	Three 59 MW Natural Gas Generating Project of Huadian Foshan Energy Company Limited	177
14	492 MW Hydroelectric Project of Shuiluohe Company	492
15	149.5 MW Wind Power Project of Ningxia New Energy Company	149.5
16	48 MW Wind Power Project of Xujiazhuang, Yiyuan, Zibo	48
17	Phase II of the 49.8 MW Wind Power Project of Kunlun Wind Farm of Zibo Wind Power Company	49.8
18	Phase II of the 48 MW Wind Power Project of Changyi Wind Power Company	48
19	49.9 MW Wind Power Project of Humen Wind Farm of Feicheng New Energy Company	49.9
20	Phase II of the 49.8 MW Wind Power Project of Longkou Wind Power Company	49.8
21	Phase I of the 49.5 MW Wind Power Project of Inner Mongolia Shangdu Xijingzi	49.5
22	49.5 MW Wind Power Project of Gaojialiang Wind Farm in Wengniute City of Inner Mongolia	49.5
23	50 MW Wind Power Project of Xunyituqiao Wind Farm in Xianyang City of Shaanxi	50

	Generating units approved and under construction	Planned installed capacity *(MW)*
24	100 MW Wind Power Project of Huadian Xiaxian Wind Power Company Limited, Yaotaishan	100
25	98 MW Wind Power Project in Zezhou, Jincheng of Shanxi	98
26	99 MW Wind Power Project of Huadian Xuwen Wind Power Company Limited ("**Xuwen Wind Power Company**")	99
27	Wind Power Project of Dajin, Wuxue, Hubei	80
28	10 MW Solar Power Generation Project of Hudian Zhangqiu Xianggongzhuang	10
29	Phase I of the 10 MW Engineering Project Huadian Tai'erzhuang Photovoltaic Power Station	10
30	20 MW Photovoltaic Power Station Project in Yuanbaoshan, Guyuan of Hebei	20
31	150 MW Solar Power Generation Project in Suixian, Hubei	150
32	100 MW Solar Power Generation Project in Zaoyangtaiping, Xiangyang of Hubei	100
	Total	**14,117**

MANAGEMENT DISCUSSION AND ANALYSIS

(1) Macroeconomic conditions and electricity demand

According to the relevant information and statistics, in the first half of 2016, the gross domestic product ("**GDP**") of the PRC amounted to RMB34,063.7 billion, representing an increase of 6.7% over the corresponding period in 2015 based on comparable prices. Power consumption of the entire society in the PRC totaled 2,775.9 million MWh, representing an increase of 2.7% over the corresponding period in 2015, with a year-on-year increase of approximately 1.4 percentage point in the growth rate. Specifically, consumption by the primary industry represented a year-on-year increase of 7.7%, consumption by the secondary industry represented a year-on-year increase of 0.5% and consumption by the tertiary industries represented a year-on-year increase of 9.2%, while the consumption by urban and rural residents for households represented a year-on-year increase of 7.7%.

(2) Power generation

During the Period, power generated by the Group amounted to approximately 86.55 million MWh, representing an increase of approximately 6.17% over the corresponding period in 2015; on-grid power sold amounted to approximately 80.98 million MWh, representing an increase of approximately 6.11% over the corresponding period in 2015; average utilization hours of the generating units was 1,878 hours, the average utilization hours of coal-fired generating units was 2,099 hours and coal consumption for power supply was 300.00 g/KWh, much lower than the national average.

(3) Turnover and profit

Turnover of the Group for the Period amounted to approximately RMB29,374 million, representing a decrease of approximately 3.24% over the corresponding period in 2015, mainly due to the acquisition of the Hubei Company, the increase in installed capacity of newly-added generating units, the decrease in the average utilization hours of generating units and the decrease in on-grid power price. Revenue generated from the sale of electricity amounted to approximately RMB26,750 million, representing a decrease of approximately 5.54% over the corresponding period in 2015. Revenue generated from the sale of heat amounted to approximately RMB1,905 million, representing an increase of approximately 4.73% over the corresponding period in 2015. Revenue generated from the sale of coal amounted to approximately RMB720 million, representing an increase of approximately 226.60% over the corresponding period in 2015.

The Group's operating profit for the Period amounted to approximately RMB6,532 million, representing a decrease of approximately 19.01% over the corresponding period in 2015. Profit for the Period attributable to equity shareholders of the Company amounted to approximately RMB2,469 million, representing a decrease of approximately 30.61% over the corresponding period in 2015. Earnings per share was approximately RMB0.25.

(4) Major operating expenses

Fuel cost is the major operating expense of the Group. Fuel cost of the Group for the Period amounted to approximately RMB11,169 million, representing a decrease of approximately 11.12% over the corresponding period in 2015, mainly due to the acquisition of the Hubei Company, the increase in installed capacity of newly-added generating units, the decrease in the average utilization hours of generating units and the decrease in the price of coal. Fuel cost accounted for approximately 48.90% of the operating expenses of the Group. The unit fuel cost of coal-fired generating units decreased by 18.73% on a year-on-year basis.

During the Period, cost of coal sold of the Group amounted to RMB671 million, representing an increase of approximately 324.46% over the corresponding period in 2015, mainly due to the acquisition of the Hubei Company.

During the Period, depreciation and amortization expenses of the Group amounted to approximately RMB5,200 million, representing an increase of approximately 22.16% over the corresponding period in 2015, mainly due to the acquisition of the Hubei Company and newly-added generating units.

During the Period, repairs, maintenance and inspection costs of the Group amounted to approximately RMB1,749 million, representing an increase of approximately 10.27% over the corresponding period in 2015, mainly due to the acquisition of the Hubei Company and newly-added generating units.

During the Period, personnel costs of the Group amounted to approximately RMB2,349 million, representing an increase of approximately 17.10% over the corresponding period in 2015, mainly due to the acquisition of the Hubei Company and newly-added generating units.

During the Period, administration expenses of the Group amounted to approximately RMB964 million, representing a decrease of approximately 4.14% over the corresponding period in 2015, mainly due to the increase in the cost control of the Group in order to reduce expenditures.

During the Period, tax and levies on operation of the Group amounted to approximately RMB344 million, representing an increase of approximately 17.84% over the corresponding period in 2015, mainly due to the acquisition of the Hubei Company.

During the Period, other operating expenses of the Group amounted to approximately RMB397 million, representing a decrease of approximately 5.89% over the corresponding period in 2015, mainly due to a decrease in power generated for other companies.

(5) Other revenue and net income

During the Period, other revenue and net income of the Group amounted to approximately RMB422 million, representing an increase of approximately 60.18% over the corresponding period in 2015, mainly due to an increase in government grants.

(6) Finance costs

During the Period, finance costs of the Group amounted to approximately RMB2,521 million, representing a decrease of approximately 14.23% over the corresponding period in 2015, mainly due to the decrease in the average cost of capital and reduction in borrowings from banks.

(7) Share of profit of associates and a joint venture

During the Period, the profits of associates and a joint venture attributable to the Group amounted to approximately RMB81 million, representing a decrease of approximately 68.50% over the corresponding period in 2015, mainly due to the decrease in the profits of entities invested by the Group.

(8) Income tax

Income tax of the Group during the Period amounted to approximately RMB1,136 million, representing a decrease of approximately 13.08% over the corresponding period in 2015, mainly due to a decrease in the Group's profit.

(9) Pledge and mortgage of assets

The Company and its subsidiaries, including Qingdao Company, Guang'an Company, Lingwu Company, Suzhou Company, Luding Hydropower Company, Wuhu Company, Hangzhou Banshan Company, Za-gunao Hydroelectric Company, Zhongning Company, Shuiluohe Company, Ningxia New Energy Company, Changyi Wind Power Company, Xiasha Company, Laizhou Wind Energy Company, Xuwen Wind Power Company, Zhangjiakou Saibei New Energy Company, Zhangjiakou Wind Power Company and the Hubei Company, have together pledged their income streams in respect of the sale of electricity or trade receivables for the sale of electricity as security for loans amounting to approximately RMB20,415 million.

The generating units, relevant equipments and land use rights of Pingshi Power Company were mortgaged to secure its loans amounting to approximately RMB1,222 million. In addition, the plants and equipment of Shuiluohe Company were mortgaged as security for its loans amounting to approximately RMB1,299 million. The mining rights of Shanxi Maohua Energy Investment Company were mortgaged as security for its long-term borrowings amounting to RMB420 million. The manufacturing facilities of Ningxia New Energy Company were mortgaged as security for its long-term borrowings amounting to RMB155 million.

(10) Indebtedness

As at 30 June 2016, total borrowings of the Group amounted to approximately RMB81,137 million, of which borrowings denominated in US dollar and the Euro amounted to approximately US$65 million and EUR17 million, respectively.

In addition, the closing balance of super short-term debentures payable, short-term debentures payable, medium-term notes payable (including those due within one year) and debentures issued through non-public offerings to target subscribers of the Group amounted to approximately RMB16,048 million, RMB6,613 million, RMB4,074 million and RMB6,991 million, respectively.

As at 30 June 2016, the liability to asset ratio of the Group was approximately 71.84%.

(11) Contingent liabilities

As at 30 June 2016, Guang'an Company, a subsidiary of the Group, had provided guarantees to banks for loans amounting to RMB44 million to Sichuan Huayingshan Longtan Coal Company Limited ("**Longtan Company**").

(12) Cash and cash equivalents

As at 30 June 2016, the Group had cash and cash equivalents of approximately RMB8,431 million.

Save as the information disclosed herein, information with respect to the Group's other matters as set out in paragraph 32 of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**") (The Stock Exchange of Hong Kong Limited is referred as the "**Hong Kong Stock Exchange**") has not changed materially from that included in the Company's 2015 annual report.

BUSINESS OUTLOOK

At present and in the not too distant future, the development and business environment which the Group is in is encountering profound and complex changes. Firstly, in the development environment, the guidance from the State for the orderly development of coal-fired power and the stringent control over the scale of additional coal-fired power have brought uncertainties to the development of coal-fired power projects of the Group. In terms of new energy development, the State has implemented policies including the "quota system" and indemnificatory acquisitions to encourage the rapid development of new energy, at the same time to implement the warning mechanism for wind power development, such that new demands are raised on the direction of the Group's reservation of wind power resources. Secondly, in the business environment, in terms of the electricity market, there was an increase of 2.7% in the national power consumption in the society in the first half of the year over the corresponding period in the previous year. The growth in the use of electricity for industrial purpose was sluggish and the Group is expected to record a year-on-year decline in thermal power utilization hours this year. At the same time, as the progress of the power system reform accelerates, it is expected that the Group's share in the electricity market will increase more than predicted this year. For the coal market, as coal is one of the priorities in the supply-side of the structural reform of the State, the coal supply end of the industry experienced relatively big changes, at which characteristics of supply contraction, price rebound in areas and in phases have been shown. This is expected to exert certain impact on the Group's business. For the capital market, the sustained release of the effects of the interest rate cuts and reserve requirement ratio cuts of the People's Bank of China, has provided sound conditions for the Company to further reduce its financing costs.

The Group will accurately grasp the development trends of the macro economy and the energy industry with a strategic vision, a scientific and pragmatic attitude to actively respond to difficulties and challenges with a focus on achieving the "four commitments": firstly, the commitment to structural reform. The Group will adhere to the development of scale which is subject to quality and effectiveness, and strive to promote the optimization and adjustment of the structure of equipment, power sources and regions. Secondly, the commitment to quality and efficiency enhancement. The Group will enhance the quality and efficiency of existing assets with the goal of improving market competitiveness and strengthen the management and control of costs. For incremental assets, the Group will optimize site selection and layout based on market demand, and implement boundary conditions into practice to ensure quality and efficiency from the source. Thirdly, the commitment to management innovation. The Group will make efforts to enhance adaptation of the structure, mode and process of management closely to the changing environment by following the market and focusing on management. Fourthly, the commitment to the strategy that only talents can make a strong enterprise. The Group will strength the building of leadership teams, upgrade personnel development and training as well as innovate staff incentive mechanisms to earnestly transform our edge in human resources into advantages in terms of production, management, development and market competition.

SIGNIFICANT EVENTS AND SUBSEQUENT EVENT

(1) Change of directors

In February 2016, Mr. Wei Jian has tendered his resignation from the position as an independent non-executive director of the Company as well as members of the Remuneration and Appraisal Committee, the Nomination Committee and the Audit Committee under the Board due to work requirement, with effect from the conclusion of 2015 annual general meeting held on 31 May 2016 (the "**AGM**") .

Mr. Wang Chuanshun has been appointed as an independent non-executive director of the Company at the AGM, with a term of office from the conclusion of the AGM to the date of expiry of the seventh session of the Board. Mr. Wang Chuanshun will then be eligible for re-election.

Mr. Geng Yuanzhu has tendered his resignation from the position as an executive director and as a vice general manager of the Company due to personal reasons, with effect from 17 August 2016.

For details, please refer to the announcements of the Company dated 22 February 2016, 31 May 2016 and 17 August 2016.

(2) Renewal of Finance Lease Framework Agreement entered into with Huadian Financial Leasing Company Limited ("Huadian Financial Leasing")

On 20 April 2016, the Company renewed the finance lease framework agreement with Huadian Financial Leasing, pursuant to which Huadian Financial Leasing has agreed to provide the Group with finance lease services subject to the terms and conditions provided therein. These services include direct leasing and leaseback services. In respect of each finance lease, the relevant members of the Group and Huadian Financial Leasing will enter into separate implementation contracts. The aggregate finance amount outstanding from time to time in respect of all finance leases will not exceed RMB1,250 million. Huadian Financial Leasing is a subsidiary of the Company's controlling shareholder, i.e., China Huadian Corporation ("**China Huadian**"), and thus a connected person of the Company. The continuing transactions under the finance lease framework agreement constitute continuing connected transactions of the Company.

For details, please refer to the announcement of the Company dated 20 April 2016.

SHAREHOLDINGS OF SUBSTANTIAL SHAREHOLDERS

So far as the directors of the Company are aware, each of the following persons, not being a director, supervisor, chief executive officer or members of the senior management of the Company, had an interest or short position as at 30 June 2016 in the Company's shares or underlying shares (as the case may be) which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "**SFO**"), or was otherwise interested in 5% or more of any class of issued share capital of the Company as at 30 June 2016, or was a substantial shareholder (as defined in the Hong Kong Listing Rules) of the Company as at 30 June 2016:

			Equity Interest as at 30 June 2016		
Name of shareholder	**Class of shares**	**Number of shares held**	**Approximate percentage of the total number of shares of the Company in issue**	**Approximate percentage of the total number of A shares of the Company in issue**	**Approximate percentage of the total number of H shares of the Company in issue**
China Huadian	A Shares	4,534,199,224(L)	45.97%	55.66%	–
	H Shares	85,862,000(L) *(Note)*	0.87%	–	5.00%
Shandong International Trust Co.,Ltd	A Shares	800,766,729(L)	8.12%	9.83%	–
JPMorgan Chase & Co.	H Shares	171,726,212(L)	1.74%	–	10.00%
		7,893,070(S)	0.08%	–	0.45%
		63,060,737(P)	0.64%	–	3.67%
AllianceBernstein L.P.	H Shares	136,434,570(L)	1.38%	–	7.94%
BlackRock, Inc.	H Shares	116,996,963(L)	1.19%	–	6.81%
Morgan Stanley	H Shares	88,326,619(L)	0.90%	–	5.14%
		20,270,918(S)	0.21%	–	1.18%

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

Note: So far as the directors of the Company are aware or are given to understand, these 85,862,000 H shares were directly held by a wholly-owned subsidiary of China Huadian, namely, China Huadian Hong Kong Company Limited through CCASS in the name of HKSCC Nominees Limited.

Save as disclosed above and so far as the directors of the Company are aware, as at 30 June 2016, no other person (other than the directors, supervisors, chief executive or members of senior management of the Company) had any interest or short position in the Company's shares or underlying shares (as the case may be) which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under section 336 of the SFO, or was otherwise a substantial shareholder (as defined in the Hong Kong Listing Rules) of the Company.

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

As at 30 June 2016, the interests or short positions of the directors, supervisors, chief executives or members of the 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 the SFO) which were notified to the Company and the Hong Kong 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 recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Hong Kong Listing Rules adopted by the Company (the "**Model Code**"), to be notified to the Company and the Hong Kong Stock Exchange, were as follows:

Name	Position in the Company	Number of A Shares of the Company held as personal interest	Capacity in A Shares
Gou Wei	Non-executive director	10,000 *(Note)*	Beneficial owner

Note: Accounted for approximately 0.0001% of the total issued A shares of the Company on 30 June 2016.

Save as disclosed above, as at 30 June 2016, none of the directors, supervisors, chief executives or members of the senior management of the Company and their respective associates had any interest or short position in the shares, underlying shares and/or debentures (as the case may be) of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) which was (i) required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interest and short position which any such director, supervisor, chief executive or members of senior management of the Company was taken or deemed to have under such provisions of the SFO) or was (ii) required to be entered in the register of interests required to be kept by the Company pursuant to section 352 of the SFO, or which was otherwise (iii) required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code (which for this purpose shall be deemed to apply to the supervisors of the Company to the same extent as it applies to the directors of the Company).

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Saved as disclosed in this announcement, during the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of its issued securities ("**securities**" having the meaning as ascribed thereto under paragraph 1 of Appendix 16 to the Hong Kong Listing Rules).

DESIGNATED DEPOSITS AND OVERDUE TIME DEPOSITS

As at 30 June 2016, the Group's deposits placed with financial institutions or other parties did not include any designated or trust deposits, or any material time deposits which could not be collected by the Group upon maturity.

MATERIAL LITIGATION

As at 30 June 2016, certain members of the Group was a party to certain litigations arising from the Group's ordinary course of business or acquisition of assets. However, the management of the Group believes that any possible legal liability which incurred or may incur from the aforesaid cases will not have material adverse effect on the financial position and operating results of the Group.

AUDIT COMMITTEE

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

CORPORATE GOVERNANCE

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

The codes on corporate governance practices adopted by the Company include, but not limited to, its Articles of Association, Code on Shareholders' Meetings, Code on Board Practices, Code on Supervisory Committee, the Terms of Reference for the Audit Committee under the Board, the Terms of Reference for the Remuneration and Appraisal Committee under the Board, and the Terms of Reference for the Nomination Committee under the Board, etc.

The Company has established and improved the standardized operating systems of the general meetings, Board, supervisory committees of the Company and its subsidiaries. The independent directors, the Audit Committee and the Supervisory Committee have actively supervised the preparation of regular reports, whereas non-executive directors and supervisors have performed their duties by carrying out annual reviews and the Supervisory Committee has further improved its supervisory duties. The Company has upheld transparency and compliance with information disclosures. Trainings regarding corporate governance and regulatory compliance were provided to the directors, supervisors and secretaries to the board of subsidiaries of the Company. In accordance with the relevant requirements of the internal control and risk management of the Company, regular assessments were made on the internal control and risk management of the Company.

The Group has initiated the preparation work in respect of the environmental, social and governance ("**ESG**") indicator system in accordance with the requirement of the Hong Kong Listing Rules. According to the latest regulatory requirements of the ESG guide, the Group, having regard to its current situation, systematically rationalized the Group's ESG indicator system, assigned relevant responsibilities to relevant departments, and established indicator reporting channels and collection tools, with reference to the practices of outstanding domestic and overseas enterprises.

The Board is committed to the principles of corporate governance consistent with prudent management and enhancement of shareholders' value. Transparency, accountability at home and abroad and independence are enshrined under these principles. The Board has reviewed the relevant requirements prescribed under the codes on corporate governance practices adopted by the Company and its actual operations, and has taken the view that the corporate governance practices adopted by the Company during the Period have met the requirements under the code provisions in the Corporate Governance Code as contained in Appendix 14 to the Hong Kong Listing Rules, and adopted the Board Member Diversity Policy. In certain aspects, the corporate governance codes adopted by the Company are more stringent than the code provisions set out in the Corporate Governance Code, the major particulars of which are as follows:

– The Company has formulated the Code on Trading in Securities of Huadian Power International Corporation Limited for Directors and Supervisors and the Code on Trading in Securities of Huadian Power International Corporation Limited* for Employees, which are on terms no less lenient than those set out in the Model Code.

– In addition to the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee, the Company has established the Strategic Committee and has stipulated the Working Procedures for the Strategic Committee.

– The Audit Committee comprises five members, including two non-executive directors and three independent non-executive directors.

By order of the Board
Huadian Power International Corporation Limited*
Li Qingkui
Chairman

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

Li Qingkui (Chairman, Non-executive Director), Chen Jianhua (Vice Chairman, Non-executive Director), Wang Yingli (Vice Chairman, Non-executive Director), Chen Bin (Executive Director), Gou Wei (Non-executive Director), Chu Yu (Non-executive Director), Zhang Ke (Non-executive Director), Ding Huiping (Independent Non-executive Director), Wang Dashu (Independent Non-executive Director), Zong Wenlong (Independent Non-executive Director) and Wang Chuanshun (Independent Non-executive Director).

Beijing, the PRC
30 August 2016

* *For identification purposes only*

I. SUMMARY OF FINANCIAL INFORMATION IN THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS PREPARED UNDER IFRSs

The consolidated financial information set out below is extracted from the report on review of unaudited condensed consolidated financial statements prepared under IFRSs of the Group as set out in its 2016 interim report.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2016

		Six months ended 30 June	
		2016	2015
	Notes	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Turnover	4	**29,374,186**	30,357,031
Operating expenses			
Fuel costs		**(11,169,029)**	(12,566,164)
Cost of coal sold		**(671,307)**	(158,155)
Depreciation and amortisation		**(5,199,522)**	(4,256,457)
Repairs, maintenance and inspection		**(1,749,186)**	(1,586,316)
Personnel costs		**(2,349,452)**	(2,006,289)
Administrative expenses		**(963,791)**	(1,005,456)
Tax and levies on operation		**(343,634)**	(291,610)
Other operating expenses		**(396,564)**	(421,388)
		(22,842,485)	(22,291,835)
Operating profit		**6,531,701**	8,065,196
Investment (loss)/income	5	**(107,061)**	23,816
Other revenue and net income		**421,664**	263,245
Interest income from bank deposits		**58,183**	36,352
Finance costs	6	**(2,520,666)**	(2,938,824)
Share of profits less losses of associates and a joint venture		**80,629**	255,967
Profit before taxation		**4,464,450**	5,705,752
Income tax	7	**(1,136,270)**	(1,307,202)
Profit for the period	8	**3,328,180**	4,398,550

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(CONTINUED)*
FOR THE SIX MONTHS ENDED 30 JUNE 2016

		Six months ended 30 June	
		2016	2015
	Notes	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Other comprehensive (expense)/income for the period (net of tax):	9	**(22,449)**	23,165
Items that may be subsequently reclassified to profit or loss:			
Net fair value (loss)/gain on available-for-sale investments		**(4,791)**	8,515
Share of net value (loss)/gain on available-for-sale investments of associates		**(17,658)**	14,650
Total comprehensive income for the period		**3,305,731**	4,421,715
Profit for the period attributable to:			
Equity shareholders of the Company		**2,469,348**	3,558,874
Non-controlling interests		**858,832**	839,676
		3,328,180	4,398,550
Total comprehensive income for the period attributable to:			
Equity shareholders of the Company		**2,447,490**	3,581,548
Non-controlling interests		**858,241**	840,167
		3,305,731	4,421,715
Basic earnings per share	10	**RMB0.250**	RMB0.404

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2016

	Notes	At 30 June 2016 RMB'000 (unaudited)	At 31 December 2015 RMB'000 (audited)
Non-current assets			
Property, plant and equipment		**141,406,420**	143,540,813
Construction in progress		**21,311,481**	19,502,837
Lease prepayments		**2,452,252**	2,484,226
Intangible assets		**6,118,946**	6,191,740
Goodwill		**1,448,791**	1,448,791
Interests in associates and a joint venture		**9,442,509**	9,861,889
Available-for-sale investments		**392,529**	398,917
Other non-current assets		**2,304,706**	2,277,321
Deferred tax assets		**179,541**	193,146
		185,057,175	185,899,680
Current assets			
Inventories		**1,695,348**	2,052,855
Trade debtors and bills receivable	11	**7,493,757**	9,379,928
Deposits, other receivables and prepayments		**2,940,428**	2,847,649
Tax recoverable		**168,562**	110,869
Restricted deposits		**129,500**	346,570
Lease prepayments		**94,507**	100,125
Cash and cash equivalents		**8,431,440**	9,238,080
		20,953,542	24,076,076
Current liabilities			
Bank loans		**15,510,739**	16,973,797
Loans from shareholders		**–**	625,000
State loans		**9,550**	9,260
Other loans		**4,356,720**	3,515,879
Short-term debentures payable		**22,661,046**	15,756,069
Long-term debentures payables – current portion		**1,495,983**	2,996,498
Amount due to the parent company		**47,154**	73,530
Obligations under finance leases	12	**728,127**	715,627
Trade creditors and bills payable	13	**14,390,463**	16,425,445
Other payables		**7,119,113**	9,129,501
Dividend payable		**461,426**	–
Tax payable		**194,756**	923,303
		66,975,077	67,143,909
Net current liabilities		**(46,021,535)**	(43,067,833)
Total assets less current liabilities		**139,035,640**	142,831,847

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(CONTINUED)
AT 30 JUNE 2016

	Notes	**At 30 June 2016** **RMB'000** **(unaudited)**	At 31 December 2015 RMB'000 (audited)
Non-current liabilities			
Bank loans		**54,923,530**	56,567,601
Loans from shareholders		**1,478,666**	1,328,666
State loans		**72,508**	73,722
Other loans		**4,785,040**	5,860,889
Long-term debentures payable		**9,569,757**	11,058,239
Obligations under finance leases	12	**3,154,397**	2,779,887
Long-term payables		**346,990**	385,962
Provisions		**97,110**	93,375
Deferred government grants		**1,203,256**	1,200,904
Deferred income		**2,291,640**	2,268,371
Deferred tax liabilities		**3,077,626**	3,127,400
Retirement benefit obligations		**24,236**	24,692
		81,024,756	84,769,708
Net assets		**58,010,884**	58,062,139
Capital and reserves			
Share capital		**9,862,977**	9,862,977
Reserves		**33,322,578**	33,836,212
Total equity attributable to equity shareholders of the Company		**43,185,555**	43,699,189
Non-controlling interests		**14,825,329**	14,362,950
Total equity		**58,010,884**	58,062,139

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 ("**IAS 34**"), Interim Financial Reporting as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

As at 30 June 2016, the Group had net current liabilities of RMB46,022 million (31 December 2015: RMB43,068 million). In preparing these condensed consolidated financial statements, the directors have taken into account all information that could reasonably be expected to be available and have ascertained that the Group has obtained adequate financial resources to support the Group to continue in operational existence for the foreseeable future. As of 30 June 2016, the Group has unutilised banking facilities of RMB152.3 billion (31 December 2015: RMB172.2 billion) and an aggregate amount of debentures of RMB26.9 billion (31 December 2015: RMB10 billion) registered in the PRC interbank debenture market which has not been issued as at 30 June 2016. Under these circumstances, the directors are of the opinion that the Group will be able to meet its liabilities as and when they fall due within the next twelve months and therefore have prepared these condensed consolidated financial statements on a going concern basis.

2. PRINCIPAL ACCOUNTING POLICIES

Excepted as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2016 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2015.

In the current interim period, the Group has applied, for the first time, the following amendments to International Financial Reporting Standards ("**IFRSs**") for the preparation of the Group's condensed consolidated financial statements.

- Amendments to IFRS 11 – Accounting for Acquisitions of Interests in Joint Operations
- Amendments to IAS 1 – Disclosure Initiative
- Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to IFRSs – Annual Improvements to IFRSs 2012–2014 Cycle
- Amendments to IAS 16 and IAS 41 – Agriculture: Bearer Plants
- Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Applying the Consolidation Exception

The application of the above amendments to IFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

3. SEGMENT INFORMATION

The chief operating decision makers review the Group's revenue and profit as a whole, which is determined in accordance with the Group's accounting policies, for resources allocation and performance assessment. Therefore, the Group has only one operating and reportable segment and no further segment information is presented in these condensed consolidated financial statements.

4. TURNOVER

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

	Six months ended 30 June	
	2016	2015
	RMB'000	*RMB'000*
Sale of electricity	**26,749,921**	28,318,144
Sale of heat	**1,904,630**	1,818,545
Sale of coal	**719,635**	220,342
	29,374,186	30,357,031

5. INVESTMENT (LOSS)/INCOME

	Six months ended 30 June	
	2016	2015
	RMB'000	*RMB'000*
Loss on deemed disposal of part of the interest in an associate *(Note)*	**(144,024)**	–
Dividend income from available-for-sale investments	**30,250**	20,898
Interest income from other long-term receivables	**6,713**	2,918
	(107,061)	23,816

Note:

During the current interim period, an associate of the Group, Ningxia Ningdong Railway Corporation Limited ("**Ningdong Railway**"), undertook a reverse takeover of a PRC listed shell company, Ningxia Western Venture Industrial Co., Ltd. ("**NWVI**", formerly known as Guang Xia (Yinchuan) Industry Co., Ltd.), after which Ningdong Railway becomes a wholly-owned subsidiary of NWVI. As a result, the Group's directly-held equity interest in Ningdong Railway of 8.49% is swapped by an equity interest in NWVI of 4.87%. The Group is of the view that it still has significant influence over NWVI and continues to account for the investment in NWVI as an associate. As such, a deemed disposal loss amounting to RMB144 million was recognized in profit or loss for the current interim period.

6. FINANCE COSTS

	Six months ended 30 June	
	2016	2015
	RMB'000	*RMB'000*
Interest on loans and other financial liabilities	**2,628,762**	3,143,374
Less: interest capitalised	**(233,126)**	(298,001)
	2,395,636	2,845,373
Net foreign exchange loss/(gain)	**17,878**	(10,565)
Amortisation on unrecognised finance charges	**94,118**	82,680
Other finance costs	**13,034**	21,336
	2,520,666	2,938,824

The borrowing costs have been capitalised at an average rate of 5.04% per annum (six months ended 30 June 2015: 5.97% per annum) for construction in progress.

7. INCOME TAX

	Six months ended 30 June	
	2016	2015
	RMB'000	*RMB'000*
Current tax		
Charge for the PRC enterprise income tax for the period	**1,161,764**	1,248,579
Under provision in respect of previous years	**9,078**	10,539
	1,170,842	1,259,118
Deferred tax		
Origination and reversal of temporary differences and tax losses	**(34,572)**	48,084
	1,136,270	1,307,202

The charge for PRC enterprise income tax is calculated at the statutory rate of 25% (six months ended 30 June 2015: 25%) on the estimated assessable profits of the Group for the six months ended 30 June 2016 determined in accordance with relevant enterprise income tax rules and regulations, except for certain subsidiaries of the Company which are tax exempted or taxed at preferential rates of 7.5%, 12.5% or 15% (six months ended 30 June 2015: 7.5%, 12.5% or 15%).

8. PROFIT FOR THE PERIOD

Profit for the period is arrived at after charging/(crediting):

	Six months ended 30 June	
	2016	2015
	RMB'000	*RMB'000*
Cost of inventories	**13,386,252**	14,105,388
Amortisation		
– lease prepayments	**47,270**	35,127
– intangible assets	**85,380**	91,452
Depreciation	**5,066,872**	4,129,878
(Reversal of) impairment losses		
– deposits, other receivables and prepayments	**(569)**	13,980
– inventories	**–**	(72)
– property, plant and equipment	**–**	51,469
Operating lease charges in respect of land and buildings	**57,213**	54,045
Government grants included in other revenue and net income	**(238,942)**	(69,239)
Research and development costs recognised as expense	**2,610**	501
Net loss/(gain) on disposal of property, plant and equipment	**2,240**	(5,582)
Net income from sale of materials	**(101,136)**	(173,397)

9. OTHER COMPREHENSIVE (EXPENSE)/INCOME

	Six months ended 30 June	
	2016	2015
	RMB'000	*RMB'000*
Changes in fair value on available-for-sale investments	**(6,388)**	11,354
Net deferred tax credited/(charged) to other comprehensive income	**1,597**	(2,839)
	(4,791)	8,515
Share of net fair value (loss)/gain on available-for-sale investments of associates	**(17,658)**	14,650
Other comprehensive (expense)/income, net of income tax	**(22,449)**	23,165

10. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company for the six months ended 30 June 2016 of RMB2,469 million (six months ended 30 June 2015: RMB3,559 million) and the 9,862,976,653 ordinary shares in issue during the period (six months ended 30 June 2015: 8,807,289,800 shares).

(b) Diluted earnings per share

No diluted earnings per share was presented as there were no potential ordinary shares outstanding during the six months ended 30 June 2016 and 2015.

11. TRADE DEBTORS AND BILLS RECEIVABLE

	At 30 June 2016 *RMB'000*	At 31 December 2015 *RMB'000*
Trade debtors and bills receivable for sale of electricity	**6,706,822**	8,328,268
Trade debtors and bills receivable for sale of heat	**503,844**	357,856
Trade debtors and bills receivable for sale of coal	**530,273**	941,555
	7,740,939	9,627,679
Less: allowance for doubtful debts	**(247,182)**	(247,751)
	7,493,757	9,379,928

The ageing analysis of trade debtors and bills receivable (net of allowance for doubtful debts), presented based on the invoice date, which approximated the revenue recognition date, is as follows:

	At 30 June 2016 *RMB'000*	At 31 December 2015 *RMB'000*
Within 1 year	**7,205,092**	9,280,392
1 to 2 years	**209,813**	97,693
2 to 3 years	**77,120**	329
Over 3 years	**1,732**	1,514
	7,493,757	9,379,928

12. OBLIGATIONS UNDER FINANCE LEASES

The Group had obligations under finance leases payable as follows:

	At 30 June 2016		At 31 December 2015	
	Present value of the minimum lease payments *RMB'000*	**Total minimum lease payments** *RMB'000*	Present value of the minimum lease payments *RMB'000*	Total minimum lease payments *RMB'000*
Within 1 year	**728,127**	**881,502**	715,627	885,713
After 1 year but within 2 years	**823,104**	**939,230**	759,323	890,472
After 2 years but within 5 years	**2,129,704**	**2,378,109**	1,855,450	1,983,093
After 5 years	**201,589**	**215,170**	165,114	187,163
	3,154,397	**3,532,509**	2,779,887	3,060,728
	3,882,524	**4,414,011**	3,495,514	3,946,441
Less: total future interest expenses		**(531,487)**		(450,927)
Present value of finance lease obligations		**3,882,524**		3,495,514

During the current interim period, the Group entered into five new agreements with a leasing company to sell certain of the Group's facilities to the leasing company and leaseback the facilities for 5 years to 10 years. The Group has an option to purchase these facilities at a nominal price of RMB1 at the end of the lease period. As at 30 June 2016, the carrying amounts of the facilities held under finance lease included in property, plant and equipment and concession assets of intangible assets amounted to RMB4,736 million and RMB240 million (31 December 2015: RMB4,276 million and RMB248 million), respectively.

13. TRADE CREDITORS AND BILLS PAYABLE

As at 30 June 2016, the ageing analysis of trade creditors and bills payable, presented based on the invoice date, is as follows:

	At 30 June 2016 *RMB'000*	At 31 December 2015 *RMB'000*
Within 1 year	**9,910,800**	11,904,111
1 to 2 years	**2,211,005**	2,108,707
Over 2 years	**2,268,658**	2,412,627
	14,390,463	16,425,445

14. DIVIDENDS

(a) During the current interim period, a final dividend of RMB0.300 per share in respect of the year ended 31 December 2015 (six months ended 30 June 2015: RMB0.270 per share in respect of the year ended 31 December 2014) was declared to the equity shareholders of the Company. The aggregate amount of the final dividend declared approximately amounted to RMB2,958,893,000 (six months ended 30 June 2015: approximately RMB2,377,968,000).

(b) The directors of the Company do not recommend the payment of any interim dividend for the six months ended 30 June 2016 (six months ended 30 June 2015: nil).

15. CONTINGENT LIABILITIES

As at 30 June 2016, some subsidiaries of the Company were the defendant in certain lawsuits for events incurred before the acquisition date. At the end of reporting period, the lawsuits were in progress whose final outcomes cannot be determined at present. The directors of the Company considered that the outcome of these outstanding lawsuits will not result in significant adverse effect on the financial position and operating results of the Group.

As at 30 June 2016, Guang'an Company, a subsidiary of the Group, provided guarantees to banks for loans granted to Longtan Company amounting to RMB44 million (31 December 2015: RMB70 million).

Apart from these litigations and guarantees, the Group has no other material contingent liabilities as at 30 June 2016 (31 December 2015: nil).

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

The consolidated financial information set out below is extracted from the unaudited consolidated financial statement prepared under CAS of the Group as set out in its 2016 interim report.

CONSOLIDATED BALANCE SHEET AND BALANCE SHEET (UNAUDITED)
AT 30 JUNE 2016
(Expressed in Renminbi'000)

	The Group		The Company	
Item	**30 June 2016**	31 December 2015	**30 June 2016**	31 December 2015
Current assets				
Cash at bank and on hand	**8,560,940**	9,584,650	**3,583,171**	4,450,017
Bills receivable	**1,346,069**	1,478,010	**17,615**	250
Trade receivables	**6,147,688**	7,901,918	**860,240**	610,378
Prepayments	**338,830**	418,533	**10,799**	4,793
Dividends receivable	**749,125**	690,316	**1,617,288**	3,882,133
Other receivables	**946,103**	805,315	**13,492,204**	9,414,503
Inventories	**1,695,348**	2,052,855	**234,475**	253,286
Non-current assets due within one year	**40,445**	10,000	**–**	–
Other current assets	**1,034,487**	1,034,354	**103,862**	41,053
Total current assets	**20,859,035**	23,975,951	**19,919,654**	18,656,413
Non-current assets				
Available-for-sale financial assets	**392,216**	398,604	**130,109**	130,109
Long-term receivables	**267,512**	290,825	**368,153**	355,227
Long-term equity investments	**9,425,838**	9,845,218	**44,316,182**	43,466,988
Fixed assets	**133,894,116**	135,901,635	**10,177,569**	10,486,447
Construction in progress	**16,541,585**	15,598,842	**5,005,249**	3,296,389
Construction materials	**228,616**	419,817	**83,160**	262,343
Construction and construction material prepayments	**4,589,285**	3,532,183	**998,931**	1,109,938
Intangible assets	**13,322,310**	13,425,900	**164,939**	171,528
Goodwill	**1,072,920**	1,072,920	**12,111**	12,111
Deferred tax assets	**200,064**	206,805	**–**	–
Other non-current assets	**2,037,194**	1,986,496	**495,711**	415,132
Total non-current assets	**181,971,656**	182,679,245	**61,752,114**	59,706,212
Total assets	**202,830,691**	206,655,196	**81,671,768**	78,362,625

CONSOLIDATED BALANCE SHEET AND BALANCE SHEET (UNAUDITED)
(CONTINUED)
AT 30 JUNE 2016
(Expressed in Renminbi'000)

Item	The Group 30 June 2016	The Group 31 December 2015	The Company 30 June 2016	The Company 31 December 2015
Current liabilities				
Short-term loans	**11,690,565**	13,161,595	**2,430,000**	3,960,481
Bills payable	**1,225,735**	1,577,396	**–**	151,000
Trade payables	**13,190,569**	14,900,162	**1,679,071**	1,462,833
Receipts in advances	**298,273**	1,371,305	**3,109**	3,601
Wages payable	**544,189**	201,619	**106,675**	30,394
Taxes payable	**753,538**	1,648,195	**118,267**	72,244
Interests payable	**434,520**	635,846	**269,758**	470,494
Dividends payable	**1,270,883**	1,543,662	**461,426**	–
Other payables	**4,391,105**	4,621,544	**1,298,146**	1,182,887
Non-current liabilities due within one year	**10,514,654**	11,726,516	**2,875,732**	3,950,716
Other current liabilities	**22,661,046**	15,756,069	**22,661,046**	15,756,069
Total current liabilities	**66,975,077**	67,143,909	**31,903,230**	27,040,719
Non-current liabilities				
Long-term loans	**61,259,744**	63,830,878	**8,006,242**	7,768,976
Debentures payable	**9,569,757**	11,058,239	**9,071,782**	10,560,939
Long-term payables	**3,501,387**	3,165,849	**–**	–
Long-term wages payables	**24,236**	24,692	**–**	–
Special payables	**7,006**	7,006	**5,656**	5,656
Provisions	**97,110**	93,375	**–**	–
Deferred income	**3,076,465**	3,035,442	**52,676**	53,438
Deferred tax liabilities	**2,387,135**	2,396,146	**49,032**	49,032
Total non-current liabilities	**79,922,840**	83,611,627	**17,185,388**	18,438,041
Total liabilities	**146,897,917**	150,755,536	**49,088,618**	45,478,760
Shareholders' equity				
Share capital	**9,862,977**	9,862,977	**9,862,977**	9,862,977
Capital reserve	**13,150,509**	13,295,746	**13,489,771**	13,635,097
Other comprehensive income	**3,027**	24,885	**(7,613)**	8,404
Specific reserve	**108,282**	88,325	**81,688**	70,387
Surplus reserve	**2,521,414**	2,521,414	**2,521,414**	2,521,414
Retained earnings	**16,250,464**	16,575,484	**6,634,913**	6,785,586
Total equity attributable to equity shareholders of the Company	**41,896,673**	42,368,831	**32,583,150**	32,883,865
Minority interests	**14,036,101**	13,530,829	**–**	–
Total shareholders' equity	**55,932,774**	55,899,660	**32,583,150**	32,883,865
Total liabilities and shareholders' equity	**202,830,691**	206,655,196	**81,671,768**	78,362,625

CONSOLIDATED INCOME STATEMENT AND INCOME STATEMENT (UNAUDITED)

FOR THE SIX MONTHS ENDED 30 JUNE 2016

(Expressed in Renminbi'000)

Item	The Group For six months ended 30 June 2016	The Group For six months ended 30 June 2015 (Restated)	The Company For six months ended 30 June 2016	The Company For six months ended 30 June 2015
Total operating income	**29,556,750**	34,255,637	**3,710,368**	4,073,812
Less: Operating costs	**21,462,539**	23,626,021	**2,850,352**	2,819,101
Sales taxes and surcharges	**357,384**	357,462	**41,065**	51,572
Administrative expenses	**973,247**	1,021,148	**221,675**	188,279
Finance expenses	**2,462,483**	3,114,142	**585,111**	679,323
(Reversal of) impairment losses	**(569)**	66,718	**–**	–
Add: Investment income	**104,741**	235,511	**2,784,418**	3,953,710
Including: income from investment in associates and a joint venture	**67,171**	208,398	**(136,220)**	(36,273)
Operating profit	**4,406,407**	6,305,657	**2,796,583**	4,289,247
Add: Non-operating income	**318,117**	155,129	**11,736**	16,347
Including: gain on disposal of non-current assets	**7,139**	7,028	**2,935**	2,414
Less: Non-operating expenses	**17,547**	63,974	**99**	2,258
Including: loss on disposal of non-current assets	**9,379**	917	**32**	570
Total profit	**4,706,977**	6,396,812	**2,808,220**	4,303,336
Less: Income tax expenses	**1,170,169**	1,451,035	**–**	–
Net profit	**3,536,808**	4,945,777	**2,808,220**	4,303,336
Attributable to equity shareholders of the Company	**2,635,462**	3,812,435	**2,808,220**	4,303,336
Minority interests	**901,346**	1,133,342	**–**	–

CONSOLIDATED INCOME STATEMENT AND INCOME STATEMENT (UNAUDITED) *(CONTINUED)*
FOR THE SIX MONTHS ENDED 30 JUNE 2016
(Expressed in Renminbi'000)

Item	The Group For six months ended 30 June **2016**	 2015 (Restated)	The Company For six months ended 30 June **2016**	 2015
Other comprehensive income, net of tax	**(22,449)**	23,165	**(16,017)**	13,280
Other comprehensive income attributable to the equity shareholders of the Company, net of tax	**(21,858)**	22,674	**(16,017)**	13,280
(I) Items that may not be subsequently reclassified to profit or loss	**–**	–	**–**	–
(II) Items that may be subsequently reclassified to profit or loss	**(21,858)**	22,674	**(16,017)**	13,280
1. Shares of other comprehensive income that may be subsequently reclassified to profit or loss of investees accounted for under the equity method	**(17,067)**	14,159	**(16,017)**	13,280
2. Gain arising from available-for-sale investments	**(4,791)**	8,515	**–**	–
Other comprehensive income attributable to minority interests, net of tax	**(591)**	491	**–**	–
Total comprehensive income	**3,514,359**	4,968,942	**2,792,203**	4,316,616
Attributable to equity shareholders of the Company	**2,613,604**	3,835,109	**2,792,203**	4,316,616
Minority interests	**900,755**	1,133,833	**–**	–
Earnings per share:				
Basic earnings per share *(RMB/Share)*	**0.267**	0.433	**N/A**	N/A
Diluted earnings per share *(RMB/Share)*	**N/A**	N/A	**N/A**	N/A

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

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

		Profit attributable to equity shareholders of the Company		**Net assets attributable to equity shareholders of the Company**	
		Six months ended 30 June		**30 June**	31 December
		2016	2015	**2016**	2015
	Notes	***RMB'000***	*RMB'000* (Restated)	***RMB'000***	*RMB'000*
Amount under CAS		**2,635,462**	3,812,435	**41,896,673**	42,368,831
Adjustments:					
Business combination involving entities under common control	(i)	**(137,080)**	(619,210)	**3,220,531**	3,357,611
Government grants	(ii)	**16,797**	15,345	**(437,964)**	(454,761)
Maintenance, production	(iii)	**22,347**	53,252	**6,558**	4,547
The equity interest in an associate being passively diluted		**(144,595)**	–	**–**	–
Taxation impact of the adjustments		**33,903**	3,386	**(711,015)**	(744,918)
Attributable to non-controlling interests		**42,514**	293,666	**(789,228)**	(832,121)
Amount under IFRSs		**2,469,348**	3,558,874	**43,185,555**	43,699,189

Notes:

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

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

In addition, according to CAS, in respect of business combination involving entities under common control, when preparing consolidated financial statements, the opening balances as well as the comparative figures of the financial statements should be adjusted as if the current structure and operations resulting from the acquisitions had been in existence since prior periods (no earlier than the later of both parties were under common control).

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

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

(iii) Pursuant to the relevant PRC regulations for coal mining companies, provision for production maintenance, production safety are accrued by the Group at fixed rates based on coal production volume. Provision for maintenance and production funds is recognised as expense in profit or loss with a corresponding adjustment to the specific reserve. The maintenance and production funds could be utilised when expenses or capital expenditures on production maintenance and safety measures are incurred. The amount of maintenance and production funds utilised would be transferred from the specific reserve back to retained earnings.

According to IFRSs, coal mining companies are required to set aside an amount to a fund for production maintenance, production safety through transferring from retained earnings to specific reserve. When qualifying revenue expenditures are incurred, such expenses are recorded in the profit or loss as incurred. When capital expenditures are incurred, an amount is transferred to property, plant and equipment and is depreciated in accordance with the depreciation policy of the Group. Internal equity items transfers take place based on the actual application amount of such expenses whereas specific reserve is offset against retained earnings to the extent of zero.