CREDICORP LTD
Form 6-K
August 12, 2011

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of the
Securities Exchange Act of 1934

For the month August 2011

CREDICORP LTD.
(Exact name of registrant as specified in its charter)

Clarendon House
Church Street
Hamilton HM 11 Bermuda
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F x Form 40-F o

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes o No x

CREDICORP LTD.

Second Quarter 2011 Results

Lima, Peru, August 10, 2011 - Credicorp (NYSE:BAP) announced today its unaudited results for the second quarter of 2011. These results are reported on a consolidated basis in accordance with IFRS in nominal U.S. Dollars.

HIGHLIGHTS

· In a context of sustained economic activity, which transpired despite market uncertainties due to the presidential elections, Credicorp reported better than expected results for 2Q11, posting net earnings of US$ 174 million and a ROAE of 24.2%.

· This net income represents a repetition of the excellent overall results seen in 1Q11, but reflects a 4.8% quarterly expansion of net earnings over 1Q if the extraordinary after tax gain of about US$ 8.9 million included in 1Q earnings is deducted.

· Business performance remained robust, showing a continuous strong growth trend in retail products that was accompanied by further expansion in the wholesale business. This led to overall loan book growth of 10.4% for the Q based on Q-end balances and over 6% QoQ growth based on average daily balances.

· Interest income from loans increased accordingly, but total interest income reflected a shift in assets allocation from investments & deposits to loans. Interest expense on the other hand also grew due to loan book funding requirements and investment expansion. This led to an issue of corporate bonds in international markets, which increased interest expense for the quarter. Therefore, NII was basically flat QoQ, but shows a 20% increase YoY, and led to stable NIMs.

· Fee income was also strong showing a 6.5% expansion for the quarter and 18% for the year. Net gains on FX transactions benefitted significantly from uncertainty and subsequent volatility and increased 12.3% this Q. However, the extraordinary gains from the sale of securities, which was boosted in 1Q by significant gains on the sale of a share package, were not present this quarter, hence the overall 2.7% drop in Non-financial income.

· Following the strong growth in the loan book, provisions rose by about 45%, which is in line with portfolio expansion. In fact, portfolio quality remained sound, posting an improved PDL ratio of 1.5% versus 1.6% last quarter and a conservative coverage ratio of 194%.

· The insurance business also reported good results and contributed with total operating income of US$ 52.9 million in 2Q, which reflects a 5.4% expansion for the quarter.

· On-going expansion in business lines and other investments required to sustain a good operational level, coupled with the growth reported this quarter, are behind the increase shown in operating expenses. Nevertheless, the objective of holding OpEx growth below income growth is being met. Thus, OpEx growth expanded only 2.9% this quarter. This is also reflected in the efficiency ratio, which remained stable this quarter at 40.6%.

· Additional contributions to the bottom line were (i) a translation gain of about US$ 12.6 million, which was accompanied by (ii) a lower tax burden given that taxes are determined based on local Nuevos Soles accounting numbers, which were depressed by the very translation results that impact earnings in opposite ways in international IFRS USD accounting vs. Peru GAAP Nuevos soles accounting, and the fact that significant tax exempt income was reported at Pacifico Vida.

· BCP's 2Q operating results also reflect solid growth in average outstanding loan balances of 6.2% but a more modest increase in NII of 1% QoQ. Provisions for loan losses increased in line with strong loan book expansion but were offset by stronger non-financial income, a translation gain and lower taxes resulting from lower taxable income in Nuevos Soles. Furthermore, operating expenses were in check leading to excellent bottom line results and a contribution to Credicorp of US$ 134.6 million, up 5% with a ROAE of 27.7%.

· The insurance business of PPS also shows strong performance, reporting net earnings and contribution to Credicorp up 64%, reaching US$ 25 million for the Q. Underwriting results show an important expansion of 4.3%QoQ; however, the significant increase in bottom line earnings is further explained by substantially higher results at PV due to higher translation gains and a tax ruling that exempts earnings on underwriting reserves. As a result, ROAE reached an extraordinary 28% this Q.

- ASB's contribution to Credicorp this 2Q11 was down 11% to US$ 11.5 million due to continuously low market rates and fewer market gains on investments, but remained at a good level as reflected in the 25.6% ROAE.
- Prima AFP also reported good business results, but had a -3% decrease in net contribution down to US$ 7.8 million for 2Q due to higher taxes in local accounting explained by translation gains and earnings stemming from reserve requirements registered this quarter.
- Overall and surpassing expectations, Credicorp had an excellent 2Q11. Its ratios reflect its good performance with 24.2% ROAE, ROAA of 2.4%, a PDL Ratio of 1.5% and a sustained efficiency ratio of 40.6%.

I. Credicorp Ltd.

Overview

Following better than expected business evolution in the second quarter, Credicorp reported 2Q11 earnings of US$ 174.2 million. This was 4.8% stronger than the net earnings reported in 1Q11, excluding the extraordinary after tax gain on the sale of shares reported in the first quarter, and nearly matches the total net income reported during the same period. This puts Credicorp's results at peak levels and reflects robust market evolution during the first 6 months of the year despite the uncertainties surrounding the presidential elections and subsequent concerns about the country's ability to continue its upward trend.

Business performance remained robust, showing a continuous strong growth trend in retail products that was accompanied by further expansion in the wholesale business. This led to an overall loan book growth of 10.4% for the Q based on Q-end balances and over 6% QoQ growth based on average daily balances. This loan growth was the result of persistently strong retail activity and demand for credit, which pushed retail average outstanding balances up 7.2% QoQ; as well as continued demand for on-going investments in projects that were underway, middle market expansion to respond to the retail demand that drives growth in that segment, and some seasonality associated financing for fishing industries; all of which resulted in 5.6% expansion in the wholesale loan-book.

Interest income from loans increased accordingly, but total gross interest income grew only marginally at 2.3% and reflected a shift in assets allocation from investments & deposits with the BCRP to fund the strong loan book expansion given that interest earning assets revealed a much lower growth pace. On the other hand, interest expense shows strong expansion due to funding requirements to cover loan book and investment growth, which led to an issue of corporate bonds at the end of Q1 that increased interest expense for the second quarter. Consequently, net interest income was flat despite strong loan book growth. This led the NIM to drop slightly (10 b.p.) to 4.74% this Q.

Fee income was also strong, showing 6.5% expansion for the quarter and 18% for the year. Net gains on FX transactions benefitted significantly from the uncertainty in the markets and subsequent volatility and increased 12.3% this Q. Furthermore, fee income from the pension fund business reported important growth of 8.5% QoQ, which once again reflects growth in economic activity and a related increase in formal jobs. However, extraordinary gains from the sale of securities -which boosted income in 1Q11 with US$12.9 million in extraordinary non-recurrent gains-normalized this quarter and explain the overall 2.7% drop in Non-financial income. If we exclude this extraordinary gain, non financial income grew 3.8% QoQ.

In line with strong growth in the loan book, provisions rose about 45%. This expansion, however, was in line with growth given that the increase in provisions is mainly explained by the portfolio expansion (mainly corporate loans) and to a small degree by a slight deterioration in the consumer, SME and micro lending portfolios. In fact, portfolio quality remained sound as the PDL ratio improved to 1.5% versus 1.6% last quarter and maintained a conservative coverage ratio of 194%.

The insurance business also reported good results and contributed with total operating income of US$ 52.9 million in 2Q, which reflects a 5.4% expansion for the quarter. This growth is due to an increase in net premiums earned (up 5.7%) and effective efforts to control costs in life and health policies (up only 3.6%). Further, Pacifico's results also contributed to lower effective taxation at Credicorp and higher translation gains. These improvements are associated with the PV portfolio and local accounting taxable results, as we will explain further on.

On the expense side, operating expenses show an expansion of 2.9% for the Q. This increase is attributable to on-going expansion in our business lines as well as in other investments that are needed to ensure that our operational level keeps pace with market growth. Furthermore, the variable income policies introduced to incentivize sales and marketing efforts to maintain our leading position resulted in an increase in different expense lines during 2Q. Nevertheless, the objective of maintaining OpEx growth below income growth is being met. This evolution is also reflected in the efficiency ratio, which remained stable this quarter at 40.6%.

Credicorp Ltd.		Quarter		Change %		Year ended		Change %
US$ 000	2Q11	1Q11	2Q10	QoQ	YoY	Jun 11	Jun 10	YoY
Net Interest income	310,461	310,072	258,434	0.1 %	20.1 %	620,533	504,019	23.1 %
Net provisions for loan losses	(60,259)	(41,517)	(30,895)	45.1 %	95.0 %	(101,776)	(74,075)	37.4 %
Non financial income	200,152	205,774	196,554	-2.7 %	1.8 %	405,926	364,362	11.4 %
Insurance premiums and claims	52,878	50,146	45,517	5.4 %	16.2 %	103,024	78,004	32.1 %
Operating expenses	(294,520)	(286,320)	(235,321)	2.9 %	25.2 %	(580,840)	(473,019)	22.8 %
Operating income (1)	208,713	238,155	234,289	-12.4 %	-10.9 %	446,868	399,290	11.9 %
Core operating income (2)	208,713	225,218	208,940	-7.3 %	-0.1 %	433,931	373,942	16.0 %
Non core operating income (3)	-	12,937	25,349	-	-	12,937	25,349	-49.0 %
Translation results	12,638	1,023	4,675	1134.9%	170.3 %	13,661	16,734	-18.4 %
Employees' profit sharing (4)	-	-	(8,620)	-	-100.0%	-	(14,093)	-100.0%
Income taxes	(43,165)	(60,676)	(56,991)	-28.9 %	-24.3 %	(103,841)	(96,420)	7.7 %
Net income	178,185	178,503	173,353	-0.2 %	2.8 %	356,688	305,512	16.8 %
Minority Interest	4,019	3,478	11,429	15.6 %	-64.8 %	7,496	19,718	-62.0 %

Net income attributed to Credicorp	174,166	175,025	161,924	-0.5 %	7.6 %	349,191	285,794	22.2 %
Net income / share (US$)	2.18	2.19	2.03	-0.5 %	7.6 %	4.38	3.58	22.2 %
Total loans	16,198,533	14,677,095	12,697,597	10.4 %	27.6 %	16,198,533	12,697,597	27.6 %
Deposits and obligations	18,540,412	18,078,816	15,257,042	2.6 %	21.5 %	18,540,412	15,257,042	21.5 %
Net shareholders' equity	2,965,948	2,800,590	2,433,065	5.9 %	21.9 %	2,965,948	2,433,065	21.9 %
Net interest margin	4.74 %	4.84 %	4.99 %			5.03 %	5.19 %	
Efficiency ratio	40.6 %	40.1 %	39.6 %			40.4 %	40.8 %	
Return on average shareholders' equity	24.2 %	24.7 %	27.5 %			24.2 %	24.2 %	
PDL / total loans	1.50 %	1.56 %	1.70 %			1.5 %	1.7 %	
Coverage ratio of PDLs	194.0 %	189.5 %	179.3 %			194.0 %	179.3 %	
Employees	20,554	19,908	19,174			20,554	19,174	

(1) Income before non-recurring items, translation results, workers' profit sharing and income taxes.
(2) Core operating income = Operating income - non core operating income.
(3) Includes non core operating income from net gain on sales of securities of US$ 12,937M in 1Q11 registered in subsidiary Grupo Crédito and of US$ 25,349 million in 2Q10 registered in subsidiary BCP.
(4) Employees' profit sharing is registered in Salaries and Employees Benefits since 1Q11 due to local regulator's decision.

Despite strong business activity, the lack of growth in NII coupled with the high level of provisions required squeezed the operating result, which reached US$ 208.7 million. This represents a 12.4% drop with regard to last quarter's result, which was favored by a lower level of provisions and lower funding costs. Nevertheless, substantial translation gains that resulted from the sound Assets and Liabilities strategy implemented by the A&L Committee -which decided to take an open Nuevos Soles position-, as well as lower taxes due to a decrease in the taxable income reported in Nuevos Soles in local accounting at BCP and tax exemptions in PV, could more than offset the decline in operating results. All of these factors led to a robust bottom line despite the absence of significant gains on the sale of securities (as reported last quarter).

All of the aforementioned led to the reported net income attributable to Credicorp of US$ 174.2 million, which given the 4.8% quarterly net income growth (excluding extraordinary gains) this number reflects, is evidence that the banking business in the country continues to expand at a healthy rate.

Credicorp – The Sum of Its Parts

Credicorp’s 2Q11 results are definitely better than expected as many feared that the presidential elections would interfere more dramatically with the country’s economic growth and business activity. However, Peruvian economic activity has proven more resilient and has shown a certain growth-inertia, which has kept investment flowing and ensured that the demand for credit and consumption continued to grow throughout the election process. This led to peak sales results for Credicorp in most business segments. The lending and insurance businesses have reported strong growth while the fee-generating asset management business has posted slightly lower numbers given that it is more directly affected by market expectations and movements.

BCP reported better than expected growth in average loan balances this Q of 6.2%, which together with good fee income growth set the stage to absorb the larger provisions required for the even stronger Q-end balance growth of 9.5% and additional OpEx. Further, on-target A&L management led to translation gains and consequently lower taxes (paid based on local currency accounting results), which helped improve the 2Q11 results even further. In this context, net contribution to Credicorp was up 5% for the Q reaching US$ 134.6 million, which resulted in slightly improved profitability ratios such as a ROAE of 27.7% and ROAA of 2.1%.

Earnings contribution		Quarter		Change %		Year ended		Change %
US$ 000	2Q11	1Q11	2Q10	QoQ	YoY	Jun 11	Jun 10	YoY
Banco de Crédito BCP(1)	134,583	127,958	130,761	5 %	3 %	262,541	230,015	14 %
BCB	3,248	5,147	3,236	-37 %	0 %	8,395	8,706	-4 %
Edyficar	6,384	5,833	4,980	9 %	28 %	12,216	11,774	4 %
PPS	25,057	15,325	12,518	64 %	100 %	40,382	21,010	92 %
Atlantic Security Bank	11,524	12,991	12,956	-11 %	-11 %	24,515	11,774	-7 %
Prima	7,834	8,091	5,857	-3 %	34 %	15,925	11,803	35 %
Credicorp Ltd. (2)	(2,250)	2,131	(274)	-206 %	721 %	(119)	(5,498)	-98 %
Otras (3)	(2,581)	8,529	105	-130 %	-2563 %	5,948	16,690	-107 %
Net income attributable to Credicorp	174,167	175,025	161,924	0 %	8 %	349,192	285,794	22 %

(1) Includes Banco de Crédito de Bolivia and Edyficar.
(2) Includes taxes on BCP's and PPS's dividends, and other expenses at the holding company level.
(3) Includes Grupo Crédito excluding Prima (Servicorp and Emisiones BCP Latam), others of Atlantic Security Holding Corporation and others of Credicorp Ltd.

This 2Q, BCP Bolivia reported a 37% drop in its earnings contribution, which totaled US$ 3.2 million. This was due to the fact that its income level normalized after having reported a significant tax reversal in the previous Q that boosted bottom line numbers. In fact, operating results are better and reflect 11% QoQ growth in BCB’s loan portfolio and similar NII expansion. However, this additional income was offset by higher operating expenses and lower translation results, leading to relatively flat business performance as is reflected by a ROAE of 18%.

Financiera Edyficar continued expanding its business and reported a contribution to Credicorp of US$ 6.4 million, which represents an increase in contribution of 9% QoQ and 28% YoY. These results reveal strong loan book expansion of 8.4% QoQ, which was accompanied by 8.1% growth in interest income. However, a negative valuation for some coverage contracts offset higher income growth and led to a NII that was only 1% higher this Q. PDLs remained stable at 4.1% while provisions had to be almost doubled. The increase in provisions and higher coverage losses were offset by substantial translation gains, which led to the bottom line results reported. Financial results aside, our business evolution remains robust. The loan portfolio is up 43% YoY while ROAE is situated at 44.6% for the Q, which is equivalent to 23.9% ROAE when figures are consolidated and include goodwill stemming from the acquisition.

At PPS, a combination of 5.7% growth in net earned premiums, a 5.7% increase in claims, a 5.6% increase in income from commissions and 9.7% higher other direct costs led to a 4.3% improvement in the underwriting result for this quarter. In addition, financial income was 7.7% higher QoQ. Expenses this quarter actually dropped 4.3%. The insurance business is growing fast and underwriting results are higher but these explain only a small portion of significantly higher net earnings reported. In fact, most of the increase in earnings stems from the life insurance business, which benefits this 2Q11 from higher translation gains as well as significantly lower tax provisions following a ruling that exempted gains on underwriting reserves. Therefore, net earnings were in fact 64.7% higher this Q, totaling US$ 25.8 million. This led to an extraordinary ROAE of 28% for the quarter.

Furthermore, the insurance business is today in the process of implementing a comprehensive strategy focused on improving the quality of its services, positioning and ROE. In line with this strategy, PPS recently completed several acquisitions as part of its new and ambitious plans to position the company as a leading insurance business in Peru and a relevant player in the Latin American market. The ultimate objective is to achieve in the long run returns above the 20% level for these business lines. The reported acquisitions were made by the company’s EPS division (health insurer and health services provider) which is implementing a vertical integration strategy based on the most successful models in the region. This strategy aims to institute efficient control of costs, ensure that PPS provides premium services in its markets, and situate the company as a clear market leader while achieving the highest possible ROEs for businesses of this kind. Furthermore, and in line with Credicorp’s set guidelines and limits, the total investments to implement the planned vertical integration of the Health services of PPS represent an allocation of no more than 5% of Credicorp’s capital.

Atlantic Security Bank (ASB) reported US$ 11.5 million for 2Q11, which represents an 11% drop in its contribution level. The QoQ drop is primarily attributable to lower interest rates and a strategy to reduce the duration of ASB’s investment portfolio, affecting interest income. Better fee income stemming from the off-balance sheet asset management business only partially offset the drop in NII. This result brought ASB’s ROAE down to 25.6% from 27.4%. This still constitutes a very good return for this relatively risk-free business, which continues to make excellent contributions to Credicorp and attests to the importance of our asset management & private banking business.

Prima has also managed to maintain its high level of contributions, reporting US$ 7.8 million for 2Q. This represents however a 3% drop with regard to 1Q that is attributable to higher income tax charges registered in 2Q11 due to translation gains in local accounting as a result of dollar-denominated obligations and local regulation that taxes earnings from legal reserves. Fee income was 8.5% higher QoQ and operating results were also 6.2% stronger. Furthermore, Prima continues to lead the system this Q with market shares above 31% in all aspects measured, including in terms of assets under management.

Others include different companies from the holding, including Grupo Credito (excluding Prima AFP), and recorded in Q1 the extraordinary income from the sale of a share package that generated after tax gains of US$ 8.9 million. However, it is important to note that in 2Q this line reflects more typical results that are comprised primarily of administrative expenses associated with our holding companies: Grupo Crédito and ASHC.

Credicorp Ltd.'s line includes provisions for withholding taxes on dividends paid to Credicorp and dividend & interest income from investments in some selected Peruvian companies. Provisions for withholding taxes are lower today given the holding restructure reported last year that led to a reversal of WthTx provisions in 1Q11. However, the only variation in the holding company this 2Q is for a new level of WthTx provision since no dividend income has been registered, which contrasts with 1Q's result.

As a whole, Credicorp continues to grow given that the Peruvian market activity has remained relatively strong despite concerns about whether our macroeconomic model will be maintained. Credicorp's results are strong and our strategy remains unchanged. Furthermore, we remain optimistic about the future stability of the model and are confident that the markets will recover from the uncertainties that have dominated the scene for some time. Nevertheless, such uncertainty might have already generated some impacts, which will tend to show up slowly over time but may be milder than initially feared.

II. Banco de Crédito del Perú Consolidated

Summary 2Q11

BCP's net income in 2Q11 totaled US$ 137.8 million, which represents a 5.2% increase QoQ. This result reflects continuous expansion and growth in financial businesses, which led the loan portfolio to grow 9.4% in terms of closing balances and 6.2% with regard to average daily balances. This growth took place despite the uncertainty this quarter due to presidential elections and is an indicator that the country's economic agents remain solid.

Nevertheless, the excellent growth seen in the loan portfolio is not entirely reflected in net interest income, which grew a modest 1% QoQ. The latter was due to a shift in interest-earning assets allocation from investments and deposits with the BCRP to loans. The effect of this re-composition within interest-earning assets (whose averages in 2Q11 grew only 1.2% QoQ) led to a marginal increase in total interest income. Nevertheless, this marginal increase helped offset the increase in financing costs generated by funding through the issuance of corporate bonds, whose cost structure is higher than that of traditional deposits.

As such, the QoQ improvement in results is due primarily to:

i) The +7.4% increase in non-financial income, which was led by significant growth in fee income (+8.3% QoQ);

ii) Higher earnings on translation results (+886.6% QoQ), which were possible thanks to BCP's on-target management of assets and liabilities in a scenario marked by an appreciation in the Nuevo Sol (+1.96% QoQ);

iii) The -22.6% decrease in income tax provisions due to a decrease in taxable earnings this quarter.

The aforementioned helped offset the increase in total provisions for loan losses (+45% QoQ) due to strong growth in total loans as well as an increase in operating expenses (+5% QoQ).

A YoY comparison also shows favorable +2.7% growth in net income. The most noteworthy component of this growth was the +22.6% increase YoY in NII, which was due primarily to higher interest income stemming from loan expansion. The latter helped offset the 24.5% YoY increase in operating expenses and total provisions for loan losses (+93.7% YoY). It is important to emphasize that the YoY comparison of non-financial income is distorted by net gain on sales of securities, which totaled approximately US$ 26 million in 2Q10 due to the Peruvian Government's buyback of bonds denominated in Euros.

Banco de Credito and Subsidiaries	Quarter			Change %		Year ended	
US$ 000	2Q11	1Q11	2Q10	QoQ	YoY	Jun 11	Jun 10
Net financial income	280,317	277,515	228,652	1.0 %	22.6 %	557,832	447,827
Total provisions for loan loasses	(60,409)	(41,654)	(31,183)	45.0 %	93.7 %	(102,063)	(74,628
Non financial income	170,626	158,919	169,541	7.4 %	0.6 %	329,545	307,382
Operating expenses	(228,129)	(217,244)	(183,180)	5.0 %	24.5 %	(445,373)	(368,513
Operating income (1)	162,405	177,536	183,830	-8.5 %	-11.7 %	339,941	312,068
Core operating income (2)	162,405	177,536	158,481	-8.5 %	2.5 %	339,941	286,719
Non core operating income	-	-	25,349	-	-	-	25,349
Translation results	12,333	1,250	4,972	886.6%	148.0%	13,583	16,652
Employees' profit sharing (3)	-	-	(7,459)	-	-	-	(12,299
Income taxes	(36,719)	(47,462)	(46,995)	-22.6 %	-21.9 %	(84,181)	(79,901
Net income	137,870	131,095	134,221	5.2 %	2.7 %	268,965	236,130
Net income/ share (US$)	0.054	0.051	0.060	5.1 %	-10.5 %	0.105	0.106
Total loans	15,927,315	14,553,244	12,611,066	9.4 %	26.3 %	15,927,315	12,611,0
Deposits and obligations	17,440,176	17,130,841	14,209,963	1.8 %	22.7 %	17,440,176	14,209,9
Net shareholders' equity	2,057,795	1,920,109	1,679,754	7.2 %	22.5 %	2,057,795	1,679,75
Net financial margin	4.7 %	4.7 %	4.9 %			4.7 %	4.9
Efficiency ratio	48.4 %	47.7 %	48.0 %			48.1 %	49.7
Return on average equity	27.7 %	26.8 %	33.0 %			27.5 %	29.1
PDL / Total loans	1.52 %	1.57 %	1.71 %			1.52 %	1.71
Coverage ratio of PDLs	194.3 %	189.7 %	179.5 %			194.3 %	179.5
BIS ratio	13.5 %	13.7 %	13.6 %			13.5 %	13.6
Branches	333	332	325			333	325
Agentes BCP	4,098	3,816	3,086			4,098	3,086
ATMs	1,309	1,219	1,062			1,309	1,062
Employees	17,027	16,456	15,775			17,027	15,775

(1) Income before translation results, workers' profit sharing and income taxes.
(2) Core operating income = Operating income - non core operating income.
(3) Employees' profit sharing is registered in Salaries and Employees Benefits since 1Q11 due to local regulator's decision.

The excellent evolution of business lines led to a significant +4.0% QoQ expansion in the core earnings despite the fact that NII only grew 1%. This growth was led by favorable variations in fee income as well as a significant increase in net gain on FX transactions (+13% QoQ) due to strong economic activity.

Core earnings	Quarter			Change %		Year ended		Change %
US$ 000	2Q11	1Q11	2Q10	QoQ	YoY	Jun 11	Jun 10	Jun 11 / Jun 10
Net interest and dividend income	280,317	277,515	228,652	1.0 %	22.6 %	557,832	447,827	24.6 %
Fee income, net	132,207	122,025	113,577	8.3 %	16.4 %	254,232	220,800	15.1 %
Net gain on foreign exchange transactions	35,335	31,275	23,595	13.0 %	49.8 %	66,610	49,098	35.7 %
Core earnings	447,859	430,815	365,824	4.0 %	22.4 %	878,674	717,725	22.4 %

BCP's asset management strategy in 2Q11 focused on restructuring assets to favor more profitable assets and mainly the strong demand for loans. Growth was evident in both Wholesale and Retail Banking, which indicates that the Peruvian economy continues to expand. Securities available for sale also demonstrated significant growth of 11.2%

after BCP purchased Peruvian Government instruments as part of its strategy to invest in high yield assets. Along these lines, the bank moved to reduce its time deposits in BCRP, which are reported as cash and due from banks.

In terms of liabilities, deposits have been restructured to favor lower cost alternatives (non-interest bearing deposits and demand deposits) and CTS deposits (for seasonal reasons), both of which grew considerably in 2Q11 as time deposits fell. The aforementioned led to a +1.8% increase QoQ in total deposits. Nevertheless, this moderate growth in total deposits was not enough to finance the strong demand for credit, which led the bank to redirect assets to its dynamic loan portfolio. Furthermore, other funding sources declined 4.9% QoQ. This was primarily attributable to dividend payments for 2010, which coupled with strong growth in business lines and investments, led to a decision at the end of the last quarter to raise funding through the sale of corporate bonds which had a subsequent impact on funding costs in 2Q. The aforementioned bond issuances and the bank's decision in 2Q11 to redirect assets to the loan portfolio kept total liabilities at last quarter's levels.

Provisions for loan losses increased 45% QoQ mainly due to strong loan book expansion, mostly corporate loans; and to a minor degree by a small deterioration in consumer, SME and micro lending portfolios. However, it is important to point out that a better portfolio quality is evident in terms of total book, which is reflected in a drop in PDL ratio from 1.57% in 1Q11 to 1.52% in 2Q11. Additionally, coverage ratio was 194.3% in 2Q11 (vs. 189.7% in 1Q11), in line with BCP's conservative position.

Operating expenses increased 5% mainly due to higher personnel, general and administrative expenses in the Q related to the further expansion of our business (especially in the retail segment) and higher variable compensation. This growth in total operating expenses, alongside with a slightly smaller growth in the operating income side, led to a slight deterioration of the efficiency ratio (from 47.7 in 1Q11 to 48.4% in 2Q11). However, it remains within the expected range.

Finally, and as mentioned before, results this quarter were improved by higher translation gains and lower income taxes. The translation gain resulted from a sound Assets and Liabilities strategy implemented by the A&L Committee, which decided to take an open Nuevos Soles position in a scenario of expected appreciation of the local currency (Nuevo soles appreciated 1.96% in 2Q11 vs. a slight appreciation of 0.16% in 1Q11). With respect to income taxes, these are determined using results in Nuevos Soles local accounting, which this 2Q were diminished by the translation loss recorded in local accounting as a mirror effect of the translation gain in USD accounting, alongside with higher non-taxable income from certain subsidiaries, leading to a lower taxable income and resulting tax provision for the Q.

Profitability was sound and ROAE in 2Q11 reached a highly satisfactory level of 27.7%, which tops the 26.8% reported in 1Q11. ROAA reached 2.1%, which is an improvement over the 2.0% seen in 1Q11.

II.1 Interest-earning assets

Interest-earning assets reported a slight decline of 0.6% QoQ due to the fact that the increase in loans and securities available for sale were mainly financed by a decrease in deposits in BCRP.

Interest earning assets	Quarter			Change %			
US$ 000	2Q11	1Q11	2Q10	QoQ		YoY	
BCRP and other banks	4,341,947	6,229,907	2,594,416	-30.3	%	67.4	%
Interbank funds	6,819	16,783	-	-59.4	%	100.0	%
Trading securities	98,500	99,492	60,037	-1.0	%	64.1	%
Securities available for sale	3,906,167	3,512,171	3,707,331	11.2	%	5.4	%
Current loans	15,685,548	14,324,819	12,395,974	9.5	%	26.5	%
Total interest earning assets	24,038,981	24,183,172	18,757,758	-0.6	%	28.2	%

The asset management strategy in 2Q11 focused on growing BCP's most profitable asset: loans. This quarter, growth was concentrated in local currency (LC) loans in Retail Banking, which offer particularly high margins, and foreign currency (FC) loans in Wholesale Banking. Current loans expanded 9.5% QoQ and 26.5% YoY and accounted for a larger share of interest-earning assets in 2Q11 (65%), which tops the 59% reported in 1Q11.

Securities available for sale increased 11.2% QoQ and 5.4% YoY following BCP's purchases of Peruvian Government instruments as part of its strategy to invest in assets with high earnings potential. BCRP and other Banks contracted this quarter as BCP's time deposits in BCRP, which were used to finance loan growth, matured.

Loan Portfolio

At the end of the second quarter of 2011, BCP reported total loans of US$ 15,458 million, which represented an increase of 9.5% QoQ and 26.4% YoY. Nevertheless, the figures show their true dynamism if we analyze the average daily balances for each period, which grew 6.2% QoQ and 26.5% YoY. This growth reflects the joint result of Wholesale Banking and Retail Banking. Wholesale Banking stood out in 2Q11 for growth in FC denominated loans whereas Retail Banking performed best in LC denominated loans.

Average Daily Balances

TOTAL LOANS (1)
(US$ million)

	2Q11	1Q11	2Q10	QoQ		YoY	
Wholesale Banking	8,336.9	7,895.5	6,712.2	5.6	%	24.2	%
- Corporate	5,350.1	5,102.6	4,417.4	4.9	%	21.1	%
- Middle Market	2,986.8	2,792.9	2,294.8	6.9	%	30.2	%
Retail Banking	5,909.7	5,510.4	4,541.6	7.2	%	30.1	%
- SME + Business	2,059.1	1,882.8	1,501.9	9.4	%	37.1	%
- Mortgages	2,135.4	2,015.3	1,662.3	6.0	%	28.5	%
- Consumer	1,075.9	1,013.9	851.8	6.1	%	26.3	%
- Credit Cards	639.4	598.4	525.6	6.9	%	21.6	%
Edyficar	394.6	367.9	277.8	7.2	%	42.0	%
Others (2)	813.5	773.1	687.0	5.2	%	18.4	%
Consolidated total loans	15,454.7	14,546.9	12,218.6	6.2	%	26.5	%

(1) Average daily balance.
(2) Includes Work Out Unit, other banking and BCP Bolivia.
Source: BCP

The following table shows the evolution of average daily balances and final balances during the second quarter of 2011. Two aspects are noteworthy here: (i) the upward trend in loan levels seen throughout the period and (ii) the portfolio reported 6.2% growth in average daily balances, which represents an increase over the 4.6% reported in 1Q11. This growth trend has been reported in all banking segments, which is proof that the Peruvian economy continues to make strides in the current juncture.

Source: BCP

If we analyze loan evolution by currency type, both portfolios show growth of 6.9% and 6.1% QoQ in LC and FC respectively.

Average Daily Balances

	Domestic Currency Loans (1) (Nuevos Soles million)					Foreign Currency Loans (1) (US$ million)				
	2Q11	1Q11	2Q10	QoQ	YoY	2Q11	1Q11	2Q10	QoQ	YoY
Wholesale Banking	5,538.7	5,287.8	4,927.7	4.7 %	12.4 %	6,380.5	6,003.1	4,976.8	6.3 %	28.2 %
- Corporate	3,793.4	3,588.2	3,346.9	5.7 %	13.3 %	3,994.3	3,818.0	3,236.1	4.6 %	23.4 %
- Middle Market	1,745.3	1,699.6	1,580.8	2.7 %	10.4 %	2,386.2	2,185.1	1,740.6	9.2 %	37.1 %
Retail Banking	10,289.7	9,503.6	7,821.0	8.3 %	31.6 %	2,209.8	2,096.7	1,786.9	5.4 %	23.7 %
- SME + Business	3,741.4	3,384.8	2,678.8	10.5 %	39.7 %	716.4	667.1	558.3	7.4 %	28.3 %
- Mortgages	2,726.4	2,559.0	2,111.4	6.5 %	29.1 %	1,154.0	1,096.1	918.6	5.3 %	25.6 %
- Consumer	2,261.8	2,100.3	1,729.6	7.7 %	30.8 %	261.6	259.4	242.6	0.8 %	7.8 %
- Credit Cards	1,560.0	1,459.5	1,301.2	6.9 %	19.9 %	77.8	74.1	67.3	5.0 %	15.6 %
Edyficar	1,064.4	991.1	751.1	7.4 %	41.7 %	11.4	11.9	13.3	-4.3 %	-13.9 %
Others (2)	131.1	148.7	168.8	-11.8 %	-22.3 %	766.3	719.7	627.6	6.5 %	22.1 %
Consolidated total loans	17,023.9	15,931.1	13,668.6	6.9 %	24.5 %	9,368.0	8,831.4	7,404.5	6.1 %	26.5 %

(1) Average daily balance.
(2) Includes Work Out Unit, other banking and BCP Bolivia.
Source: BCP

Similar to the scenario seen in past quarters, the positive evolution of the LC denominated portfolio was led by the Retail Banking, which experienced significant growth in all of its segments. This expansion was spearheaded by SME loans, which posted a 10.5% increase. Edyficar's portfolio continues to be concentrated in local currency and has experienced noteworthy growth of 7.4% QoQ and 41.7% YoY.

Growth in the FC denominated portfolio is associated with an increase in loans in the Wholesale Banking division, which reported 6.3% growth QoQ. A disaggregated analysis of this portfolio shows considerable growth of 9.2% in Middle Market loans, followed by loans in Corporate Banking, which bounced back this quarter with 4.6% growth. Wholesale Banking's growth stems from the combined result posted for Foreign Trade and Working Capital Transactions, Long Term Financing for projects in progress and the seasonal effect of loans for the fishing sector, which grew considerably during this period.

Market share in loans

At the end of June, BCP Consolidated continued to lead the loan market with a 31.9% share, which situates it 10 points above its closest competitor and tops the 31.2% posted in March 2011.

As of May 2011, BCP's share in Corporate Banking and Middle Market Banking continued to far outpace the competition with levels of 46.4% and 34.9% respectively. Both of these figures top those reported for 1Q11. Within Retail Banking, SME's share continued to grow, posting a level of 20.6% versus 20.3% in 1Q11. Consumer products and credit cards grew only marginally this quarter, reaching 20.9% and 19.5% respectively.

Dollarization

A further, though slight increase in the level of dollarization was recorded during 2Q11 reaching 60.9% of Dollar denominated loans of BCP's total loan book. This growth in dollarization is due to an increase mainly in Wholesale Banking loans, and reflects the logical consequence in a business environment to choose the weaker and cheaper currency for its liabilities. In fact, this behavior spreads also into the business segment of the Retail Division, which also shows higher growth of FC denominated loans. All other retail segments maintain their loan expansion concentrated in LC, contributing to contain a potentially stronger dollarization process given the uncertain environment for the USD internationally and our own internal political uncertainties that affect expectations about the currency.

Source: BCP

II. 2 Deposits and Obligations

At the end of 2Q11, deposits posted increases of 1.8% QoQ and 22.7% YoY, both of which were driven by non-interest bearing deposits. Other funding sources declined 4.9% QoQ, due primarily to a decrease in other liabilities. The latter helped maintain total liabilities at levels similar to those seen last quarter.

Deposits and obligations		Quarter		Change %			
US$ 000	2Q11	1Q11	2Q10	QoQ		YoY	
Non-interest bearing deposits	5,069,417	4,747,056	4,027,803	6.8	%	25.9	%
Demand deposits	1,382,317	1,217,216	1,031,248	13.6	%	34.0	%
Saving deposits	4,609,125	4,546,340	3,702,869	1.4	%	24.5	%
Time deposits	4,827,161	5,324,190	4,242,721	-9.3	%	13.8	%
Severance indemnity deposits (CTS)	1,496,795	1,250,235	1,176,925	19.7	%	27.2	%
Interest payable	55,361	45,804	28,397	20.9	%	95.0	%
Total customer deposits	17,440,176	17,130,841	14,209,963	1.8	%	22.7	%
Due to banks and correspondents	3,400,461	3,480,231	3,110,545	-2.3	%	9.3	%
Bonds and subordinated debt	2,622,932	2,714,248	1,202,434	-3.4	%	118.1	%
Other liabilities	785,831	963,555	662,620	-18.4	%	18.6	%
Total liabilities	24,249,400	24,288,875	19,185,562	Huaneng Building			

6 Fuxingmennei Street

Xicheng District

Beijing

The People's Republic of China

Telephone Number: (8610) 6322 6999

Fax Number: (8610) 6641 2321

Hong Kong

Wonderful Sky Financial Group Limited

Unit 3102-05, 31/F., Office Tower,

Convention Plaza, 1 Harbour Road,

Wanchai, Hong Kong

Tel: (852) 2851 1038

Fax: (852) 2865 1638

45

Websites of the Company	http://www.hpi.com.cn; http://www.hpi-ir.com.hk

By Order of the Board
Cao Peixi
Chairman

As at the date of this announcement, the directors of the Company are:

Cao Peixi
(Executive Director)
Huang Long
(Non-executive Director)
Li Shiqi
(Non-executive Director)
Huang Jian
(Non-executive Director)
Liu Guoyue
(Executive Director)
Fan Xiaxia
(Executive Director)
Shan Qunying
(Non-executive Director)
Guo Hongbo
(Non-executive Director)
Xu Zujian
(Non-executive Director)
Xie Rongxing
(Non-executive Director)

Shao Shiwei
(Independent Non-executive Director)
Wu Liansheng
(Independent Non-executive Director)
Li Zhensheng
(Independent Non-executive Director)
Qi Yudong
(Independent Non-executive Director)
Zhang Shouwen
(Independent Non-executive Director)

Beijing, the PRC
30 July 2014

46

A. FINANCIAL INFORMATION EXTRACTED FROM CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS PREPARED UNDER IFRS

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET (UNAUDITED)
AS AT 30 JUNE 2014
(Amounts expressed in thousands of RMB)

	Note	As at 30 June 2014	As at 31 December 2013
ASSETS			
Non-current assets			
Property, plant and equipment		182,484,813	181,415,181
Investments in associates and joint ventures		17,139,717	16,678,694
Available-for-sale financial assets		3,087,236	3,111,164
Land use rights		4,447,762	4,491,285
Power generation license		3,989,469	3,837,169
Mining rights		1,922,655	1,922,655
Deferred income tax assets		1,064,199	652,358
Derivative financial assets		7,241	14,245
Goodwill		13,090,776	12,758,031
Other non-current assets		3,505,361	3,165,067
Total non-current assets		230,739,229	228,045,849
Current assets			
Inventories		6,690,458	6,469,026
Other receivables and assets		2,563,746	2,072,981
Accounts receivable	4	13,558,063	15,562,121
Derivative financial assets		67,644	91,727
Bank balances and cash		11,957,720	9,433,385
Assets held for sale		–	557,671
Total current assets		34,837,631	34,186,911
Total assets		265,576,860	262,232,760

47

	Note	As at 30 June 2014	As at 31 December 2013
EQUITY AND LIABILITIES			
Capital and reserves attributable to equity holders of the Company			
Share capital		14,055,383	14,055,383
Capital surplus		17,306,919	17,347,068
Surplus reserves		7,085,454	7,085,454
Currency translation differences		(326,211)	(817,243)
Retained earnings			
– Proposed dividend		–	5,341,046
– Others		26,247,328	19,438,957
		64,368,873	62,450,665
Non-controlling interests		14,324,735	12,742,309
Total equity		78,693,608	75,192,974
Non-current liabilities			
Long-term loans		60,990,577	60,513,671
Long-term bonds	6	18,723,908	23,726,550
Deferred income tax liabilities		2,052,316	2,032,417
Derivative financial liabilities		438,370	383,405
Other non-current liabilities		2,358,441	1,404,898
Total non-current liabilities		84,563,612	88,060,941
Current liabilities			
Accounts payable and other liabilities	7	22,209,276	25,321,374
Taxes payable		1,738,134	1,647,925
Dividends payable		5,771,894	166,270
Salary and welfare payables		199,526	188,837
Derivative financial liabilities		55,213	43,591
Short-term bonds	8	15,336,846	15,135,024
Short-term loans		39,024,528	37,937,046
Current portion of long-term loans		11,273,276	12,796,956
Current portion of long-term bonds	6	6,710,947	5,690,650
Liabilities held for sale		–	51,172
Total current liabilities		102,319,640	98,978,845
Total liabilities		186,883,252	187,039,786
Total equity and liabilities		265,576,860	262,232,760

48

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2014
(Amounts expressed in thousands of RMB, except per share data)

	Note	For the six months ended 30 June 2014	2013
Operating revenue	3	64,605,521	64,062,329
Tax and levies on operations		(488,913)	(521,253)
Operating expenses			
Fuel		(34,570,038)	(35,677,117)
Maintenance		(1,534,273)	(1,433,270)
Depreciation		(5,792,669)	(5,605,718)
Labor		(2,581,273)	(2,409,750)
Service fees on transmission and transformer facilities of HIPDC		(70,386)	(70,386)
Purchase of electricity		(2,572,420)	(2,664,797)
Others		(2,577,630)	(3,364,720)
Total operating expenses		(49,698,689)	(51,225,758)
Profit from operations		14,417,919	12,315,318
Interest income		80,816	83,862
Financial expenses, net			
Interest expense		(3,726,906)	(3,948,892)
Exchange (loss)/gain and bank charges, net		(51,126)	85,959
Total financial expenses, net		(3,778,032)	(3,862,933)

49

	Note	For the six months ended 30 June 2014	2013
Share of profits of associates and joint ventures		728,274	319,493
Gain on fair value changes of financial assets/liabilities		4,119	7,427
Other investment income		57,573	185,576
Profit before income tax expense	10	11,510,669	9,048,743
Income tax expense	11	(3,089,354)	(2,288,062)
Net profit		8,421,315	6,760,681
Other comprehensive income/(loss), net of tax			
Items that may be reclassified subsequently to profit or loss:			
Fair value changes of available-for-sale financial asset		(19,317)	9,659
Share of other comprehensive income/(loss) of investees accounted for under the equity method		7,730	(38,022)
Effective portion of cash flow hedges		(76,754)	308,856
Translation differences of the financial statements of foreign operations		491,391	(629,007)
Other comprehensive income/(loss), net of tax		403,050	(348,514)
Total comprehensive income		8,824,365	6,412,167

50

		For the six months ended 30 June	
	Note	2014	2013
Net profit attributable to:			
– Equity holders of the Company		6,808,372	5,622,740
– Non-controlling interests		1,612,943	1,137,941
		8,421,315	6,760,681
Total comprehensive income attributable to:			
– Equity holders of the Company		7,211,063	5,274,863
– Non-controlling interests		1,613,302	1,137,304
		8,824,365	6,412,167
Earnings per share attributable to the equity holders of the Company (expressed in RMB per share)			
– Basic and diluted	12	0.48	0.40
Dividends paid	5	–	–

51

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
(Amounts expressed in thousands of RMB unless otherwise stated)

1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information for the six months ended 30 June 2014 have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting". The unaudited condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2013, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (the "IASB"). The unaudited condensed consolidated interim financial information was approved for issue on 29 July 2014.

As at and for the six months ended 30 June 2014, a portion of the Company and its subsidiaries' funding requirements for capital expenditures were partially satisfied by short-term financing. Consequently, as at 30 June 2014, the Company and its subsidiaries have net current liabilities of approximately Renminbi Yuan ("RMB") 67.48 billion. Taking into consideration of the expected operating cash flows of the Company and its subsidiaries and the undrawn available banking facilities, the Company and its subsidiaries are expected to refinance and also consider alternative sources of financing, where applicable and when needed. Therefore, the directors of the Company are of the opinion that the Company and its subsidiaries will be able to meet its liabilities as and when they fall due within the next twelve months and accordingly, the unaudited condensed consolidated interim financial information are prepared on a going concern basis.

2. PRINCIPAL ACCOUNTING POLICIES

Except as described below, the principal accounting policies adopted are consistent with those applied in the annual financial statements for the year ended 31 December 2013 described in those annual financial statements.

The Company and its subsidiaries have adopted the following new amendments to standards and one Interpretation that are first effective for the current accounting period:

- Amendments to IFRS 10, IFRS 12 and IAS 27, ‘Investment entities’. The amendments provide consolidation relief to those parents which qualify to be an investment entity as defined in the amended IFRS 10. Investment entities are required to measure their subsidiaries at fair value through profit or loss. These amendments do not have an impact on the unaudited condensed consolidated interim financial information as the Company and its subsidiaries do not qualify to be investment entities.

- Amendments to IAS 32, ‘Financial instruments: Presentation – Offsetting financial assets and financial liabilities’ clarify the offsetting criteria in IAS 32. The amendments do not have any material impact on the unaudited condensed consolidated interim financial information as they are consistent with the policies already adopted by the Company and its subsidiaries.

- Amendments to IAS 36, ‘Impairment of Assets – Recoverable amount disclosures for non-financial assets’ modify the disclosure requirements for impaired non-financial assets. Among them, the amendments expand the disclosures required for an impaired asset or CGU whose recoverable amount is based on fair value less costs of disposal. The amendments do not have any material impact on the unaudited condensed consolidated interim financial information.

- Amendments to IAS 39, 'Financial Instruments: Recognition and Measurement - Novation of derivatives and continuation of hedge accounting' provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. The amendments do not have any material impact on the unaudited condensed consolidated interim financial information as the Company and its subsidiaries have not novated any of its derivatives.

- IFRIC 21 'Levies' provides guidance on when a liability to pay a levy imposed by a government should be recognized. The amendments do not have any material impact on the unaudited condensed consolidated interim financial information as the guidance is consistent with the Company and its subsidiaries' existing accounting policies.

3. REVENUE AND SEGMENT INFORMATION

Revenues recognized during the period are as follows:

	For the six months ended 30 June	
	2014	2013
Sales of power and heat	64,225,164	63,236,097
Port service	95,900	154,410
Transportation service	71,287	55,944
Others	213,170	615,878
Total	64,605,521	64,062,329

54

Directors and certain senior management of the Company perform the function as chief operating decision makers (collectively referred to as the "senior management"). The senior management reviews the internal reporting of the Company and its subsidiaries in order to assess performance and allocate resources. The Company has determined the operating segments based on these reports. The operating segments of the Company were grouped into PRC power segment, Singapore segment and all other segments (mainly including port and transportation operations). No operating segments have been aggregated to form a reportable segment.

Senior management assesses the performance of the operating segments based on a measure of profit before income tax expense under China Accounting Standard for Business Enterprises ("PRC GAAP") excluding dividend income received from available-for-sale financial assets and operating results of those centrally managed and resource allocation functions of headquarters("Segment results"). Other information provided, except as noted below, to the senior management of the Company is measured under PRC GAAP.

Segment assets exclude prepaid income tax, deferred income tax assets, available-for-sale financial assets and assets related to those centrally managed and resource allocation functions of headquarters that are not attributable to any operating segment ("corporate assets"). Segment liabilities exclude current income tax liabilities, deferred income tax liabilities and liabilities related to those centrally managed and resource allocation functions of headquarters that are not attributable to any operating segment ("corporate liabilities"). These are part of the reconciliation to total balance sheet assets and liabilities.

All sales among the operating segments were performed at market price or close to market price, and have been eliminated as internal transactions when preparing the unaudited condensed consolidated interim financial information.

	PRC power segment	Singapore segment	All other segments	Total
				(Under PRC GAAP)
For the six months ended 30 June 2014				
Total revenue	57,140,579	7,286,736	248,053	64,675,368
Inter-segment revenue	–	–	(69,847)	(69,847)
Revenue from external customers	57,140,579	7,286,736	178,206	64,605,521
Segment results	11,165,491	19,588	(85,846)	11,099,233
Interest income	44,298	35,926	592	80,816
Interest expense	(3,320,346)	(214,765)	(73,116)	(3,608,227)
Depreciation and amortization	(5,414,099)	(408,545)	(88,951)	(5,911,595)
Net loss on disposal of property, plant and equipment	(290,712)	(1)	(20,300)	(311,013)
Share of profits of associates and joint ventures	663,945	–	(14,367)	649,578
Income tax expense	(3,112,738)	8,763	(2,628)	(3,106,603)
For the six months ended 30 June 2013				
Total revenue	56,349,262	7,486,237	286,747	64,122,246
Inter-segment revenue	–	–	(59,917)	(59,917)
Revenue from external customers	56,349,262	7,486,237	226,830	64,062,329
Segment results	8,939,569	343,697	(38,862)	9,244,404
Interest income	48,096	35,203	563	83,862
Interest expense	(3,480,187)	(230,313)	(63,488)	(3,773,988)
Depreciation and amortization	(5,234,094)	(345,407)	(80,648)	(5,660,149)
Net loss on disposal of property, plant and equipment	(113,614)	(1,004)	-	(114,618)
Share of profits of associates and joint ventures	356,412	–	(131,095)	225,317
Income tax expense	(2,229,265)	(67,424)	(7,909)	(2,304,598)

(Under PRC GAAP)

	PRC power segment	Singapore segment	All other segments	Total
30 June 2014				
Segment assets	215,720,177	31,148,897	10,796,396	257,665,470
Including:				
Additions to non-current assets (excluding financial assets and deferred income tax assets)	7,063,643	240,641	429,799	7,734,083
Investments in associates	11,507,227	–	2,253,426	13,760,653
Investments in joint ventures	943,816	–	981,952	1,925,768
Segment liabilities	(154,846,392)	(16,409,680)	(5,246,178)	(176,502,250)
31 December 2013				
Segment assets	213,582,220	29,722,516	11,409,260	254,713,996
Including:				
Additions to non-current assets (excluding financial assets and deferred income tax assets)	16,730,985	1,103,389	1,504,584	19,338,958
Investments in associates	10,991,166	–	2,379,531	13,370,697
Investments in joint ventures	798,000	–	978,013	1,776,013
Segment liabilities	(156,529,664)	(15,926,935)	(5,106,756)	(177,563,355)

A reconciliation of segment results to profit before income tax expense is provided as follows:

	For the six months ended 30 June	
	2014	2013
Segment results (PRC GAAP)	11,099,233	9,244,404
Reconciling items:		
Income/(loss) related to the headquarters	255,564	(98,496)
Investment income from China Huaneng Finance Co., Ltd. ("Huaneng Finance")	74,798	80,467
Dividend income of available-for-sale financial assets	–	185,399
Impact of IFRS adjustments*	81,074	(363,031)
Profit before income tax expense per unaudited condensed consolidated interim statement of comprehensive income	11,510,669	9,048,743

Reportable segments' assets are reconciled to total assets as follows:

	As at 30 June 2014	As at 31 December 2013
Total segment assets (PRC GAAP)	257,665,470	254,713,996
Reconciling items:		
Investment in Huaneng Finance	1,199,679	1,270,016
Deferred income tax assets	1,157,149	762,561
Prepaid income tax	9,011	5,119
Available-for-sale financial assets	3,135,408	3,161,164
Corporate assets	481,895	361,996
Impact of IFRS adjustments*	1,928,248	1,957,908
Total assets per unaudited condensed consolidated interim balance sheet	265,576,860	262,232,760

Reportable segments' liabilities are reconciled to total liabilities as follows:

	As at 30 June 2014	As at 31 December 2013
Total segment liabilities (PRC GAAP)	(176,502,250)	(177,563,355)
Reconciling items:		
Current income tax liabilities	(1,091,403)	(700,082)
Deferred income tax liabilities	(1,808,817)	(1,788,922)
Corporate liabilities	(6,789,383)	(6,177,875)
Impact of IFRS adjustments*	(691,399)	(809,552)
Total liabilities per unaudited condensed consolidated interim balance sheet	(186,883,252)	(187,039,786)

Other material items:

	Reportablen Segment total	Headquarters	Investment income from Huaneng Finance	Impact of IFRS adjustments*	Total
For the six months ended 30 June 2014					
Interest expense	(3,608,227)	(118,679)	–	–	(3,726,906)
Depreciation and amortization	(5,911,595)	(25,472)	–	22,969	(5,914,098)
Share of profits of associates and joint ventures	649,578	–	74,798	3,898	728,274
Income tax expense	(3,106,603)	–	–	17,249	(3,089,354)
For the six months ended 30 June 2013					
Interest expense	(3,773,988)	(174,904)	–	–	(3,948,892)
Depreciation and amortization	(5,660,149)	(26,129)	–	(31,743)	(5,718,021)
Share of profits of associates and joint ventures	225,317	–	80,467	13,709	319,493
Income tax expense	(2,304,598)	–	–	16,536	(2,288,062)

* The GAAP adjustments above primarily represented the classification adjustments and other adjustments. The GAAP adjustments other than classification were primarily brought forward from prior years. Such differences will be gradually eliminated following subsequent depreciation and amortization of related assets or the extinguishment of liabilities.

60

Geographical information (Under IFRS):

(i) External revenue generated from the following countries:

	For the six months ended 30 June	
	2014	2013
PRC	57,318,785	56,576,092
Singapore	7,286,736	7,486,237
	64,605,521	64,062,329

(ii) Non-current assets (excluding financial assets and deferred income tax assets) are located in the following countries:

	As at 30 June 2014	As at 31 December 2013
PRC	200,105,780	198,621,517
Singapore	25,733,447	24,920,351
	225,839,227	223,541,868

The information on the portion of external revenue of the Company and its subsidiaries which is generated from sales to major customers of the Company and its subsidiaries at amounts equal to or more than 10% of external revenue is as follows:

	For the six months ended 30 June			
	2014		2013	
	Amount	Proportion	Amount	Proportion
Jiangsu Electric Power Company	8,230,274	13%	7,891,269	12%
Shandong Electric Power Corporation	8,036,698	12%	7,604,824	12%

4. ACCOUNTS RECEIVABLE

Accounts receivable comprised the following:

	As at 30 June 2014	As at 31 December 2013
Accounts receivable	12,655,006	14,812,913
Notes receivable	908,098	755,331
	13,563,104	15,568,244
Less: provision for doubtful accounts	(5,041)	(6,123)
	13,558,063	15,562,121

62

The Company and its subsidiaries usually grant about one month's credit period to local power grid customers from the end of the month in which the sales are made, except for SinoSing Power which provides credit period that ranged from 5 to 60 days from the dates of billings. Certain accounts receivable of Singapore subsidiaries are backed by bankers' guarantees and/or deposit from customers. It is not practicable to determine the fair value of the collaterals that correspond to these accounts receivable.

Aging analysis of accounts receivable and notes receivable was as follows:

	As at 30 June 2014	As at 31 December 2013
Within 1 year	13,286,603	15,347,876
Between 1 to 2 years	128,140	188,778
Between 2 to 3 years	117,854	25,326
Over 3 years	30,507	6,264
	13,563,104	15,568,244

As at 30 June 2014, the maturity period of the notes receivable ranged from 1 month to 6 months (31 December 2013: from 1 month to 6 months).

5. DIVIDENDS

On 26 June 2014, upon the approval from the annual general meeting of the shareholders, the Company declared 2013 final dividend of RMB0.38 (2012 final: RMB0.21) per ordinary share, totaling approximately RMB5,341 million (2012 final: RMB2,952 million). The Company did not make any dividend payments during the six months ended 30 June 2014 (nil during the six months ended 30 June 2013).

6. LONG-TERM BONDS

The Company issued bonds with maturity of 7 years and 10 years in December 2007 with face values of RMB1.7 billion and RMB3.3 billion bearing annual interest rates of 5.75% and 5.90%, respectively. The total actual proceeds received by the Company were approximately RMB4.980 billion. These bonds are denominated in RMB and issued at par. Interest is payable annually while principal will be paid when the bonds fall due. The annual effective interest rates of those bonds are 6.10% and 6.17%, respectively. Interest paid per annum during the tenure of the bonds is RMB98 million and RMB195 million, respectively. As at 30 June 2014, interest payables for the unmatured bonds amounted to approximately RMB150.63 million (31 December 2013: RMB5.61 million).

The Company also issued bonds with maturity of 10 years in May 2008 with a face value of RMB4 billion bearing an annual interest rate of 5.20%. The actual proceeds received by the Company were approximately RMB3.933 billion. These bonds are denominated in RMB and issued at par. Interest is payable annually while principal will be paid when the bonds fall due. The annual effective interest rate of the bonds is 5.42%. Interest paid per annum during the tenure of the bonds is RMB208 million. As at 30 June 2014, interest payable for these bonds amounted to approximately RMB30.20 million (31 December 2013: RMB135.06 million).

The Company issued medium-term notes with maturity of 5 years in May 2009 with a face value of RMB4 billion bearing an annual interest rate of 3.72%. The actual proceeds received by the Company were approximately RMB3.940 billion. These notes are denominated in RMB and issued at par. Interest is payable annually while principal will be paid when the notes fall due. The annual effective interest rate of these notes is 4.06%. Interest paid per annum during the tenure of the notes is RMB149 million. The notes had matured and the Company repaid the principal of RMB4 billion in May 2014.

In November 2011 and January 2012, the Company issued non-public debt financing instrument with maturity of 5 years and 3 years with face values of RMB5 billion and RMB5 billion bearing annual interest rates of 5.74% and 5.24%, respectively. The actual proceeds received by the Company were approximately RMB4.985 billion and RMB4.985 billion. These bonds are denominated in RMB and issued at par. Interest is payable annually while principal will be paid when the bonds fall due. The annual effective interest rates of those bonds are 6.04% and 5.54%, respectively. Interest paid per annum during the tenure of the bonds is RMB302 million and RMB277 million, respectively. As at 30 June 2014, interest payable for these bonds amounted to approximately RMB187.93 million and RMB127.05 million, respectively (31 December 2013: RMB45.61 million and RMB259.13 million, respectively).

The Company issued overseas listed bonds with maturity of 3 years in February 2013 with a face value of RMB1.5 billion bearing an annual interest rate of 3.85%. The actual proceeds received by the Company were approximately RMB1.495 billion. These bonds are denominated in RMB and issued at par. Interest is payable semiannually while principal will be paid when the bonds fall due. The annual effective interest rate of these bonds is 3.96%. Interest paid per annum during the tenure of the bonds is RMB58 million. As at 30 June 2014, interest payable for these bonds amounted to approximately RMB22.78 million (31 December 2013: RMB23.57 million).

The Company issued non-public debt financing instrument with maturity of 3 years in June 2013 with a face value of RMB5 billion bearing an annual interest rate of 4.82%. The actual proceeds received by the Company were approximately RMB4.985 billion. These bonds are denominated in RMB and issued at par. Interest is payable annually while principal will be paid when the bonds fall due. The annual effective interest rate of these bonds is 5.12%. Interest paid per annum during the tenure of the bonds is RMB256 million. As at 30 June 2014, interest payable for these bonds amounted to approximately RMB17.83 million (31 December 2013: RMB139.32 million).

7. ACCOUNTS PAYABLE AND OTHER LIABILITIES

Accounts payable and other liabilities comprised:

	As at 30 June 2014	As at 31 December 2013
Accounts and notes payable	10,007,677	12,277,872
Provisions (a)	207,327	182,188
Current portion of finance lease payables	302,221	6,502
Other payables and accrued liabilities	11,692,051	12,854,812
	22,209,276	25,321,374

(a) As at 30 June 2014, a provision of RMB207 million was made due to a legal claim by a vendor of the Company's subsidiary. The outcome of this legal claim is not expected to give rise to any significant loss beyond the amount provided as at 30 June 2014 (31 December 2013: RMB182 million).

Aging analysis of accounts and notes payable was as follows:

	As at 30 June 2014	As at 31 December 2013
Within 1 year	9,935,257	12,226,313
Between 1 to 2 years	42,401	14,041
Over 2 years	30,019	37,518
	10,007,677	12,277,872

66

8. SHORT-TERM BONDS

The Company issued unsecured super short-term bonds with face values of RMB5 billion and RMB5 billion bearing annual interest rates of 3.80% and 5.70% in May 2013 and December 2013, respectively. Such bonds are denominated in RMB, issued at par and matured in 270 days. The annual effective interest rates of these bonds are 4.21% and 6.12%, respectively. The bond issued in May 2013 had matured and the Company repaid the principal of RMB5 billion in February 2014. As at 30 June 2014, interest payable for the outstanding bonds amounted to approximately RMB155.17 million (31 December 2013: RMB132.13 million).

The Company issued unsecured short-term bonds with face values of RMB5 billion and RMB5 billion bearing annual interest rates of 5.25% and 4.90% in November 2013 and April 2014, respectively. Such bonds are denominated in RMB, issued at par and matured in 365 days. The annual effective interest rates of the bonds are 5.67% and 5.30%, respectively. As at 30 June 2014, interest payables for the bonds amounted to approximately RMB166.85 million and RMB42.96 million, respectively. (31 December 2013: RMB36.68 million and nil, respectively).

9. ADDITIONAL FINANCIAL INFORMATION ON UNAUDITED CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

As at 30 June 2014, the net current liabilities of the Company and its subsidiaries amounted to approximately RMB67,482 million (31 December 2013: RMB64,792 million) and total assets less current liabilities were approximately RMB163,257 million (31 December 2013: RMB163,254 million).

10. PROFIT BEFORE INCOME TAX EXPENSE

Profit before income tax expense was determined after charging/(crediting) the following:

	For the six months ended 30 June	
	2014	2013
Interest expense on		
– loans	2,971,759	2,791,044
– bonds	1,124,111	1,374,524
Total interest expense on borrowings	4,095,870	4,165,568
Less: amounts capitalized in property, plant and equipment	(368,964)	(216,676)
Interest expense charged in unaudited condensed consolidated interim statement of comprehensive income	3,726,906	3,948,892
Loss on disposals/write-off of property, plant and equipment, net	310,729	114,902
Impairment loss of property, plant and equipment	291,025	64,448
Impairment loss of investment in an associate	120,049	–
Reversal of doubtful accounts	(1,237)	(2,142)

11. INCOME TAX EXPENSE

No Hong Kong profits tax has been provided as there were no estimated assessable profits in Hong Kong for the six months ended 30 June 2014(for the six months ended 30 June 2013: nil).

The Company and its PRC branches and subsidiaries are subject to income tax at 25%, except for certain PRC subsidiaries that are taxed at preferential tax rates ranging from 0% to 15%.

Pursuant to Guo Shui Han [2009] No. 33, starting from 1 January 2008, the Company and its PRC branches calculate and pay income tax on a consolidated basis according to relevant tax laws and regulations. The income tax of subsidiaries remains to be calculated individually based on their individual operating results.

For the six months ended 30 June 2014, the income tax rate applicable to Singapore subsidiaries is 17% (for the six months ended 30 June 2013: 17%).

12. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the consolidated net profit attributable to the equity holders of the Company by the weighted average number of the Company's outstanding ordinary shares during the period:

	For the six months ended 30 June	
	2014	2013
Consolidated net profit attributable to equity holders of the Company	6,808,372	5,622,740
Weighted average number of the Company's outstanding ordinary shares ('000)	14,055,383	14,055,383
Basic earnings per share (RMB)	0.48	0.40

There was no dilutive effect on earnings per share since the Company had no dilutive potential ordinary shares for the six months ended 30 June 2014 and 2013.

B. FINANCIAL INFORMATION EXTRACTED FROM FINANCIAL STATEMENTS PREPARED UNDER PRC GAAP

(Amounts expressed in RMB Yuan unless otherwise stated)

1. FINANCIAL HIGHLIGHTS AND FINANCIAL RATIOS (UNAUDITED)

	Unit	As at 30 June 2014	As at 31 December 2013	Variance (%)
Total assets	Yuan	263,648,612,477	260,274,853,102	1.30
Shareholders' equity attributable to shareholders of the Company	Yuan	63,568,775,509	61,747,779,816	2.95
Net assets per share attributable to shareholders of the Company	Yuan / per share	4.52	4.39	2.96

	Unit	For the six months ended 30 June 2014	2013	Variance (%)
Operating revenue	Yuan	64,605,521,127	64,062,328,755	0.85
Profit before taxation	Yuan	11,429,594,517	9,411,773,541	21.44
Net profit attributable to shareholders of the Company	Yuan	6,702,375,631	5,894,620,982	13.70
Net profit attributable to shareholders of the Company (excluding non-recurring items)	Yuan	6,788,160,770	5,999,454,307	13.15
Basic earnings per share	Yuan /per share	0.48	0.42	14.29
Basic earnings per share (excluding non-recurring items)	Yuan / per share	0.48	0.43	11.63
Diluted earnings per share	Yuan / per share	0.48	0.42	14.29
Return on net assets (weighted average)	%	10.26	10.20	increased by 0.06 percents
Net cash flow from operating activities	Yuan	16,248,489,233	20,580,465,807	(21.05)
Net cash flow from operating activities per share	Yuan / per share	1.16	1.46	(20.55)

Note: Formula of key financial ratios:

Basic earnings per share	=	Net profit attributable to shareholders of the Company for the period/Weighted average number of ordinary shares
Return on net assets (weighted average)	=	Net profit attributable to shareholders of the Company for the period/weighted average shareholders' equity (excluding non-controlling interests) × 100%

2. ITEMS AND AMOUNTS OF NON-RECURRING ITEMS

(Amounts Expressed in RMB Yuan)

Non-recurring Items	For the six months ended 30 June 2014
Net loss from disposal of non-current assets	(311,013,438)
Government grants recorded in the profit and loss	631,299,220
The gain on fair value change of held-for-trading financial assets and liabilities (excluding effective hedging instruments related to operating activities of the Company and its subsidiaries) and disposal of held-for-trading financial assets and liabilities and available-for-sale financial assets	7,937,136
Reversal of doubtful accounts receivable individually tested for impairments	1,237,215
Non-operating income and expenses (excluding items above)	(35,924,510)
Other items recorded in the profit and loss in accordance with the definition of non-recurring items	(291,024,952)
Subtotal	2,510,671
Impact of income tax	(71,427,208)
Impact of non-controlling interests (net of tax)	(16,868,602)
Total	(85,785,139)

71

3 INCOME STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2014

	For the six months ended 30 June			
	2014	2013	2014	2013
	Consolidated	Consolidated	The Company	The Company
1. Operating revenue	64,605,521,127	64,062,328,755	27,823,508,484	28,091,659,009
Less: Operating cost	48,112,817,999	49,322,515,061	19,412,525,612	20,300,771,449
Tax and levies on operations	488,912,740	521,252,666	272,170,407	275,305,398
Selling expenses	2,314,452	6,488,005	-	-
General and administrative expenses	1,534,615,806	1,497,531,047	964,567,094	912,460,136
Financial expenses, net	3,697,215,680	3,779,071,021	2,594,944,429	2,463,580,277
Assets impairment loss	410,746,662	62,256,567	120,028,667	27,997,299
Add: Gain from changes in fair value	4,119,358	7,426,951	-	-
Investment income	782,216,099	491,359,671	2,488,502,175	2,415,836,467
Including: investment income from associates and joint ventures	724,375,556	305,783,934	578,210,566	305,702,667
2. Operating profit	11,145,233,245	9,372,001,010	6,947,774,450	6,527,380,917
Add: Non-operating income	653,674,285	201,080,015	2,628,796,337	119,298,417
Including: gain on disposal of non-current assets	3,803,478	7,124,790	2,062,604,338	5,343,621
Less: Non-operating expenses	369,313,013	161,307,484	218,378,984	104,794,952
Including: loss on disposal of non-current assets	314,816,916	121,742,335	200,970,411	84,893,381
3. Profit before taxation	11,429,594,517	9,411,773,541	9,358,191,803	6,541,884,382
Less: Income tax expense	3,106,603,301	2,304,597,719	2,211,840,050	1,346,077,040

72

		For the six months ended 30 June			
		2014	2013	2014	2013
		Consolidated	Consolidated	The Company	The Company
4.	Net profit	8,322,991,216	7,107,175,822	7,146,351,753	5,195,807,342
	Attributable to:				
	– Shareholders of the Company	6,702,375,631	5,894,620,982	7,146,351,753	5,195,807,342
	– Non-controlling interests	1,620,615,585	1,212,554,840	–	–
5.	Earnings per share (based on the net profit attributable to shareholders of the Company)				
	Basic earnings per share	0.48	0.42	–	–
	Diluted earnings per share	0.48	0.42	–	–
6.	Other comprehensive income/(loss)	403,049,790	(348,513,029)	(11,751,501)	26,217,489
	Items that may be reclassified subsequently to profit or loss (net of tax):				
	Including:				
	Fair value changes of available-for-sale financial asset	(19,316,981)	9,658,491	(19,316,981)	9,658,491
	Share of other comprehensive income/(loss) of investees accounted for under the equity method	7,730,108	(38,022,282)	7,730,108	(38,022,282)
	Effective portion of cash flow hedges	(76,754,036)	308,856,095	(164,628)	54,581,280
	Translation differences of the financial statements of foreign operations	491,390,699	(629,005,333)	–	–
7.	Total comprehensive income	8,726,041,006	6,758,662,793	7,134,600,252	5,222,024,831
	Attributable to				
	– Shareholders of the Company	7,105,066,306	5,546,743,558	7,134,600,252	5,222,024,831
	– Non-controlling interests	1,620,974,700	1,211,919,235	–	–

4. CONSOLIDATED NET PROFIT RECONCILIATION BETWEEN PRC GAAP AND IFRS

The financial statements, which are prepared by the Company and its subsidiaries in conformity with the PRC GAAP, differ in certain respects from that of IFRS. Major impact of adjustments for IFRS, on the consolidated net profit attributable to equity holders of the Company, are summarized as follows:

	Consolidated net profit attributable to equity holders of the Company	
	For the six months ended	
	2014	2013
	RMB'000	RMB'000
Consolidated net profit attributable to shareholders of the Company under PRC GAAP	6,702,376	5,894,621
Impact of IFRS adjustments:		
Effect of reversal of the recorded the amounts received in advance in previous years (a)	111,725	-
Amortization of the difference in the recognition of housing benefits of previous years (b)	(470)	(470)
Difference on depreciation related to borrowing costs capitalized in previous years (c)	(13,508)	(13,507)
Difference in depreciation and amortization of assets acquired in business combinations under common control (d)	(34,702)	(88,952)
Others	24,930	(260,101)
Applicable deferred income tax impact of the GAAP differences above (e)	10,349	16,536
Profit attributable to non-controlling interests on the adjustments above	7,672	74,613
Consolidated net profit attributable to equity holders of the Company under IFRS	6,808,372	5,622,740

(a) Effect of recording the amounts received in advance of previous years

In accordance with the tariff setting mechanism applicable to certain power plants of the Company in previous years, certain power plants of the Company receive payments in advance in the previous years (calculated at 1% of the original cost of fixed assets) as the major repair and maintenance cost of these power plants. Such receipts in advance are recognized as liabilities under IFRS and are recognized in profit or loss when the repairs and maintenance is performed and the liabilities are extinguished. In accordance with PRC GAAP, when preparing the financial statements, revenue is computed based on actual power sold and the tariff currently set by the State, no such amounts are recorded.

(b) Difference in the recognition of housing benefits to the employees of the Company and its subsidiaries in previous years

The Company and its subsidiaries once provided staff quarters to the employees of the Company and its subsidiaries and sold such staff quarters to the employees of the Company and its subsidiaries at preferential prices set by the local housing reform office. Difference between cost of the staff quarters and proceeds from the employees represented the housing losses, and was borne by the Company and its subsidiaries.

Under Previous Accounting Standards and Accounting System (“Previous PRC GAAP”) , in accordance with the relevant regulations issued by the Ministry of Finance, such housing losses incurred by the Company and its subsidiaries are fully charged to non-operating expenses in previous years. Under IFRS, such housing losses incurred by the Company and its subsidiaries are recognized on a straight-line basis over the estimated remaining average service lives of the employees.

(c) Effect of depreciation on the capitalization of borrowing costs in previous years

In previous years, under Previous PRC GAAP, the scope of capitalization of borrowing costs was limited to specific borrowings, and thus, borrowing costs arising from general borrowings were not capitalized. In accordance with IFRS, the Company and its subsidiaries capitalized borrowing on general borrowing used for the purpose of obtaining qualifying assets in addition to the capitalization of borrowing costs on specific borrowings. From 1 January 2007 onwards, the Company and its subsidiaries adopted PRC GAAP No. 17 prospectively, the current adjustments represent the related depreciation on capitalized borrowing costs included in the cost of related assets under IFRS in previous years.

(d) Differences in accounting treatment on business combinations under common control

Huaneng Group is the parent company of HIPDC, which in turn is also the ultimate parent of the Company. The Company carried out a series of acquisitions from Huaneng Group and HIPDC. As the acquired power companies and plants and the Company were under common control of Huaneng Group before and after the acquisitions, such acquisitions are regarded as business combinations under common control.

In accordance with PRC GAAP, under common control business combination, the assets and liabilities acquired in business combinations are measured at the carrying amounts of the acquirees on the acquisition date. The difference between carrying amounts of the net assets acquired and the consideration paid is adjusted to equity account of the acquirer. The operating results for all periods presented are retrospectively restated as if the current structure and operations resulting from the acquisition had been in existence since the beginning of the earliest year presented, with financial data of previously separate entities consolidated. The cash consideration paid by the Company is treated as an equity transaction in the year of acquisition.

For the business combination occurred prior to 1 January 2007, in accordance with Previous PRC GAAP, when equity interests acquired is less than 100%, the assets and liabilities of the acquirees are measured at their carrying amounts. The excess of consideration over the proportionate share of the carrying amounts of the net assets acquired was recorded as equity investment difference and amortized on a straight-line basis for not more than 10 years. When acquiring the entire equity, the entire assets and liabilities are accounted for in a method similar to purchase accounting. Goodwill arising from such transactions is amortized over the estimated useful lives on a straight-line basis. On 1 January 2007, in accordance with PRC GAAP, the unamortized equity investment differences and goodwill arising from business combinations under common control were written off against undistributed profits.

Under IFRS, the Company and its subsidiaries adopted the purchase method to account for the acquisitions above. The assets and liabilities acquired in acquisitions were recorded at fair value by the acquirer. The excess of acquisition cost over the proportionate share of fair value of net identifiable assets acquired was recorded as goodwill. Goodwill is not amortized but is tested annually for impairment and carried at cost less accumulated impairment losses. The operating results of the acquirees are consolidated in the operating results of the Company and its subsidiaries from the acquisition dates onwards.

As mentioned above, the differences in accounting treatment under PRC GAAP and IFRS on business combinations under common control affect both equity and profit. Meanwhile, due to different measurement basis of the assets acquired, depreciation and amortization in the period subsequent to the acquisition will be affected which will also affect the equity and profit or loss upon subsequent disposals of such investments. Such differences will be gradually eliminated following subsequent depreciation, amortization and disposal of related assets.

(e) Deferred income tax impact on GAAP differences

This represents related deferred income tax impact on the GAAP differences above where applicable.

77

Announcement 2

(a Sino-foreign joint stock limited company incorporated in the People' Republic of China)
(Stock Code: 902)

PROPOSED RE-ELECTION AND APPOINTMENT OF DIRECTORS AND SUPERVISORS

PROPOSED RE-ELECTION OF DIRECTORS AND SUPERVISORS

The term of the Seventh Session of the Board of Directors and the Supervisory Committee of the Company had expired. The Company was informed that, among the Directors and the Supervisors of the Seventh Session of the Board of Directors and the Supervisory Committee, (i) Mr. Huang Long, Mr. Shan Qunying, Mr. Xie Rongxing, Mr. Shao Shiwei and Mr. Wu Liansheng will retire and will not stand for re-election as Directors of the Eighth Session of the Board of Directors; and (ii) Mr. Guo Junming will retire and will not stand for re-election as Supervisor of the Eighth Session of the Supervisory Committee. The other Directors and Supervisors of the Seventh Session of the Board of Directors and the Supervisory Committee (save for the Staff Representative Supervisors) have confirmed that they will offer themselves for re-election at the 2014 second extraordinary general meeting of the Company.

PROPOSED APPOINTMENT OF DIRECTORS AND SUPERVISORS

The Board of Directors and the Supervisory Committee have respectively proposed to appoint (i) Mr. Guo Junming, Mr. Mi Dabin and Ms. Li Song as the non-executive Directors; (ii) Mr. Li Fuxing and Mr. Yue Heng as Independent Non-executive Directors and (iii) Mr. Ye Xiangdong and Mr. Mu Xuan as Supervisors of the Company.

STAFF REPRESENTATIVE SUPERVISORS

Mr. Wang Zhaobin and Ms. Zhang Ling have been re-elected by the staff of the Company as the Staff Representative Supervisors of the Eighth Session of the Supervisory Committee.

A circular containing further information on the proposed re-election and appointment of Directors and Supervisors, together with a notice of the 2014 second extraordinary general meeting of the Company, will be despatched to Shareholders as soon as practicable.

PROPOSED RE-ELECTION OF DIRECTORS AND SUPERVISORS

The term of the Seventh Session of the Board of Directors and the Supervisory Committee of the Company had expired. The Company was informed that, among the Directors and the Supervisors of the Seventh Session of the Board of Directors and the Supervisory Committee:

(i) Mr. Huang Long (Non-executive Director), Mr. Shan Qunying (Non-executive Director), Mr. Xie Rongxing (Non-executive Director), Mr. Shao Shiwei (Independent Non-executive Director) and Mr. Wu Liansheng (Independent Non-executive Director) will retire and will not stand for re-election as Directors of the Eighth Session of the Board of Directors; and

(ii) Mr. Guo Junming will retire and will not stand for re-election as Supervisors of the Eighth Session of the Supervisory Committee.

The other Directors and Supervisors of the Seventh Session of the Board of Directors and the Supervisory Committee (save for the Staff Representative Supervisors) have confirmed that they will offer themselves for re-election at the 2014 second extraordinary general meeting of the Company.

To the best of the Directors' knowledge, information and belief having made reasonable enquiry regarding the retirement of Directors and Supervisors, there are no disagreements among the Directors and among the Supervisors and there are no matters that need to be brought to the attention of the Shareholders.

PROPOSED APPOINTMENT OF DIRECTORS AND SUPERVISORS

In addition to the proposed re-election of Directors and Supervisors, the Board of Directors and the Supervisory Committee have respectively proposed the following new appointments to constitute the Eighth Session of the Board of Directors and the Supervisory Committee:

(i) Mr. Guo Junming, Mr. Mi Dabin and Ms. Li Song as the Non-executive Directors;

(ii) Mr. Li Fuxing and Mr. Yue Heng as Independent Non-executive Directors; and

(iii) Mr. Ye Xiangdong and Mr. Mu Xuan as Supervisors.

STAFF REPRESENTATIVE SUPERVISORS

Mr. Wang Zhaobin and Ms. Zhang Ling have been re-elected by the staff of the Company as the Staff Representative Supervisors of the Eighth Session of the Supervisory Committee.

BIOGRAPHIES OF THE DIRECTORS AND SUPERVISORS PROPOSED TO BE RE-APPOINTED AND APPOINTED AT THE 2014 SECOND EXTRAORDINARY GENERAL MEETING OF THE COMPANY

Directors

Executive Directors and Non-executive Directors

Cao Peixi, aged 58, is currently the Chairman of the Company, the President of Huaneng Group, and the Chairman of HIPDC and Huaneng Renewables Co. Ltd. (listed on the Hong Kong Stock Exchange). He was the Head of Qingdao Power Plant, Deputy Chief (Vice President) of Shandong Power Company (Bureau), Chairman and President of Shandong Power Group Corporation, Vice President and President of China Huadian Corporation and the Chairman of Huadian Power International Corporation Limited (listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange). He was graduated from Shandong University, majoring in electrical engineering. He holds a postgraduate degree of master in engineering awarded by the Party School of the Central Committee, and is a researcher-grade senior engineer.

The Company proposes to re-appoint Mr. Cao as the Executive Director for a term of three years. Mr. Cao will not receive any director's fees. Mr. Cao does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Cao which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Guo Junming, aged 48, is currently the Chairman of the Company's Supervisory Committee, the Chief Accountant of Huaneng Group and Director of HIPDC. He was the Deputy Chief Accountants of Longyuan Power Group Corporation, Deputy Chief of the Finance Department of the Accounting Department of Power Grid Development Branch (Power Grid Development Department) of State Electric Power Corporation, Vice President and President of China Huaneng Finance Co. Ltd., President of Huaneng Capital Services Co. Ltd., Deputy Chief Accountant and Manager of the Finance Department of Huaneng Group. He graduated from Shanxi Finance and Economic Institute, majoring in business finance and accounting, and holds a bachelor's degree in economics. He is also a senior accountant.

The Company proposes to appoint Mr. Guo as the Non-executive Director for a term of three years. Mr. Guo will not receive any director's fees. Mr. Guo does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Guo which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Liu Guoyue, aged 50, is currently a Director and the President of the Company, Vice President of Huaneng Group, the Chairman of Shanghai Times Shipping Limited Company, a Director of Xi'an Thermal Research Institute Limited Company, an Executive Director of Huaneng Power International Fuel Co., Ltd. and a Director of Tuas Power Ltd., Tuas Power Supply Pte Ltd. and Tuas Power Utilities Pte Ltd.. He was the Chief of Huaneng Shang'an Power Plant and Huaneng Dezhou Power Plant, the Vice President of the Company. He graduated from North China Electric Power University, majoring in thermal engineering. He holds a doctor's degree in engineering. He is a senior engineer.

The Company proposes to re-appoint Mr. Liu as the Executive Director for a term of three years. Mr. Liu will not receive any director's fees. The other remuneration will be announced once the determination is made. Mr. Liu does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Liu which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Li Shiqi, aged 57, is currently a Director of the Company and the President of HIPDC. He was the Deputy Chief and Chief of the Finance Division, Deputy Chief Accountant and Director of the Accounting Department of the Electric Power Research Institute, Chief Accountant of Huaneng Beijing Branch, Deputy Manager and Manger of the Finance Department of HIPDC, Manager of the Electric Power Sales & Marketing Department of Huaneng Group, Chief Economist and Vice President of the Company, Chairman and the Executive Vice Chairman of Huaneng Capital Services Co. Ltd.. He graduated from Renmin University of China, majoring in finance and holds a diploma degree. He is a senior accountant.

The Company proposes to re-appoint Mr. Li as the Non-executive Director for a term of three years. Mr. Li will not receive any director's fees. Mr. Li does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Li which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Huang Jian, aged 51, is currently a Director of the Company, an Assistant to the President of Huaneng Group, the Chairman of Huaneng Capital Services Co., Ltd. and the Chairman of Huaneng Hainan Power Ltd. He was the Deputy Director of Costs and Price Division and Director of Price General Division of the Finance Department of HIPDC, Chief Accountant of Beijing Branch of HIPDC, Deputy Manager of the Finance Department of Huaneng Development, Deputy Chief Accountant, Chief Accountant, Vice President, Board Secretary of the Company, Deputy Chief Economist and Chief of Financial Planning Department of Huaneng Group. Mr. Huang graduated from the Department of Accounting of Institute of Fiscal Science of the Ministry of Finance with a postgraduate degree of master in economics. He is a senior accountant.

The Company proposes to re-appoint Mr. Huang as the Non-executive Director for a term of three years. Mr. Huang will not receive any director's fees. Mr. Huang does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Huang which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Fan Xiaxia, aged 52, is currently a Director and the Vice President of the Company and the Vice Chairman of Huaneng Shidaowan Nuclear Power Co., Ltd.. He was the Deputy Director of General Administration Division of Engineering Department and General Department of HIPDC, Deputy Manager of the Company's Nantong Branch, Deputy Manager of Engineering Administration Department of HIPDC, Deputy Manager and Manager of International Cooperation and Commerce Department of the Company, Manager of Engineering Administration Department of the Company, an Assistant to the President of the Company and the General Manager (Officer) of the Company's Zhejiang Branch (Yuhuan Power Plant Preparatory Office). He graduated from the Economic Management School of Tsinghua University with a EMBA degree. He is a senior engineer.

The Company proposes to re-appoint Mr. Fan as the Executive Director for a term of three years. Mr. Fan will not receive any director's fees. The other remuneration will be announced once the determination is made. Mr. Fan does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Fan which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Mi Dabin, aged 45, is currently the Vice President of Hebei Construction & Investment Group Co., Ltd. and chairman of Hebei Construction & Energy Investment Co., Ltd.. He was the Chief Engineer, Vice President and President of Qinhuangdao Power Generation Co., Ltd., President of Qinhuangdao Thermal Power Generation Co., Ltd., an assistant to the President and the Head of Production and Operation Department of Hebei Construction & Investment Group Co., Ltd., President of Qinhuangdao Power Generation Co., Ltd. and Qinhuangdao Thermal Power Generation Co., Ltd. He graduated from North China Electric Power University, majoring in Power Engineering and holds a master's degree. He is a senior engineer.

The Company proposes to appoint Mr. Mi as the Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Mi will be RMB48,000. Mr. Mi does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Mi which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Guo Hongbo, aged 45, is currently a Director of the Company and the President and the Vice Chairman of Liaoning Energy Investment (Group) Limited Liability Company. He was the Planning Staff of Anshan Chemical Fibre & Wool Textile General Mill, an Assistant to the Head and the Deputy Head of Anshan Silk Printing and Dyeing Mill, the Vice President of Anshan Co-Operation (Group) Co., Ltd., an Assistant to President, Vice President and President of Liaoning Engineering & Machinery (Group) Co., Ltd., an Assistant to President of Liaoning Enterprise (Group) Co., Ltd. and Liaoning Energy Corporation, the Assistant to President, the Vice President, the Executive Vice President and a Director of Liaoning Energy Investment (Group) Limited Liability Company. Mr. Guo graduated from Jilin University, majoring in administrative management, and holds a postgraduate degree of master in management. He also holds an MBA degree of Macau University of Science & Technology. He is a researcher-grade senior engineer.

The Company proposes to re-appoint Mr. Guo as the Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Guo will be RMB48,000. Mr. Guo does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Guo which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Xu Zujian, aged 59, is currently a Director of the Company, the Vice President of Jiangsu Guoxin Investment Group Limited and the Chairman of Jiangsu Investment Management Co. Ltd. and Zking Property & Casualty Insurance Co., Ltd.. He was the Vice President of Jiangsu Provincial International Trust & Investment Corporation, the President of Jiangsu Investment Management Co. Ltd. and a Director of Jiangsu Guoxin Investment Group Limited. He graduated from Liaoning Finance University, majoring in infrastructure finance, and holds a bachelor's degree. He is a senior economist.

The Company proposes to re-appoint Mr. Xu as the Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Xu will be RMB48,000. Mr. Xu does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Xu which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Li Song, aged 56, is currently the Vice President of Fujian Investment and Development Group Co., Ltd., Vice Chairman of CNOOC Fujian Natural Gas Co. Ltd., Vice Chairman of CNOOC Fujian Gas Power Generation Co. Ltd. and CNOOC Fujian Zhangzhou Natural Gas Company Limited, a Director of Fujian Futou Gas Co., Ltd.. She was an Officer of Finance Bureau of Pingnan County, an Officer of Fujian Huaxing Trust Investment Company, Deputy Manager and Manager of Development Department and Credit Department of Poverty Relief Funds, Vice President (in charge of operation) of Fujian Huaxing Trust Investment Company, Vice President of Fujian Huaxing Group Corporation. She graduated from Xiamen Jimei Finance and Commerce College majoring in Finance, Open College of Party School of the Central Committee majoring in Economic Management and holds a bachelor's degree from Party School of the Central Committee. She is an accountant.

The Company proposes to appoint Ms. Li as the Non-executive Director for a term of three years. The pre-tax annual director's fees of Ms. Li will be RMB48,000. Ms. Li does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does she have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Ms. Li which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is she involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Independent Non-executive Directors

Li Zhensheng, aged 69, is currently an Independent Non-executive Director of the Company and TGOOD Electric Co., Ltd. He was the Head of the Electricity Bureau of Baoding, Hebei Province, Chief Economist and Deputy Head of Hebei Electric Power Engineering Institute, Head of Shanxi Electric Power and Industrial Bureau, Chief of Rural Power Department of State Power Corporation, Chief Economist and Consultant of State Grid Corporation of China. Mr. Li graduated from Hebei University of Technology with a bachelor's degree. He is also a professor-grade senior engineer.

The Company proposes to re-appoint Mr. Li as the Independent Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Li will be RMB74,000. Mr. Li does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Li which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Qi Yudong, aged 47, is currently the Independent Non-executive Director of the Company and the Assistant to the Principal of Capital University of Economics and Business. He is also the Director and a Professor (Grade II) of China Centre for the Research of Industrial Economics, mentor to PhD and post-doctoral tutor (finance discipline). He is an External Supervisor and the Chairman of the Audit Committee under the Supervisory Committee of Hua Xia Bank Co., Ltd. and an Independent Director of Shenzhen Fountain Corporation. He was the Director of the School of Business Administration of Capital University of Economics and Business. He graduated from the Graduate School of Chinese Academy of Social Sciences, majoring in industrial economics, with a PhD in Economics.

The Company proposes to re-appoint Mr. Qi as the Independent Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Qi will be RMB74,000. Mr. Qi does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Qi which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Zhang Shouwen, aged 47, is currently an Independent Director of the Company and a Professor and Doctoral Mentor in the Law School of Peking University, the Director of Economic Law Institute of Peking University, the Vice President and Secretary General of the Economic Law Research Society of China Law Society, an Independent Director of Guoxin Securities Co., Ltd. and Minmetals Development Co., Ltd.. He was a lecturer and Associate Professor of the Law School of Peking University. He graduated from the Law School of Peking University with a PhD in Laws.

The Company proposes to re-appoint Mr. Zhang as the Independent Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Zhang will be RMB74,000. Mr. Zhang does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Zhang which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Li Fuxing, aged 69, is currently the Executive Councilor of China High-tech Industrialization Association, Councilor of China Institute for Leadership Science. He was the Professor, Head of the Organization Department of Party Committee, Deputy Secretary of Party Committee of Shandong Industrial University, Secretary of Party Committee of Shandong University of Building Materials Industry, Secretary of Party Committee of Qilu University of Technology, Senior Economic Consultant of Shandong Zhenghe Group and Shandong Sanjian Group Corporation. He graduated from Shandong Industrial University with a bachelor's degree.

The Company proposes to appoint Mr. Li as the Independent Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Li will be RMB74,000. Mr. Li does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Li which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Yue Heng, aged 39, is currently the Professor, Dean and Doctorate Mentor of Accounting Department of Guanghua Management School of Peking University, the winner of the first session of China National Funds for Distinguished Young Scientists, the winner of New Century Excellent Talents of Ministry of Education 2012, the leading accounting talent of Ministry of Finance, Councilor of Accounting Society of China, Deputy Editor-in-Chief of CJAS magazine of Accounting Society of China. He was the Associate Professor of ABFreedom Management College of Tulane University, the Assistant Professor, Associate Professor and Professor of Accounting Department of Guanghua Management School of Peking University. He graduated from Tulane University with a doctor's degree in accounting.

The Company proposes to appoint Mr. Yue as the Independent Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Yue will be RMB74,000. Mr. Yue does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Yue which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Supervisors

Ye Xiangdong, aged 46, is currently the Chief Engineer of Huaneng Group. He was Deputy Chief and Chief of Huaneng Luohuang Power Plant, Deputy Manager of the Safety and Production Department, Manager of the Project Management Department, Assistant to President and Vice President of the Company, General Manager and Executive Director of Huaneng Hulun Buir Company. He graduated from Chongqing University majoring in thermal energy and obtained in a master in engineering. He is a senior engineer.

The Company proposes to appoint Mr. Ye as the Supervisor for a term of three years. Mr. Ye will not receive any supervisor's fees. Mr. Ye does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Ye which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Mu Xuan, aged 38, is currently the Vice President of Dalian Construction Investment Group Co., Ltd. He was the Officer of Finance Department, Deputy Head and Head of Budget and Finance Department of Dalian Construction Investment Co., Ltd., Vice President of Dalian Changxing Island Development and Construction Investment Co., Ltd., the Assistant to the President of Dalian Construction Investment Group Co., Ltd. He graduated from Dongbei University of Finance and Economics, majoring in technical economy and management and holds a master's degree.

The Company proposes to appoint Mr. Mu as the Supervisor for a term of three years. The pre-tax annual supervisor's fees of Mr. Mu will be RMB48,000. Mr. Mu does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Mu which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Zhang Mengjiao, aged 50, is currently a Supervisor of the Company, the Manager of the Finance Department of HIPDC, a Supervisor of Huaneng Anyuan Generation Co., Ltd., Huaneng DuanZhai Coal & Electricity Co., Ltd., Huaneng Chaohu Power Generation Co., Ltd. and Shaanxi Coal Industry Co., Ltd. and the Chairman of the Supervisory Committee of Huaneng Shaanxi Power Generation Co., Ltd.. She was the Deputy Manager of the Finance Department of the Company, the Chief of Division II of the Audit Office and the Chief of the Audit Office of the Finance Department of Huaneng Group. She graduated from Xiamen University, majoring in accounting. She holds a Master’s Degree in economics and is a senior accountant.

The Company proposes to re-appoint Ms. Zhang as the Supervisor for a term of three years. Ms. Zhang will not receive any supervisor’s fees. Ms. Zhang does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Ms. Zhang which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the shareholders of the Company.

Gu Jianguo, aged 48, is currently a Supervisor of the Company, the Chairman of Nantong Investment & Management Limited Company and the Vice President of Nantong State Owned Assets Investment Holdings Co., Ltd.. He was Deputy Director and Director of General Office, Investment Office, Finance Office and Foreign Office of Nantong Planning Commission, Vice President of Nantong Ruici Investment Co., Ltd., Executive President of Ruici Hospital, President of Ruici (Ma An Shan) Development Co., Ltd., Chairman and President of Nantong Zhonghe Guarantee Co., Ltd., Chief of Nantong Investment Management Centre, Director and President of Nantong Investment & Management Limited Company. He graduated from Nanjing University of Aeronautics and Astronautics with a bachelor’s degree. He is an economist.

The Company proposes to re-appoint Mr. Gu as the Supervisor for a term of three years. The pre-tax annual supervisor’s fees of Mr. Gu will be RMB48,000. Mr. Gu does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Gu which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the shareholders of the Company.

STAFF REPRESENTATIVE SUPERVISORS

Upon election by the staff of the Company, Mr. Wang Zhaobin and Ms. Zhang Ling have been re-elected by the staff of the Company as the Staff Representative Supervisors of the Eighth Session of the Supervisory Committee.

Wang Zhaobin, aged 58, is currently a Supervisor of the Company and the Chairman of the Labour Union. He was the Squadron Instructor of No. 52886 Troop of PLA, Deputy Director of Organization Office of Party Committee of Institute directly supervised by the Ministry of Energy, Chief of General Office of Administrative Department of Ministry of Electric Power, Chief of Political Work Office of Human Resource Department and the Chief of the Retired Staff Service Office of the Company, Deputy Secretary of Party Committee, Disciplinary Secretary, Chairman of Labour Union of Huaneng Beijing Thermal Power Plant, Deputy Manager and Manger of the Corporate Culture Department of the Company, the Manager of the Administration Department of the Company. He graduated from China Beijing Municipal Communist Party School, majoring in economic management, and holds a bachelor’s degree. He is a senior corporate culture specialist.

Mr. Wang is re-appointed by the staff of the Company as the Supervisor for a term of three years. Mr. Wang will not receive any supervisor’s fees. According to the articles of the Company, the appointment does not require approval from general meeting. Mr. Wang does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Wang which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Zhang Ling, aged 54, is currently a Supervisor and the Manager of the Audit and Supervisory Department of the Company. She was the Deputy Director of Pricing Office of Economic Regulation Department of Ministry of Electric Power, Deputy Director and Director of Pricing General Office of Finance Department of HIPDC, Director of the Pricing General Office of Finance Department, Deputy Manager of the Planning and Operation Department, Deputy Manager of the Sales and Marketing Department, Deputy Manager and Manager of the Equity Management Department of the Company. She graduated from Zhongnan University of Finance and Economics with a bachelor’s degree in management, majoring in financial. She is a senior accountant.

Ms. Zhang is re-appointed by the staff of the Company as the Supervisor for a term of three years. Ms. Zhang will not receive any supervisor's fees. According to the articles of the Company, the appointment does not require approval from general meeting. Ms. Zhang does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Ms. Zhang which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

GENERAL

A circular containing further information on the proposed re-election and appointment of Directors and Supervisors, together with a notice of the 2014 second extraordinary general meeting of the Company (which is scheduled to be held on 18 September 2014), will be despatched to Shareholders as soon as practicable.

DEFINITIONS

"Board"	means	the board of Director of the Company;
"Company", "Huaneng International"	means	Huaneng Power International, Inc.;
"HIPDC"	means	Huaneng International Power Development Corporation;
"Hong Kong Listing Rules"	means	The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange;
"Hong Kong Stock Exchange"	means	The Stock Exchange of Hong Kong Limited;
"Huaneng Group"	means	China Huaneng Group;
"SFO"	means	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);

"Shareholder(s)"	means	the shareholder(s) of Company; and
"Supervisory Committee"	means	the supervisory committee of the Company.

By Order of the Board
Huaneng Power International, Inc.
Du Daming
Company Secretary

As at the date of this announcement, the directors of the Company are:

Cao Peixi
(Executive Director)
Huang Long
(Non-executive Director)
Li Shiqi
(Non-executive Director)
Huang Jian
(Non-executive Director)
Liu Guoyue
(Executive Director)
Fan Xiaxia
(Executive Director)
Shan Qunying
(Non-executive Director)
Guo Hongbo
(Non-executive Director)
Xu Zujian
(Non-executive Director)
Xie Rongxing
(Non-executive Director)

Shao Shiwei
(Independent Non-executive Director)
Wu Liansheng
(Independent Non-executive Director)
Li Zhensheng
(Independent Non-executive Director)
Qi Yudong
(Independent Non-executive Director)
Zhang Shouwen
(Independent Non-executive Director)

Beijing, the PRC
30 July 2014

Announcement 3

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ACTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Huaneng Power International, Inc., you should at once hand this circular and the form of proxy previously sent to shareholders to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

(a Sino-foreign joint stock limited company incorporated in the People’ Republic of China)
(Stock Code: 902)

PROPOSAL ON ELECTION OF NEW SESSION OF
THE BOARD OF DIRECTORS OF THE COMPANY
PROPOSAL ON ELECTION OF NEW SESSION OF
THE SUPERVISORY COMMITTEE OF THE COMPANY

A letter from the board of Directors of the Company is set out on pages 3 to 5 of this circular.

The Company will convene the EGM at 9:00 am on 18 September 2014 at the headquarters of the Company at Huaneng Building, 6 Fuxingmennei Street, Xicheng District, Beijing, the PRC, at which, the proposal on election of new session of the Board of Directors of the Company and the proposal on election of new session of the Supervisory Committee of the Company will be considered and, if thought fit, passed. The notice of EGM, together with the relevant reply slip and proxy form, has been issued to the Shareholders of the Company separately.

If you intend to attend the EGM, you should complete and return the reply slip in accordance with the instructions printed thereon as soon as possible.

Whether or not you are able to attend, you should complete and return the form of proxy in accordance with the instructions printed thereon and return it to Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, as soon as possible and in any event by not later than 24 hours before the time appointed for holding the EGM or any adjournment thereof.

Completion and return of the form of proxy will not preclude you from attending and voting at the EGM should you so wish.

1 August 2014

CONTENTS

DEFINITIONS

In this circular, unless otherwise indicated in the context, the following expressions have the meaning set out below:

"A Shares", "Domestic Shares"	means	domestic tradable shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange;
"ADSs"	means	American Depositary Shares, each representing the ownership of 40 H Shares, which are listed on the New York Stock Exchange Inc.;
"Articles of Association"	means	the articles of association of the Company
"Board" or "Board of Directors"	means	the board of directors of the Company
"Company"	means	Huaneng Power International, Inc.
"Company Law"	means	the Company Law of the PRC
"Directors"	means	the directors of the Company
"Extraordinary General Meeting" or "EGM"	means	the 2014 second extraordinary general meeting of the Company to be held at 9:00 a.m. on 18 September 2014 at the headquarters of the Company at Huaneng Building, 6 Fuxingmennei Street, Xicheng District, Beijing, the PRC for the purpose of considering and, if though fit, passing the proposal on election of new session of the Board of Directors of the Company and the proposal on election of new session of the Supervisory Committee of the Company
"H Shares"	means	overseas listed foreign shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Stock Exchange
"Hong Kong"	means	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules"	means	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Latest Practicable Date"	means	29 July 2014, being the latest practicable date prior to the printing of the circulars for ascertaining certain information contained herein
"PRC" or "China"	means	the People's Republic of China

- 1 -

DEFINITIONS

"SFO"	means	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	means	the H Shares and Domestic Shares of the Company
"Shareholder(s)"	means	holders of Shares of the Company, including A Shareholder(s) and H Shareholder(s)
"Stock Exchange"	means	The Stock Exchange of Hong Kong Limited
"Supervisors"	means	supervisors of the Company
"Supervisory Committee"	means	the Supervisory Committee of the Company

LETTER FROM THE BOARD

(a Sino-foreign joint stock limited company incorporated in the People' Republic of China)
(Stock Code: 902)

Directors:	Legal Address:
Cao Peixi	Huaneng Building
Huang Long	6 Fuxingmennei Street
Li Shiqi	Xicheng District
Huang Jian	Beijing 100031
Liu Guoyue	PRC
Fan Xiaxia	
Shan Qunying	
Guo Hongbo	
Xu Zujian	
Xie Rongxing	

Independent Non-executive Directors:
Shao Shiwei
Wu Liansheng
Li Zhensheng
Qi Yudong
Zhang Shouwen:

1 August 2014

To the Shareholders

Dear Sir or Madam,

PROPOSAL ON ELECTION OF NEW SESSION OF THE BOARD OF DIRECTORS OF THE COMPANY PROPOSAL ON ELECTION OF NEW SESSION OF THE SUPERVISORY COMMITTEE OF THE COMPANY

1. INTRODUCTION

Reference is made to the Company's announcement dated 30 July 2014 in relation to the proposal on election of new session of the Board of Directors of the Company and the proposal on election of new session of the Supervisory Committee of the Company.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information regarding proposals on election new session of the Board of Directors of the Company and the Supervisory Committee of the Company, in order to allow you to make an informed decision on voting in respect of the ordinary resolutions to be proposed at the EGM.

2. PROPOSAL ON ELECTION OF NEW SESSION OF THE BOARD OF DIRECTORS OF THE COMPANY

The term of the Seventh Session of the Board of Directors of the Company had expired. The Company was informed that, among the Directors of the Seventh Session of the Board of Directors, Mr. Huang Long (Non-executive Director), Mr. Shan Qunying (Non-executive Director), Mr. Xie Rongxing (Non-executive Director), Mr. Shao Shiwei (Independent Non-executive Director) and Mr. Wu Liansheng (Independent Non-executive Director) will retire and will not stand for re-election as Directors of the Eighth Session of the Board of Directors.

The other Directors of the Seventh Session of the Board of Directors have confirmed that they will offer themselves for re-election at the Extraordinary General Meeting of the Company.

In addition to the proposed re-election of Directors, the Board of Directors has proposed the following new appointments to constitute the Eighth Session of the Board of Directors:

(i) Mr. Guo Junming, Mr. Mi Dabin and Ms. Li Song as Non-executive Directors; and

(ii) Mr. Li Fuxing and Mr. Yue Heng as Independent Non-executive Directors.

Biographies of the Directors proposed to be re-elected and appointed at the EGM are set out in Appendix I to this circular.

3. PROPOSAL ON ELECTION OF THE NEW SESSION OF THE SUPERVISORY COMMITTEE OF THE COMPANY

The term of the Seventh Session of the Supervisory Committee of the Company had expired. The Company was informed that, among the Supervisors of the Seventh Session of the Supervisory Committee, Mr. Guo Junming will retire and will not stand for re-election as Supervisors of the Eighth Session of the Supervisory Committee.

The other Supervisors of the Seventh Session of the Supervisory Committee (save for the staff Representative Supervisors) have confirmed that they will offer themselves for re-election at the Extraordinary General Meeting of the Company.

In addition to the proposed re-election of Supervisors, the Supervisory Committee has proposed Mr. Ye Xiangdong and Mr. Mu Xuan as Supervisors to constitute the Eighth Session of the Supervisory Committee.

Biographies of the Supervisors proposed to be re-elected and appointed at the EGM are set out in Appendix I to this circular.

LETTER FROM THE BOARD

4. EGM

The EGM will be convened at 9:00 a.m. on 18 September 2014 at the headquarters of the Company at Huaneng Building, 6 Fuxingmennei Street, Xicheng District, Beijing, the PRC, at which, the proposal on election of new session of the Board of Directors of the Company and the proposal on election of new session of the Supervisory Committee of the Company will be considered and, if thought fit, passed.

Notice of the EGM, together with the relevant reply slip and proxy form, have been issued to the Shareholders separately. If you intend to attend the EGM, you should complete and return the reply slip in accordance with the instructions printed thereon as soon as possible.

Whether or not you are able to attend, you should complete and return the form of proxy in accordance with the instructions printed thereon and return it to Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event by not later than 24 hours before the time appointed for holding the EGM or any adjournment thereof.

Completion and return of the form of proxy will not preclude you from attending and voting at the EGM should you so wish.

5. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this circular is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this circular misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

6. RECOMMENDATION

The Directors consider that the proposed ordinary resolutions on the election of the new session of the Board of Directors of the Company and the election of the new session of the Supervisory Committee of the Company, of the Company are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders vote in favour the resolutions to be proposed at the EGM as set out in the notice of the EGM.

7. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular.

Yours faithfully
By order of the Board
Huaneng Power International, Inc.
Du Daming
Company Secretary

Biographies of the Directors and Supervisors (as at the Latest Practicable Date) proposed to be re-elected and appointed at the EGM are set out as follows:–

DIRECTORS

Executive Directors and Non-executive Directors

Cao Peixi, aged 58, is currently the Chairman of the Company, the President of Huaneng Group, and the Chairman of HIPDC and Huaneng Renewables Co. Ltd. (listed on the Hong Kong Stock Exchange). He was the Head of Qingdao Power Plant, Deputy Chief (Vice President) of Shandong Power Company (Bureau), Chairman and President of Shandong Power Group Corporation, Vice President and President of China Huadian Corporation and the Chairman of Huadian Power International Corporation Limited (listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange). He was graduated from Shandong University, majoring in electrical engineering. He holds a postgraduate degree of master in engineering awarded by the Party School of the Central Committee, and is a researcher-grade senior engineer.

The Company proposes to re-appoint Mr. Cao as the Executive Director for a term of three years. Mr. Cao will not receive any director's fees. Mr. Cao does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Cao which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Guo Junming, aged 48, is currently the Chairman of the Company's Supervisory Committee, the Chief Accountant of Huaneng Group and Director of HIPDC. He was the Deputy Chief Accountants of Longyuan Power Group Corporation, Deputy Chief of the Finance Department of the Accounting Department of Power Grid Development Branch (Power Grid Development Department) of State Electric Power Corporation, Vice President and President of China Huaneng Finance Co. Ltd., President of Huaneng Capital Services Co. Ltd., Deputy Chief Accountant and Manager of the Finance Department of Huaneng Group. He graduated from Shanxi Finance and Economic Institute, majoring in business finance and accounting, and holds a bachelor's degree in economics. He is also a senior accountant.

The Company proposes to appoint Mr. Guo as the Non-executive Director for a term of three years. Mr. Guo will not receive any director's fees. Mr. Guo does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Guo which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

- 6 -

Liu Guoyue, aged 50, is currently a Director and the President of the Company, Vice President of Huaneng Group, the Chairman of Shanghai Times Shipping Limited Company, a Director of Xi'an Thermal Research Institute Limited Company, an Executive Director of Huaneng Power International Fuel Co., Ltd. and a Director of Tuas Power Ltd., Tuas Power Supply Pte Ltd. and Tuas Power Utilities Pte Ltd.. He was the Chief of Huaneng Shang'an Power Plant and Huaneng Dezhou Power Plant, the Vice President of the Company. He graduated from North China Electric Power University, majoring in thermal engineering. He holds a doctor's degree in engineering. He is a senior engineer.

The Company proposes to re-appoint Mr. Liu as the Executive Director for a term of three years. Mr. Liu will not receive any director's fees. The other remuneration will be announced once the determination is made. Mr. Liu does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Liu which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Li Shiqi, aged 57, is currently a Director of the Company and the President of HIPDC. He was the Deputy Chief and Chief of the Finance Division, Deputy Chief Accountant and Director of the Accounting Department of the Electric Power Research Institute, Chief Accountant of Huaneng Beijing Branch, Deputy Manager and Manger of the Finance Department of HIPDC, Manager of the Electric Power Sales & Marketing Department of Huaneng Group, Chief Economist and Vice President of the Company, Chairman and the Executive Vice Chairman of Huaneng Capital Services Co. Ltd.. He graduated from Renmin University of China, majoring in finance and holds a diploma degree. He is a senior accountant.

The Company proposes to re-appoint Mr. Li as the Non-executive Director for a term of three years. Mr. Li will not receive any director's fees. Mr. Li does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Li which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Huang Jian, aged 51, is currently a Director of the Company, an Assistant to the President of Huaneng Group, the Chairman of Huaneng Capital Services Co., Ltd. and the Chairman of Huaneng Hainan Power Ltd. He was the Deputy Director of Costs and Price Division and Director of Price General Division of the Finance Department of HIPDC, Chief Accountant of Beijing Branch of HIPDC, Deputy Manager of the Finance Department of Huaneng Development, Deputy Chief Accountant, Chief Accountant, Vice President, Board Secretary of the Company, Deputy Chief Economist and Chief of Financial Planning

- 7 -

Department of Huaneng Group. Mr. Huang graduated from the Department of Accounting of Institute of Fiscal Science of the Ministry of Finance with a postgraduate degree of master in economics. He is a senior accountant.

The Company proposes to re-appoint Mr. Huang as the Non-executive Director for a term of three years. Mr. Huang will not receive any director's fees. Mr. Huang does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Huang which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Fan Xiaxia, aged 52, is currently a Director and the Vice President of the Company and the Vice Chairman of Huaneng Shidaowan Nuclear Power Co., Ltd.. He was the Deputy Director of General Administration Division of Engineering Department and General Department of HIPDC, Deputy Manager of the Company's Nantong Branch, Deputy Manager of Engineering Administration Department of HIPDC, Deputy Manager and Manager of International Cooperation and Commerce Department of the Company, Manager of Engineering Administration Department of the Company, an Assistant to the President of the Company and the General Manager (Officer) of the Company's Zhejiang Branch (Yuhuan Power Plant Preparatory Office). He graduated from the Economic Management School of Tsinghua University with a EMBA degree. He is a senior engineer.

The Company proposes to re-appoint Mr. Fan as the Executive Director for a term of three years. Mr. Fan will not receive any director's fees. The other remuneration will be announced once the determination is made. Mr. Fan does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Fan which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Mi Dabin, aged 45, is currently the Vice President of Hebei Construction & Investment Group Co., Ltd. and chairman of Hebei Construction & Energy Investment Co., Ltd.. He was the Chief Engineer, Vice President and President of Qinhuangdao Power Generation Co., Ltd., President of Qinhuangdao Thermal Power Generation Co., Ltd., an assistant to the President and the Head of Production and Operation Department of Hebei Construction & Investment Group Co., Ltd., President of Qinhuangdao Power Generation Co., Ltd. and Qinhuangdao Thermal Power Generation Co., Ltd. He graduated from North China Electric Power University, majoring in Power Engineering and holds a master's degree. He is a senior engineer.

The Company proposes to appoint Mr. Mi as the Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Mi will be RMB48,000. Mr. Mi does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Mi which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Guo Hongbo, aged 45, is currently a Director of the Company and the President and the Vice Chairman of Liaoning Energy Investment (Group) Limited Liability Company. He was the Planning Staff of Anshan Chemical Fibre & Wool Textile General Mill, an Assistant to the Head and the Deputy Head of Anshan Silk Printing and Dyeing Mill, the Vice President of Anshan Co-Operation (Group) Co., Ltd., an Assistant to President, Vice President and President of Liaoning Engineering & Machinery (Group) Co., Ltd., an Assistant to President of Liaoning Enterprise (Group) Co., Ltd. and Liaoning Energy Corporation, the Assistant to President, the Vice President, the Executive Vice President and a Director of Liaoning Energy Investment (Group) Limited Liability Company. Mr. Guo graduated from Jilin University, majoring in administrative management, and holds a postgraduate degree of master in management. He also holds an MBA degree of Macau University of Science & Technology. He is a researcher-grade senior engineer.

The Company proposes to re-appoint Mr. Guo as the Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Guo will be RMB48,000. Mr. Guo does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Guo which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Xu Zujian, aged 59, is currently a Director of the Company, the Vice President of Jiangsu Guoxin Investment Group Limited and the Chairman of Jiangsu Investment Management Co. Ltd. and Zking Property & Casualty Insurance Co., Ltd.. He was the Vice President of Jiangsu Provincial International Trust & Investment Corporation, the President of Jiangsu Investment Management Co. Ltd. and a Director of Jiangsu Guoxin Investment Group Limited. He graduated from Liaoning Finance University, majoring in infrastructure finance, and holds a bachelor's degree. He is a senior economist.

The Company proposes to re-appoint Mr. Xu as the Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Xu will be RMB48,000. Mr. Xu does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Xu which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Li Song, aged 56, is currently the Vice President of Fujian Investment and Development Group Co., Ltd., Vice Chairman of CNOOC Fujian Natural Gas Co. Ltd., Vice Chairman of CNOOC Fujian Gas Power Generation Co. Ltd. and CNOOC Fujian Zhangzhou Natural Gas Company Limited, a Director of Fujian Futou Gas Co., Ltd.. She was an Officer of Finance Bureau of Pingnan County, an Officer of Fujian Huaxing Trust Investment Company, Deputy Manager and Manager of Development Department and Credit Department of Poverty Relief Funds, Vice President (in charge of operation) of Fujian Huaxing Trust Investment Company, Vice President of Fujian Huaxing Group Corporation. She graduated from Xiamen Jimei Finance and Commerce College majoring in Finance, Open College of Party School of the Central Committee majoring in Economic Management and holds a bachelor's degree from Party School of the Central Committee. She is an accountant.

The Company proposes to appoint Ms. Li as the Non-executive Director for a term of three years. The pre-tax annual director's fees of Ms. Li will be RMB48,000. Ms. Li does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does she have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Ms. Li which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is she involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Independent Non-executive Directors

Li Zhensheng, aged 69, is currently an Independent Non-executive Director of the Company and TGOOD Electric Co., Ltd. He was the Head of the Electricity Bureau of Baoding, Hebei Province, Chief Economist and Deputy Head of Hebei Electric Power Engineering Institute, Head of Shanxi Electric Power and Industrial Bureau, Chief of Rural Power Department of State Power Corporation, Chief Economist and Consultant of State Grid Corporation of China. Mr. Li graduated from Hebei University of Technology with a bachelor's degree. He is also a professor-grade senior engineer.

The Company proposes to re-appoint Mr. Li as the Independent Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Li will be RMB74,000. Mr. Li does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Li which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Qi Yudong, aged 47, is currently the Independent Non-executive Director of the Company and the Assistant to the Principal of Capital University of Economics and Business. He is also the Director and a Professor (Grade II) of China Centre for the Research of Industrial Economics, mentor to PhD and post-doctoral tutor (finance discipline). He is an External Supervisor and the Chairman of the Audit Committee under the Supervisory Committee of Hua Xia Bank Co., Ltd. and an Independent Director of Shenzhen Fountain Corporation. He was the Director of the School of Business Administration of Capital University of Economics and Business. He graduated from the Graduate School of Chinese Academy of Social Sciences, majoring in industrial economics, with a PhD in Economics.

The Company proposes to re-appoint Mr. Qi as the Independent Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Qi will be RMB74,000. Mr. Qi does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Qi which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Zhang Shouwen, aged 47, is currently an Independent Director of the Company and a Professor and Doctoral Mentor in the Law School of Peking University, the Director of Economic Law Institute of Peking University, the Vice President and Secretary General of the Economic Law Research Society of China Law Society, an Independent Director of Guoxin Securities Co., Ltd. and Minmetals Development Co., Ltd.. He was a lecturer and Associate Professor of the Law School of Peking University. He graduated from the Law School of Peking University with a PhD in Laws.

The Company proposes to re-appoint Mr. Zhang as the Independent Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Zhang will be RMB74,000. Mr. Zhang does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Zhang which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Li Fuxing, aged 69, is currently the Executive Councilor of China High-tech Industrialization Association, Councilor of China Institute for Leadership Science. He was the Professor, Head of the Organization Department of Party Committee, Deputy Secretary of Party Committee of Shandong Industrial University, Secretary of Party Committee of Shandong University of Building Materials Industry, Secretary of Party Committee of Qilu University of Technology, Senior Economic Consultant of Shandong Zhenghe Group and Shandong Sanjian Group Corporation. He graduated from Shandong Industrial University with a bachelor's degree.

The Company proposes to appoint Mr. Li as the Independent Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Li will be RMB74,000. Mr. Li does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Li which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Yue Heng, aged 39, is currently the Professor, Dean and Doctorate Mentor of Accounting Department of Guanghua Management School of Peking University, the winner of the first session of China National Funds for Distinguished Young Scientists, the winner of New Century Excellent Talents of Ministry of Education 2012, the leading accounting talent of Ministry of Finance, Councilor of Accounting Society of China, Deputy Editor-in-Chief of CJAS magazine of Accounting Society of China. He was the Associate Professor of ABFreedom Management College of Tulane University, the Assistant Professor, Associate Professor and Professor of Accounting Department of Guanghua Management School of Peking University. He graduated from Tulane University with a doctor's degree in accounting.

The Company proposes to appoint Mr. Yue as the Independent Non-executive Director for a term of three years. The pre-tax annual director's fees of Mr. Yue will be RMB74,000. Mr. Yue does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Yue which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Supervisors

Ye Xiangdong, aged 46, is currently the Chief Engineer of Huaneng Group. He was Deputy Chief and Chief of Huaneng Luohuang Power Plant, Deputy Manager of the Safety and Production Department, Manager of the Project Management Department, Assistant to President and Vice President of the Company, General Manager and Executive Director of Huaneng Hulun Buir Company. He graduated from Chongqing University majoring in thermal energy and obtained in a master in engineering. He is a senior engineer.

The Company proposes to appoint Mr. Ye as the Supervisor for a term of three years. Mr. Ye will not receive any supervisor's fees. Mr. Ye does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Ye which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Mu Xuan, aged 38, is currently the Vice President of Dalian Construction Investment Group Co., Ltd. He was the Officer of Finance Department, Deputy Head and Head of Budget and Finance Department of Dalian Construction Investment Co., Ltd., Vice President of Dalian Changxing Island Development and Construction Investment Co., Ltd., the Assistant to the President of Dalian Construction Investment Group Co., Ltd. He graduated from Dongbei University of Finance and Economics, majoring in technical economy and management and holds a master's degree.

The Company proposes to appoint Mr. Mu as the Supervisor for a term of three years. The pre-tax annual supervisor's fees of Mr. Mu will be RMB48,000. Mr. Mu does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Mu which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Zhang Mengjiao, aged 50, is currently a Supervisor of the Company, the Manager of the Finance Department of HIPDC, a Supervisor of Huaneng Anyuan Generation Co., Ltd., Huaneng DuanZhai Coal & Electricity Co., Ltd., Huaneng Chaohu Power Generation Co., Ltd. and Shaanxi Coal Industry Co., Ltd. and the Chairman of the Supervisory Committee of Huaneng Shaanxi Power Generation Co., Ltd.. She was the Deputy Manager of the Finance Department of the Company, the Chief of Division II of the Audit Office and the Chief of the Audit Office of the Finance Department of Huaneng Group. She graduated from Xiamen University, majoring in accounting. She holds a Master's Degree in economics and is a senior accountant.

The Company proposes to re-appoint Ms. Zhang as the Supervisor for a term of three years. Ms. Zhang will not receive any supervisor's fees. Ms. Zhang does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Ms. Zhang which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the shareholders of the Company.

Gu Jianguo, aged 48, is currently a Supervisor of the Company, the Chairman of Nantong Investment & Management Limited Company and the Vice President of Nantong State Owned Assets Investment Holdings Co., Ltd.. He was Deputy Director and Director of General Office, Investment Office, Finance Office and Foreign Office of Nantong Planning Commission, Vice President of Nantong Ruici Investment Co., Ltd., Executive President of Ruici Hospital, President of Ruici (Ma An Shan) Development Co., Ltd., Chairman and President of Nantong Zhonghe Guarantee Co., Ltd., Chief of Nantong Investment Management Centre, Director and President of Nantong Investment & Management Limited Company. He graduated from Nanjing University of Aeronautics and Astronautics with a bachelor's degree. He is an economist.

The Company proposes to re-appoint Mr. Gu as the Supervisor for a term of three years. The pre-tax annual supervisor's fees of Mr. Gu will be RMB48,000. Mr. Gu does not have any relationship with any other Directors, Supervisors or senior management or substantial or controlling shareholders of the Company, nor does he have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

In addition, there is no other information in relation to Mr. Gu which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the shareholders of the Company.

(a Sino-foreign joint stock limited company incorporated in the People' Republic of China)
(Stock Code: 902)

Proxy Form for Extraordinary General Meeting

Number of Shares related to this proxy form (Note 1)	H Shares/ Domestic Shares*

e) (Note 2) ________________________________ of ____ ,
____
eholders' Account: ___________________________________ and I.D. No.: ____ ,
g the holder(s) of ________________________________ H Share(s)/Domestic Share(s) * (Note 1) of Huaneng Power International, Inc
"Company") now appoint(Note 3) ____ I.D. No.: _________________________
____),

or failing him the Chairman of the meeting as my(our) proxy to attend and vote for me(us) on the following resolutions in accordance with the instruction(s) below and on my(our) behalf at the 2014 Second Extraordinary General Meeting (the "Extraordinary General Meeting") to be held at 9:00 a.m. on 18 September 2014 at the headquarters of the Company at Huaneng Building, 6 Fuxingmennei Street, Xicheng District, Beijing, the People's Republic of China for the purpose of considering and, if thought fit, passing the resolutions as set out in the notice convening the Extraordinary General Meeting. In the absence of any indication, the proxy may vote for or against the resolutions at his own discretion. (Note 6)

ORDINARY RESOLUTIONS	For (Note 4)	Against (Note 4)
1. To consider and approve the proposal on election of new session of the Board of Directors of the Company		
1.1 To consider and approve the re-appointment of Mr. Cao Peixi as the executive director of the eighth session of the Board of Directors of the Company, with immediate effect		
1.2 To consider and approve the appointment of Mr. Guo Junming as the non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.		
1.3 To consider and approve the re-appointment of Mr. Liu Guoyue as the executive director of the eighth session of the Board of Directors of the Company, with immediate effect.		
1.4 To consider and approve the re-appointment of Mr. Li Shiqi as the non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.		
1.5 To consider and approve the re-appointment of Mr. Huang Jian as the non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.		

1.6 To consider and approve the re-appointment of Mr. Fan Xiaxia as the executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.7 To consider and approve the appointment of Mr. Mi Dabin as the non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.8 To consider and approve the re-appointment of Mr. Guo Hongbo as the non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.9 To consider and approve the re-appointment of Mr. Xu Zujian as the non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

ORDINARY RESOLUTIONS	For (Note 4)	Against (Note 4)
1.10 To consider and approve the appointment of Ms. Li Song as the non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.		
1.11 To consider and approve the re-appointment of Mr. Li Zhengsheng as the independent non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.		
1.12 To consider and approve the re-appointment of Mr. Qi Yudong as the independent non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.		
1.13 To consider and approve the re-appointment of Mr. Zhang Shouwen as the independent non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.		
1.14 To consider and approve the appointment of Mr. Li Fuxing as the independent non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.		
1.15 To consider and approve the appointment of Mr. Yue Heng as the independent non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.		
1.16 To consider and approve the service contracts of the Directors.		
2. To consider and approve the proposal on election of new session of the Supervisory Committee of the Company		
2.1 To consider and approve the appointment of Mr. Ye Xiangdong as a supervisor of the eighth session of the Supervisory Committee of the Company, with immediate effect		
2.2 To consider and approve the appointment of Mr. Mu Xuan as the supervisor of the eighth session of the Supervisory Committee of the Company, with immediate effect.		
2.3 To consider and approve the re-appointment of Ms. Zhang Mengjiao as the supervisor of the eighth session of the Supervisory Committee of the Company, with immediate effect.		
2.4 To consider and approve the re-appointment of Mr. Gu Jianguo as the supervisor of the eighth session of the Supervisory Committee of the Company, with immediate effect.		
2.5 To consider and approve the service contracts of the Supervisors.		

Date: ____ 2014 Signature: __________________________________ (

Notes:

1. Please insert the number of Share(s) registered in your name(s) relating to this form of proxy. If no number is inserted, this form of proxy will be deemed to relate to all of the shares in the capital of the Company registered in your name(s).

2. Please insert full name(s) and address(es) in BLOCK LETTERS.

3. Please insert the name and address of your proxy. If this is left blank, the chairman of the Extraordinary General Meeting will act as your proxy. One or more proxies, who may not be member(s) of the Company, may be appointed to attend and vote in the Extraordinary General Meeting provided that such proxies must attend the meeting in person on your behalf. Any alteration made to this proxy form must be signed by the signatory.

4. Attention: If you wish to vote FOR any resolution, please indicate with a "ü" in the appropriate space under "For". If you wish to vote AGAINST any resolution, please indicate with a "ü" in the appropriate space under "Against". In the absence of any such indication, the proxy will vote or abstain at his discretion.

5. This form of proxy must be signed underhand by you or your attorney duly authorised in that behalf. If the appointer is a corporation, this form must be signed under its common seal or under hand by any directors or agents duly appointed by such corporation.

6. This form of proxy together with the power of attorney or other authorisation document(s) which have been notarised, must be delivered, in the case of a holder of Domestic Share(s), to the Company and in the case of a holder of H Share(s), to Hong Kong Registrars Limited, at least 24 hours before the time designated for the holding of the Extraordinary General Meeting.* Please delete as appropriate.

*Please delete as appropriate.

(a Sino-foreign joint stock limited company incorporated in the People' Republic of China)
(Stock Code: 902)

Reply Slip for Extraordinary General Meeting

I/(We) ____
of ____
Telephone number: ______________________________ and Fax number: ______________________________ ,
being the holder(s) of ______________________________________ H Share(s)/Domestic Share(s)* of Huaneng Power International, Inc. (the "Company") hereby reply that I/(We) wish to attend or appoint a proxy to attend (on my/our behalf) the 2014 Second Extraordinary General Meeting (the "Extraordinary General Meeting") to be held at 9:00 a.m. on 18 September 2014 at the headquarters of the Company at Huaneng Building, 6 Fuxingmennei Street, Xicheng District, Beijing, the People's Republic of China.

Signature: ________________________________

Date: ____________________________________

Note: Eligible shareholders who wish to attend the Extraordinary General Meeting are advised to complete and return this reply slip to the Company's business address at Capital Market Department, Huaneng Power International, Inc., Huaneng Building, 6 Fuxingmennei Street, Xicheng District, Beijing 100031, the PRC by post or by facsimile (Fax no.: (+86)-10-6641 2321). Failure to sign and return this reply slip, however, will not preclude an eligible shareholder from attending the Extraordinary General Meeting.

*Please delete as appropriate.

Announcement 4

(a Sino-foreign joint stock limited company incorporated in the People' Republic of China)
(Stock Code: 902)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2014 second extraordinary general meeting (the "Extraordinary General Meeting") of Huaneng Power International, Inc. (the "Company") will be held at 9:00 a.m. on 18 September 2014 at the headquarters the Company at Huaneng Building, 6 Fuxingmennei Street, Xicheng District, Beijing, the People's Republic of China for considering and approving the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the proposal on election of new session of the Board of Directors of the Company (Note 1)

1.1 To consider and approve the re-appointment of Mr. Cao Peixi as the executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.2 To consider and approve the appointment of Mr. Guo Junming as the non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.3 To consider and approve the re-appointment of Mr. Liu Guoyue as the executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.4 To consider and approve the re-appointment of Mr. Li Shiqi as the non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.5 To consider and approve the re-appointment of Mr. Huang Jian as the non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.6 To consider and approve the re-appointment of Mr. Fan Xiaxia as the executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.7 To consider and approve the appointment of Mr. Mi Dabin as the non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.8 To consider and approve the re-appointment of Mr. Guo Hongbo as the non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.9 To consider and approve the re-appointment of Mr. Xu Zujian as the non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.10 To consider and approve the appointment of Ms. Li Song as the non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.11 To consider and approve the re-appointment of Mr. Li Zhengsheng as the independent non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.12 To consider and approve the re-appointment of Mr. Qi Yudong as the independent non- executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.13 To consider and approve the re-appointment of Mr. Zhang Shouwen as the independent non-executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.14 To consider and approve the appointment of Mr. Li Fuxing as the independent non- executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.15 To consider and approve the appointment of Mr. Yue Heng as the independent non- executive director of the eighth session of the Board of Directors of the Company, with immediate effect.

1.16 To consider and approve the service contracts of the Directors.

2. To consider and approve the proposal on election of new session of the Supervisory Committee of the Company (Note 2)

2.1 To consider and approve the appointment of Mr. Ye Xiangdong as the supervisor of the eighth session of the Supervisory Committee of the Company, with immediate effect.

2.2 To consider and approve the appointment of Mr. Mu Xuan as the supervisor of the eighth session of the Supervisory Committee of the Company, with immediate effect.

2.3 To consider and approve the re-appointment of Ms. Zhang Mengjiao as the supervisor of the eighth session of the Supervisory Committee of the Company, with immediate effect.

2.4 To consider and approve the re-appointment of Mr. Gu Jianguo as the supervisor of the eighth session of the Supervisory Committee of the Company, with immediate effect.

2.5 To consider and approve the service contracts of the Supervisors.

By Order of the Board
Huaneng Power International, Inc.
Du Daming
Company Secretary

As at the date of this notice, the directors of the Company are:

Cao Peixi (Executive Director)
Huang Long (Non-executive Director)
Li Shiqi (Non-executive Director)
Huang Jian (Non-executive Director)
Liu Guoyue (Executive Director)
Fan Xiaxia (Executive Director)
Shan Qunying (Non-executive Director)
Guo Hongbo (Non-executive Director)
Xu Zujian (Non-executive Director)
Xie Rongxing (Non-executive Director)

Shao Shiwei (Independent Non-executive Director)
Wu Liansheng (Independent Non-executive Director)
Li Zhensheng (Independent Non-executive Director)
Qi Yudong (Independent Non-executive Director)
Zhang Shouwen (Independent Non-executive Director)

Beijing, the PRC
1 August 2014

Notes:

1. Please refer to the Company's announcement dated 30 July 2014 and circular dated 1 August 2014 regarding the biographical details of the candidates of Directors.

2. Please refer to the Company's announcement dated 30 July 2014 and circular dated 1 August 2014 regarding the biographical details of the candidates of Supervisors.

3. Proxy

(i) A member eligible to attend and vote at the Extraordinary General Meeting is entitled to appoint, in written form, one or more proxies to attend and vote on his behalf. A proxy needs not be a shareholder.

(ii) A proxy should be appointed by a written instrument signed by the appointor or its attorney duly authorised in writing. If the form of proxy is signed by the attorney of the appointor, the power of attorney authorising that attorney to sign or other authorisation document(s) shall be notarised.

(iii) To be valid, the power of attorney or other authorisation document(s) which have been notarised together with the completed form of proxy must be delivered, in the case of holders of Domestic Shares, to the Company and, in the case of holders of H Shares, to Hong Kong Registrar Limited, not less than 24 hours before the time designated for holding of the Extraordinary General Meeting.

(iv) If more than one proxy is appointed by a shareholders such proxies shall only exercise the right to vote by poll.

(v) The resolutions set out in this Notice will be voted by poll.

4. Registration procedures for attending the Extraordinary General Meeting

(i) A shareholder or his proxy shall produce proof of identity when attending the meeting. If a shareholder is a legal person, its legal representative or other persons authorised by the board of directors or other governing body of such shareholder may attend the Extraordinary General Meeting by producing a copy of the resolution of the board of directors or other governing body of such shareholder appointing such persons to attend the meeting.

(ii) Holders of H Shares intending to attend the Extraordinary General Meeting should return the reply slip for attending the Extraordinary General Meeting to the Company on or before 29 August 2014.

(iii) Shareholders may send the reply slip to the Company in person, by post or by fax.

5. Closure of H Share register members

Closure of register of members for the Extraordinary General Meeting

In order to determine the shareholders of H shares who will be entitled to attend the Extraordinary General Meeting, the Company will suspend registration of transfer of shares from 29 August 2014 to 18 September 2014 (both days inclusive).

In order to qualify to attend the Extraordinary General Meeting, shareholders of H shares of the Company whose transfer documents have not been registered must deposit the transfer documents accompanied by relevant share certificates to the Company's H Share Registrar, Hong Kong Registrar Limited at Rooms 1712-16, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on 28 August 2014. Holders of H shares whose names are recorded in the register of member of the Company on 29 August 2014 are entitled to attend the Extraordinary General Meeting.

6. Other Businesses

(i) The Extraordinary General Meeting will last for half day. Shareholders who attend shall bear their own travelling and accommodation expenses.

(ii) The address of the Share Registrar for H Shares of the Company, Hong Kong Registrars Limited, is at:

1712-1716, 17/F, Hopewell Centre
183 Queen's Road East
Hong Kong

(iii) The business address and contact of the Company are:
Huaneng Building,
6 Fuxingmennei Street,
Xicheng District, Beijing 100031, The People's Republic of China Contact: Yu Gang/Xie Meixin
Telephone No.: (+86)-10-6322 6593/6322 6590
Facsimile No.: (+86)-10-6641 2321

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the under-signed, thereunto duly authorized.

HUANENG POWER INTERNATIONAL, INC.

By /s/ Du Daming

Name:	Du Daming
Title:	Company Secretary

Date: August 5, 2014