

**HUANENG POWER INTERNATIONAL, INC.**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2018**  
(Amounts expressed in thousands)

	As at June 30, 2018		As at December 31, 2017
	RMB	US\$	RMB (Note)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	278,822,750	42,139,883	284,328,093
Investments in associates and joint ventures	19,694,225	2,976,487	19,517,623
Investment property	219,368	33,154	217,406
Available-for-sale financial assets	-	-	1,604,993
Other equity instrument investments	2,080,871	314,492	-
Land use rights	11,212,378	1,694,583	11,264,785
Power generation licenses	3,880,557	586,488	3,916,246
Mining rights	1,646,271	248,809	1,646,271
Deferred income tax assets	2,008,369	303,535	2,300,091
Derivative financial assets	92,933	14,045	75,328
Goodwill	15,387,868	2,325,646	15,484,120
Other non-current assets	7,554,585	1,141,764	7,696,845
<b>Total non-current assets</b>	<u>342,600,175</u>	<u>51,778,886</u>	<u>348,051,801</u>
<b>Current assets</b>			
Inventories	8,950,286	1,352,702	7,385,411
Other receivables and assets	5,717,279	864,081	6,081,517
Accounts receivable	24,878,005	3,759,938	25,447,595
Derivative financial assets	375,631	56,771	258,364
Bank balances and cash	16,264,513	2,458,137	9,364,823
<b>Total current assets</b>	<u>56,185,714</u>	<u>8,491,629</u>	<u>48,537,710</u>
<b>Total assets</b>	<u><u>398,785,889</u></u>	<u><u>60,270,515</u></u>	<u><u>396,589,511</u></u>

	As at June 30, 2018		As at December 31, 2017
	RMB	US\$	RMB (Note)
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital	15,200,383	2,297,310	15,200,383
Perpetual corporate bonds	4,999,950	755,668	5,068,550
Capital surplus	24,435,402	3,693,045	24,114,400
Surplus reserves	8,140,030	1,230,244	8,140,030
Currency translation differences	(868,868)	(131,316)	(675,054)
Retained earnings	35,877,891	5,422,405	35,793,257
	<u>87,784,788</u>	<u>13,267,356</u>	<u>87,641,566</u>
<b>Non-controlling interests</b>	20,969,294	3,169,195	19,973,038
<b>Total equity</b>	<u>108,754,082</u>	<u>16,436,551</u>	<u>107,614,604</u>
<b>Non-current liabilities</b>			
Long-term loans	118,558,847	17,918,394	107,030,958
Long-term bonds	20,486,433	3,096,218	15,993,833
Deferred income tax liabilities	4,288,212	648,099	4,566,680
Derivative financial liabilities	58,773	8,883	148,486
Other non-current liabilities	5,363,068	810,547	5,284,462
<b>Total non-current liabilities</b>	<u>148,755,333</u>	<u>22,482,141</u>	<u>133,024,419</u>
<b>Current liabilities</b>			
Accounts payable and other liabilities	35,526,103	5,369,238	38,900,132
Contract liabilities	593,675	89,725	-
Taxes payable	1,070,653	161,813	1,302,210
Dividends payable	1,948,404	294,472	1,735,426
Derivative financial liabilities	15,194	2,296	62,178
Short-term bonds	20,631,759	3,118,181	11,068,357
Short-term loans	59,525,772	8,996,429	80,251,348
Current portion of long-term loans	21,660,142	3,273,606	18,098,458
Current portion of long-term bonds	-	-	3,997,033
Current portion of other non-current liabilities	304,772	46,063	535,346
<b>Total current liabilities</b>	<u>141,276,474</u>	<u>21,351,823</u>	<u>155,950,488</u>
<b>Total liabilities</b>	<u>290,031,807</u>	<u>43,833,964</u>	<u>288,974,907</u>
<b>Total equity and liabilities</b>	<u>398,785,889</u>	<u>60,270,515</u>	<u>396,589,511</u>

Note: The Company and its subsidiaries have initially applied IFRS 15 and IFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated.

For the convenience of the reader, translation of amounts from Renminbi (RMB) into United States dollars (US\$) has been made at the rate of US\$1.00=RMB6.6166 announced by the People's Bank of China on June 29, 2018. No representation is made that Renminbi amounts could have been, or could be, converted into United States dollars at that rate as at June 29, 2018, or at any other certain rate.

**HUANENG POWER INTERNATIONAL, INC.**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2018**  
(Amounts expressed in thousands, except per share data)

	For the six months ended June 30		
	2018		2017
	RMB	US\$	RMB (Note i)
<b>Operating revenue</b>	82,404,919	12,454,269	71,433,689
Tax and levies on operations	(876,085)	(132,407)	(648,556)
<b>Operating expenses</b>			
Fuel	(51,599,895)	(7,798,551)	(44,001,200)
Maintenance	(1,721,161)	(260,128)	(1,715,061)
Depreciation	(10,123,301)	(1,529,985)	(10,146,899)
Labor	(4,499,789)	(680,076)	(4,314,259)
Service fees on transmission and transformer facilities of HIPDC	(48,360)	(7,309)	(48,360)
Purchase of electricity	(2,197,348)	(332,096)	(1,807,341)
Others	(3,627,746)	(548,279)	(3,684,999)
Total operating expenses	<u>(73,817,600)</u>	<u>(11,156,424)</u>	<u>(65,718,119)</u>
<b>Profit from operations</b>	<u>7,711,234</u>	<u>1,165,438</u>	<u>5,067,014</u>
Interest income	107,974	16,319	95,234
<b>Financial expenses, net</b>			
Interest expense	(5,138,907)	(776,669)	(4,662,641)
Exchange (loss)/gain and bank charges, net	(68,294)	(10,321)	50,667
Total financial expenses, net	<u>(5,207,201)</u>	<u>(786,990)</u>	<u>(4,611,974)</u>
Share of profits less losses of associates and joint ventures	385,030	58,192	156,070
Loss on fair value changes of financial assets/liabilities	(1,488)	(225)	(6,374)
Other investment income	11,010	1,662	120,066
<b>Profit before income tax expense</b>	<u>3,006,559</u>	<u>454,396</u>	<u>820,036</u>
Income tax expense	(744,586)	(112,533)	(478,875)
<b>Net profit</b>	<u>2,261,973</u>	<u>341,863</u>	<u>341,161</u>

	<b>For the six months ended June 30</b>		
	<b>2018</b>		<b>2017</b>
	<b>RMB</b>	<b>US\$</b>	<b>RMB (Note i)</b>
<b>Other comprehensive (loss)/income, net of tax</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Fair value changes of other equity instrument investments	(538.00)	(81)	-
Share of other comprehensive loss of investees accounted for under the equity method	(46,047)	(6,959)	-
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Fair value changes of available-for-sale financial asset (Note ii)	-	-	293,611
Share of other comprehensive loss of investees accounted for under the equity method	(147,194)	(22,246)	(3,574)
Effective portion of cash flow hedges	225,362	34,060	(248,452)
Translation differences of the financial statements of foreign operations	(213,473)	(32,264)	282,485
<b>Other comprehensive (loss)/income, net of tax</b>	<u>(181,890)</u>	<u>(27,490)</u>	<u>324,070</u>
<b>Total comprehensive income</b>	<u>2,080,083</u>	<u>314,373</u>	<u>665,231</u>
<b>Net profit attributable to:</b>			
- Equity holders of the Company	1,731,372	261,671	243,944
- Non-controlling interests	530,601	80,192	97,217
	<u>2,261,973</u>	<u>341,863</u>	<u>341,161</u>
<b>Total comprehensive income attributable to:</b>			
- Equity holders of the Company	1,569,157	237,154	572,696
- Non-controlling interests	510,926	77,219	92,535
	<u>2,080,083</u>	<u>314,373</u>	<u>665,231</u>
<b>Earnings per share attributable to the ordinary shareholders of the Company (expressed in RMB per share)</b>			
- Basic and diluted	<u>0.11</u>	<u>0.02</u>	<u>0.02</u>

Note:

(i) The Company and its subsidiaries have initially applied IFRS 15 and IFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated.

(ii) This amount arose under the accounting policies applicable prior to 1 January 2018. As part of the opening balance adjustments as at 1 January 2018 the balance of this reserve has been reclassified to fair value reserve (non-recycling) and will not be reclassified to profit or loss in any future periods.

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