

**HUANENG POWER INTERNATIONAL, INC.**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2018**  
(Amounts expressed in thousands)

	As at December 31, 2018		As at December 31, 2017
	RMB	US\$	RMB (Note)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	282,061,272	41,097,633	284,328,093
Investments in associates and joint ventures	19,553,964	2,849,103	19,517,623
Investment property	232,554	33,884	217,406
Available-for-sale financial assets	—	—	1,604,993
Other equity instrument investments	2,083,419	303,564	—
Land use rights	11,450,034	1,668,323	11,264,785
Power generation licenses	4,014,972	585,000	3,916,246
Mining rights	1,511,186	220,187	1,646,271
Deferred income tax assets	2,282,585	332,583	2,300,091
Derivative financial assets	5,970	870	75,328
Goodwill	15,572,227	2,268,946	15,484,120
Other non-current assets	19,336,059	2,817,352	7,696,845
<b>Total non-current assets</b>	<u>358,104,242</u>	<u>52,177,445</u>	<u>348,051,801</u>
<b>Current assets</b>			
Inventories	9,543,691	1,390,560	7,385,411
Other receivables and assets	6,455,911	940,657	6,081,517
Accounts receivable	29,278,938	4,266,077	25,447,595
Contract assets	11,058	1,611	—
Derivative financial assets	28,735	4,187	258,364
Bank balances and cash	15,832,788	2,306,910	9,364,823
Assets held for sale	647,948	94,409	-
<b>Total current assets</b>	<u>61,799,069</u>	<u>9,004,411</u>	<u>48,537,710</u>
<b>Total assets</b>	<u><u>419,903,311</u></u>	<u><u>61,181,856</u></u>	<u><u>396,589,511</u></u>

	As at December 31, 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	15,698,093	2,287,285	15,200,383
Other equity instruments	10,077,396	1,468,323	5,068,550
Capital surplus	26,194,931	3,816,723	24,114,400
Surplus reserves	8,140,030	1,186,040	8,140,030
Currency translation differences	(340,337)	(49,589)	(675,054)
Retained earnings	34,665,305	5,050,895	35,793,257
	<u>94,435,418</u>	<u>13,759,677</u>	<u>87,641,566</u>
<b>Non-controlling interests</b>	<u>21,686,252</u>	<u>3,159,787</u>	<u>19,973,038</u>
<b>Total equity</b>	<u>116,121,670</u>	<u>16,919,464</u>	<u>107,614,604</u>
<b>Non-current liabilities</b>			
Long-term loans	129,548,161	18,875,767	107,030,958
Long-term bonds	25,984,663	3,786,086	15,993,833
Deferred income tax liabilities	3,866,159	563,317	4,566,680
Derivative financial liabilities	231,308	33,703	148,486
Other non-current liabilities	5,945,136	866,234	5,284,462
<b>Total non-current liabilities</b>	<u>165,575,427</u>	<u>24,125,107</u>	<u>133,024,419</u>
<b>Current liabilities</b>			
Accounts payable and other liabilities	35,138,680	5,119,868	38,900,132
Contract liabilities	1,976,647	288,007	—
Taxes payable	1,474,437	214,832	1,302,210
Dividends payable	1,267,833	184,729	1,735,426
Derivative financial liabilities	313,984	45,749	62,178
Short-term bonds	11,541,454	1,681,643	11,068,357
Short-term loans	61,038,772	8,893,632	80,251,348
Current portion of long-term loans	20,620,849	3,004,553	18,098,458
Current portion of long-term bonds	3,993,479	581,868	3,997,033
Current portion of other non-current liabilities	475,646	69,304	535,346
Liabilities held for sale	364,433	53,100	-
<b>Total current liabilities</b>	<u>138,206,214</u>	<u>20,137,285</u>	<u>155,950,488</u>
<b>Total liabilities</b>	<u>303,781,641</u>	<u>44,262,392</u>	<u>288,974,907</u>
<b>Total equity and liabilities</b>	<u>419,903,311</u>	<u>61,181,856</u>	<u>396,589,511</u>

Note: The Company and its subsidiaries have initially applied IFRS 15 and IFRS 9 at January 1, 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=RMB6.8632 announced by the People's Bank of China on December 28, 2018. No representation is made that Renminbi amounts could have been, or could be, converted into United States dollars at that rate as at December 28, 2018, or at any other certain rate.

**HUANENG POWER INTERNATIONAL, INC.**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**  
(Amounts expressed in thousands, except per share data)

	For the year ended December 31,		
	2018		2017
	RMB	US\$	RMB (Note i)
<b>Operating revenue</b>	169,550,624	24,704,311	152,459,444
Tax and levies on operations	(1,788,998)	(260,665)	(1,376,312)
<b>Operating expenses</b>			
Fuel	(105,736,173)	(15,406,250)	(92,737,304)
Maintenance	(4,393,335)	(640,129)	(4,347,723)
Depreciation	(20,466,423)	(2,982,053)	(20,180,830)
Labor	(11,845,280)	(1,725,912)	(10,590,084)
Service fees on transmission and transformer facilities of HIPDC	(96,721)	(14,093)	(95,894)
Purchase of electricity	(4,678,431)	(681,669)	(3,787,032)
Others	(10,430,998)	(1,519,845)	(10,160,875)
Total operating expenses	<u>(157,647,361)</u>	<u>(22,969,951)</u>	<u>(141,899,742)</u>
<b>Profit from operations</b>	<u>10,114,265</u>	<u>1,473,695</u>	<u>9,183,390</u>
Interest income	234,604	34,183	198,906
<b>Financial expenses, net</b>			
Interest expense	(10,486,412)	(1,527,919)	(9,749,004)
Exchange (loss)/gain and bank charges,	(160,899)	(23,444)	144,359
Total financial expenses, net	<u>(10,647,311)</u>	<u>(1,551,363)</u>	<u>(9,604,645)</u>
Share of profits less losses of associates and joint ventures	1,823,415	265,680	425,215
Gain on fair value changes of financial assets/liabilities	726,843	105,904	856,786
Other investment (loss)/income	(278,669)	(40,603)	1,742,081
<b>Profit before income tax expense</b>	<u>1,973,147</u>	<u>287,496</u>	<u>2,801,733</u>
Income tax expense	(643,173)	(93,713)	(1,217,526)
<b>Net profit</b>	<u>1,329,974</u>	<u>193,783</u>	<u>1,584,207</u>

	For the year ended December 31,		
	2018		2017
	RMB	US\$	RMB (Note i)
<b>Other comprehensive income/(loss), net of tax</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Fair value changes of other equity instrument investments	1,036	151	—
Share of other comprehensive loss of investees	(18,858)	(2,748)	—
<i>Items that may be reclassified subsequently to profit or</i>			
Fair value changes of available-for-sale financial	—	—	281,663
Gain on disposal of available-for-sale financial assets reclassified to profit or	—	—	(1,135,356)
Share of other comprehensive (loss)/income of investees	(241,587)	(35,200)	121,208
Effective portion of cash flow hedges	(503,182)	(73,316)	62,853
Translation differences of the financial statements of	343,702	50,079	84,418
<b>Other comprehensive loss, net of tax</b>	<u>(418,889)</u>	<u>(61,034)</u>	<u>(585,214)</u>
<b>Total comprehensive income</b>	<u>911,085</u>	<u>132,749</u>	<u>998,993</u>
<b>Net profit attributable to:</b>			
- Equity holders of the Company	734,435	107,011	1,579,836
- Non-controlling interests	595,539	86,772	4,371
	<u>1,329,974</u>	<u>193,783</u>	<u>1,584,207</u>
<b>Total comprehensive income/(loss) attributable to:</b>			
- Equity holders of the Company	340,101	49,554	1,023,118
- Non-controlling interests	570,984	83,195	(24,125)
	<u>911,085</u>	<u>132,749</u>	<u>998,993</u>
<b>Earnings per share attributable to the ordinary shareholders of the Company (expressed in RMB per share)</b>			
- Basic and diluted	<u>0.03</u>	<u>0.004</u>	<u>0.10</u>

Note:

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

(ii) This amount arose under the accounting policies applicable prior to January 1, 2018. As part of the opening balance adjustments as at January 1, 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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