



華電國際電力股份有限公司

Huadian Power International Corporation Limited*

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

(Stock Code: 1071)

2008 THIRD QUARTERLY RESULTS

華電國際電力股份有限公司 Huadian Power International Corporation Limited* (the "**Company**") is required to publish its quarterly results pursuant to and in accordance with the relevant PRC laws and regulations.

All financial information set out in the Company's 2008 third quarterly report (the "**Quarterly Report**") is unaudited, and the relevant financial statements are prepared in accordance with China Accounting Standards for Business Enterprises (2006) ("**CAS (2006)**").

This announcement is made in compliance with the disclosure requirements under Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**").

1. IMPORTANT NOTICE

1.1 The board of directors (the "**Board**"), the supervisory committee of the Company and its directors (the "**Directors**"), supervisors and senior management confirm that there are no misrepresentation, misleading statement or material omission contained in the Quarterly Report, and collectively and individually accept responsibility for the truthfulness, accuracy and completeness of the contents therein.

1.2 Mr. Yun Gongmin, Chairman of the Company, and Mr. Wang Chuanshun, Non-executive Director of the Company, did not attend the 4th meeting of the fifth session of the Board for business reasons. Mr. Yun Gongmin appointed Mr. Chen Feihu and Mr. Wang Chuanshun appointed Mr. Hu Yuanmu to exercise voting rights on their behalf.

1.3 All financial information set out in the Quarterly Report is unaudited, and the relevant financial statements are prepared in accordance with the CAS(2006).

1.4 Mr. Yun Gongmin (Chairman of the Company), Mr. Zhu Fangxin (Chief Accountant) and Mr. Chen Cunlai (Head of the Accounting Department) have confirmed the truthfulness and completeness of the financial statements in the Quarterly Report.

1.5 This announcement is made in compliance with the disclosure requirements under Rule 13.09 of the Hong Kong Listing Rules.

2. COMPANY PROFILE

2.1 Major accounting data and financial indicators (unaudited)

Currency: RMB

	At the end of the current reporting period	At the end of last year (Note)	Increase/decrease from the end of last year (%)
Total assets (RMB'000)	87,439,122.00	73,127,242.00	19.57
Owners' equity (or shareholders' equity) (RMB'000)	12,123,951.00	15,704,085.00	-22.80
Net assets per share attributable to the shareholders of the Company(RMB)	2.01	2.61	-22.80
	From the beginning of the year to the end of the reporting period (January-September)		Increase/decrease from the corresponding period of last year (%)
Net cash flow from operating activities (RMB'000)		1,615,022.00	-71.59
Net cash flow from operating activities per share (RMB)		0.27	-71.59
	Current reporting period (July-September)	From the beginning of the year to the end of the reporting period (January-September)	Increase/decrease from the corresponding period of last year (%)
Net profit attributable to the shareholders of the Company(RMB'000)	-874,088.00	-1,367,148.00	-238.88
Basic earnings per share (RMB)	-0.15	-0.23	-238.88
Basic earnings per share after extraordinary gain and loss (RMB)	-	-0.24	-
Diluted earnings per share (RMB)	-0.15	-0.23	-238.88
Return on net assets (fully diluted) (%)	-7.21	-11.28	Decreased by 17.73 percentage points
Return on net assets after extraordinary gain and loss (fully diluted) (%)	-7.21	-11.91	Decreased by 17.61 percentage points
Extraordinary gain and loss		From the beginning of the year to the end of the reporting period (RMB'000) (January-September) (deducted on consolidated basis)	
Non-operating income			98,052
Non-operating expenses			-12,503
Net profit or loss for the period from the beginning of the year to consolidated date of subsidiaries obtained from business combination involving entities under common control			30,006
Tax effect			-28,400
Profit and loss attributable to the minority shareholders			-10,046
Total			77,109

Note: The amounts of the end of last year and of the same period of last year were retrospectively adjusted due to the consolidation of acquired entities under common control.

2.2 Total number of shareholders and top 10 registered holders of tradable shares not subject to trading moratorium as at the end of the reporting period

Unit: Share

Total number of shareholders at the end of the reporting period (Shareholders)	219,747	
Particulars of top ten holders of tradable shares not subject to trading moratorium		
Full name of shareholders	Number of tradable shares not subject to trading moratorium held as at the end of the reporting period	Class of shares
HKSCC Nominees Limited	1,426,003,900	Overseas listed foreign invested shares
Shandong International Trust Corporation	553,637,021	Ordinary shares denominated in RMB
Shandong Luneng Development (Group) Company Limited	66,411,468	Ordinary shares denominated in RMB
China Huadian Corporation	60,088,467	Ordinary shares denominated in RMB
Zaozhuang City Infrastructure Investment Company	18,800,018	Ordinary shares denominated in RMB
Portfolio 106 of the PRC Social Insurance Fund(全國社保基金一零六組合)	15,000,000	Ordinary shares denominated in RMB
Bank of Communications –E Fund Technology and Information Securities Investment Fund (交通銀行－易方達科訊股票型證券投資基金)	14,760,553	Ordinary shares denominated in RMB
Industrial and Commercial Bank of China-Penghua Quality Governance Securities Investment Fund (LOF) (中國工商銀行－鵬華優質治理股票型證券投資基金)	13,000,000	Ordinary shares denominated in RMB
China Construction Bank-China International China Advantage Security Investment Fund (中國建設銀行－上投摩根中國優勢證券投資基金)	8,394,909	Ordinary shares denominated in RMB
Bank of Communications –HSBC Jin Xin Dynamic Strategy Hybrid Securities Investment Fund (交通銀行－匯豐晉信動態策略混合型證券投資基金)	8,194,993	Ordinary shares denominated in RMB

3. SIGNIFICANT EVENTS

3.1 The status and reasons for material changes in major accounting items and financial indicators of the Company

(1) The Company's operating revenue for the first three quarters was RMB23,825 million, representing an increase of 46.54% as compared with the same period of last year, mainly attributable to the growth of power generation of the Company in the first three quarters and the increase in on-grid tariff during the second half year.

(2) The Company's operating cost for the first three quarters was RMB23,075 million, representing an increase of 76.94% as compared with the same period of last year, mainly attributable to the growth of power generation of the Company and the surging coal price in the first three quarters.

(3) The Company's operating loss for the first three quarters was RMB2,233 million, representing a decrease of 251.05% as compared with the operating profit for the same period of last year; the net loss attributable to the shareholders of the Company was RMB1,367 million, representing a decrease of 238.88% as compared with the net profit for the same period of last year; loss per share was RMB0.23. The operating loss and net loss were mainly attributable to the surging coal price since the beginning of 2008.

(4) The Company's administrative expenses for the first three quarters were RMB716 million, representing an increase of 36.64% as compared with the same period of last year, mainly attributable to the increase in installed capacity of the Company.

(5) The Company's finance cost for the first three quarters was RMB2,097 million, representing an increase of 81.46% as compared with the same period of last year, mainly attributable to the charging of the loan interests of newly operated generating units into the income statement since the commencing of operation and increases in lending rate.

(6) The Company's cash at bank and on hand as at the end of the third quarter was RMB4,501 million, representing an increase of 192.77% from 1 January 2008, mainly attributable to shortened collection cycle of electricity charges and raising of some capital in preparation for the tense capital demand in the coming year end.

(7) The Company's bills receivable as at the end of the third quarter was RMB158 million, representing a decrease of 60.49% from 1 January 2008, mainly attributable to the settlement of matured bills receivable.

(8) The Company's prepayments as at the end of the third quarter were RMB857 million, representing an increase of 205.96% from 1 January 2008, mainly attributable to the prepayments to coal suppliers for coal procurement.

(9) The Company's other receivables as at the end of the third quarter were RMB210 million, representing an increase of 505.22% from 1 January 2008, mainly attributable to the increase in receivables arising from the disposal of fixed assets.

(10) The Company's inventories as at the end of the third quarter were RMB1,848 million, representing an increase of 149.34% from 1 January 2008, mainly attributable to the increased coal inventory at the end of the reporting period and the surging coal price.

(11) The Company's constructions in progress as at the end of the third quarter were RMB9,208 million, representing an increase of 133.68% from 1 January 2008, mainly attributable to the increased investment in infrastructure projects (under construction and newly invested) by the Company.

(12) The Company's construction materials as at the end of the third quarter were RMB383 million, representing a decrease of 43.57% from 1 January 2008, mainly attributable to the transfer of construction materials into the constructions in progress.

(13) The Company's constructions and construction material prepayments as at the end of the third quarter were RMB4,143 million, representing an increase of 93.99% from 1 January 2008, mainly attributable to increased prepayment for constructions and construction materials of the infrastructure projects (under construction and newly invested) of the Company.

(14) The Company's deferred tax assets as at the end of the third quarter were RMB808 million, representing an increase of 466.87% from 1 January 2008, mainly attributable to the recognition of deferred tax for operating loss of the Company.

(15) The Company's bills payable as at the end of the third quarter was RMB1,688 million, representing a decrease of 31.30% from 1 January 2008, mainly attributable to the decrease in issuance of bills and repayment of matured bills.

(16) The Company's taxes payable as at the end of the third quarter was RMB-94 million, representing a decrease of 122.23% from 1 January 2008, mainly attributable to the decrease in profit which led to decrease in enterprise income taxes, as well as the extension of the value-added tax deduction scope in the middle and western regions of the PRC and the surging coal price which led to the input value-added tax exceeding the output value-added tax.

(17) The Company's other payables as at the end of the third quarter were RMB3,173 million, representing an increase of 55.08% from 1 January 2008, mainly attributable to the increase in unpaid consideration for acquisition of subsidiaries.

(18) The Company's long-term borrowings as at the end of the third quarter were RMB39,733 million, representing an increase of 50.25% from 1 January 2008, mainly attributable to firstly, the increased borrowings for projects investment, and secondly, the structure to optimize long-term and short-term borrowings through changing part of the short-term borrowings into long-term borrowings in order to reduce credit risks.

(19) The Company's capital reserve as at the end of the third quarter was RMB1,407 million, representing a decrease of 56.01% from 1 January 2008, mainly attributable to the reduction in capital reserve by the consideration payable after the equity transfer date since Hangzhou Huadian Banshan Power Generation Company Limited, Hebei Huadian Shijiazhuang Thermal Power Company Limited, Hebei Huadian Complex Pumping-storage Power Company Limited were consolidated as entities under common control upon being acquired from China Huadian Corporation.

(20) The Company's retained profits as at the end of the third quarter were RMB 3,223 million, representing a decrease of 35.69% from 1 January 2008, mainly attributable to the operating loss for the reporting period and the distribution of dividends.

3.2 Note and analysis on the progress of significant events and their impact and solution

The Company acquired the four companies (including Hangzhou Huadian Banshan Power Generation Company Limited, Hebei Huadian Shijiazhuang Thermal Power Company Limited, Hebei Huadian Complex Pumping-storage Power Company Limited and Sichuan Huadian Za-gunao Hydroelectric Development Company Limited) from China Huadian Corporation and the date of the equity transfers was 1 July 2008. According to the CAS (2006), Hangzhou Huadian Banshan Power Generation Company Limited, Hebei Huadian Shijiazhuang Thermal Power Company Limited and Hebei Huadian Complex Pumping-storage Power Company Limited were consolidated into the Company as business combination involving entities under common control on retrospective basis. Retrospective adjustments have been made to the opening balance in the consolidated balance sheet and the amounts for the same period of last year in the consolidated income statements and consolidated cash flow statements. According to the relevant regulations, the relevant figures in the financial statements of Sichuan Huadian Za-gunao Hydroelectric Development Company Limited, shall be consolidated as business combination involving entities under non-common control into the Company's financial statements since 1 July 2008.

3.3 Warning and explanation on reasons for accumulated net loss expected to be recorded from the beginning of the year to the end of the next reporting period or material change as compared to those of the same period of last year

The price of electrical coal has been continuing to increase significantly since the beginning of the year 2008. Currently, the effective electrical coal price of the Company remains at a high level, higher than the average level from January 2008 to September 2008 and significantly above the level at the beginning of year 2008. Although the PRC government has, during the second half of year 2008, upwardly adjusted the power tariffs, such increment however cannot offset the loss caused by the rising coal price. If the price of coal used for electricity generation does not reduce significantly within this year and under the circumstance where there is no introduction of new power tariff adjustment, the Company is expected to suffer a loss for the twelve-month period ending 31 December 2008.

The Company's unaudited consolidated balance sheet and balance sheet as at 30 September 2008, consolidated income statement and income statement, consolidated cash flow statement and cash flow statement for the nine months ended 30 September 2008 (all prepared in accordance with the CAS(2006)) are published on the website of the Shanghai Stock Exchange (www.sse.com.cn).

By order of the Board
Huadian Power International Corporation Limited*
Yun Gongmin
Chairman

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

Yun Gongmin (Chairman, Non-executive Director), Chen Feihu (Vice Chairman, Non-executive Director), Meng Fanli (Vice Chairman, Non-executive Director), Chen Jianhua (Executive Director), Wang Yingli (Non-executive Director), Chen Bin (Non-executive Director), Zhong Tonglin (Executive Director), Chu Yu (Non-executive Director), Zhao Jinghua (Independent non-executive Director), Ding Huiping (Independent non-executive Director), Wang Chuanshun (Independent non-executive Director) and Hu Yuanmu (Independent non-executive Director).

Beijing, PRC

30 October 2008

* For identification only