

AUDITORS' REPORT



ARTHUR ANDERSEN

Arthur Andersen & Co

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The Landmark

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Hong Kong

REVIEW REPORT TO THE SHAREHOLDERS OF HUANENG POWER INTERNATIONAL, INC.

(Incorporated in the People's Republic of China with limited liability)

We have reviewed the accompanying condensed balance sheet of Huaneng Power International, Inc. (the "Company") and condensed consolidated balance sheet of the Company and its subsidiaries as at 30th June, 2001, and the related condensed consolidated statements of income, changes in shareholder's equity and cash flows for the six-month period then ended. These financial statements are the responsibility of the management of the Company and its subsidiaries. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the International Standards on Auditing applicable to review engagements. Those standards require that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit, and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with International Accounting Standards.

ARTHUR ANDERSEN & CO

Certified Public Accountants

Hong Kong,
9th August, 2001