

## **Huaneng Power International, Inc.,**

the largest independent power producer in the PRC, currently operates 13 power plants nationwide with an owned equity generating capacity of 10,813.5 MW.



# Company Profile

**H**uaneng Power International, Inc. (the "Company") develops, constructs, operates and manages large-scale coal-fired power plants throughout China. The Company is the largest independent power producer in China with an owned equity generation capacity of 10,813.5 MW.

The Company was incorporated on 30th June, 1994 and completed its initial public offering of 1,250,000,000 overseas listed foreign shares ("foreign shares") in October, 1994 and such shares (represented by 31,250,000 American Depository Shares) were listed on the New York Stock Exchange (NYSE: HNP).

In January, 1998, the foreign shares of the Company were listed on The Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange") by way of introduction (Stock Code: 902). Subsequently, the Company successfully completed the global placement of 250,000,000 foreign shares along with a private placement of 400,000,000 state-owned legal person shares to its parent company, Huaneng International Power Development Corporation ("HIPDC") in March, 1998.

On 15th and 16th November, 2001, the Company successfully completed the issue of 350,000,000 A shares in the PRC, of which 250,000,000 domestic public shares were issued to strategic investors and securities investment funds subscribed offline and to public investors subscribed online, both through the book building process. At the same time, another 100,000,000 state-owned legal person shares were placed to HIPDC at the same price. Currently, the total share capital of the Company is 6,000,000,000 shares.

In the past few years, the Company expanded its operation scale by means of project development and asset acquisition in order to enhance its profitability. In 2000, the Company successfully completed the merger arrangement with Shandong Huaneng Power Development Co. Ltd. ("Shandong Huaneng"). Shandong Huaneng merged into the Company on 1st January, 2001 which has made substantial contribution to the growth of profit of the Company.

Currently, the Company wholly owns ten power plants and has controlling interests in two power plants and minority interests in one power plant. Its power plants have advanced equipment and their operations were widely located in seven provinces and cities on the coastal area, namely, Liaoning, Hebei, Shandong, Shanghai, Jiangsu, Fujian and Guangdong. The Company will continue to strengthen cost controls so as to enhance its operating effectiveness, thus maintaining its leading position in the competitive power market.

As regards future development, the Company will continue to explore development opportunities according to the principle of "emphasizing both development and acquisition, emphasizing both greenfield and expansion, emphasizing both coal-fuel and other types of fuel and emphasizing both domestic and overseas capital." At the same time, the Company will continue to focus on the improvement of management, cost control and enhancement of efficiency, so as to increase shareholders' interests and maintain long term stable growth.

HIPDC, the Company's parent company and controlling shareholder, was incorporated as a Sino-foreign joint venture enterprise in 1985. The Company was incorporated by way of joint promotion by HIPDC and local government investment companies in the regions where the power plants are located.