

## Cash Flow Statements

(Prepared in accordance with PRC Accounting Standards)

FOR THE YEAR ENDED 31ST DECEMBER, 2001

Prepared by: Huaneng Power International, Inc. and its subsidiaries

(Unit: Rmb)

		31st December, 2001		31st December, 2000
	Note	The Company and its subsidiaries	The Company	The Company
<b>1. Cash flows from operating activities</b>				
Cash received from sale of goods		18,468,527,029	16,433,168,014	14,889,061,365
Other cash received relating to operating activities		272,794,167	257,074,460	275,077,745
<b>Sub-total of cash inflows</b>		<b>18,741,321,196</b>	<b>16,690,242,474</b>	15,164,139,110
Cash paid for purchases of goods and services		(6,003,033,383)	(5,301,289,156)	(4,316,231,294)
Cash paid to and on behalf of employees		(996,863,875)	(828,977,014)	(537,598,650)
Taxes paid		(2,969,669,918)	(2,639,350,064)	(2,045,757,974)
Other cash paid relating to operating activities	4(30)	(1,657,604,827)	(1,436,127,271)	(1,426,709,537)
<b>Sub-total of cash outflows</b>		<b>(11,627,172,003)</b>	<b>(10,205,743,505)</b>	(8,326,297,455)
<b>Net cash flows provided by operating activities</b>	4(31)	<b>7,114,149,193</b>	<b>6,484,498,969</b>	6,837,841,655
<b>2. Cash flows from investing activities</b>				
Proceeds from collection of short-term investments		439,896,269	439,570,328	955,618,362
Cash received for investment income		24,671,037	67,170,804	—
Proceeds from disposals of fixed assets, intangible assets and other long-term assets		32,905,225	29,575,319	17,872,133
Net cash inflow from acquisition of Shandong Huaneng	5	2,635,695,151	2,537,692,383	—
Other cash received relating to investing activities		—	—	674,713
<b>Sub-total of cash inflows</b>		<b>3,133,167,682</b>	<b>3,074,008,834</b>	974,165,208
Cash paid to acquire fixed assets, intangible assets and other long-term assets		(3,261,413,276)	(3,155,933,883)	(898,978,441)
Cash paid for investments		(4,665,290,162)	(4,640,487,920)	(60,000,000)
Repayment of payable to Nanjing Investment		(141,640,843)	(141,640,843)	(100,000,000)
Prepayment of consideration for Shangdong Huangeng acquisition	5	—	—	(5,767,897,867)
Expenditures for Shandong Huaneng acquisition	5	(21,561,916)	(21,561,916)	(10,096,066)
<b>Sub-total of cash outflows</b>		<b>(8,089,906,197)</b>	<b>(7,959,624,562)</b>	(6,836,972,374)
<b>Net cash flows used in investing activities</b>		<b>(4,956,738,515)</b>	<b>(4,885,615,728)</b>	(5,862,807,166)

## Cash Flow Statements (continued)

(Prepared in accordance with PRC Accounting Standards)

FOR THE YEAR ENDED 31ST DECEMBER, 2001

		31st December, 2001		31st December, 2000
	Note	The Company and its subsidiaries	The Company	The Company
<b>3. Cash flows from financing activities</b>				
Proceeds from issuance of shares	4(22)	2,770,058,329	2,770,058,329	—
Proceeds from borrowings		2,744,100,602	2,702,874,006	1,676,214,553
<b>Sub-total of cash inflow</b>		<b>5,514,158,931</b>	<b>5,472,932,335</b>	1,676,214,553
Repayment of borrowings		(5,417,437,947)	(4,859,764,702)	(1,998,381,586)
Dividend paid		(2,069,368,029)	(2,071,091,088)	(1,157,693,075)
<b>Sub-total of cash outflows</b>		<b>(7,486,805,976)</b>	<b>(6,930,855,790)</b>	(3,156,074,661)
<b>Net cash flows used in financing activities</b>		<b>(1,972,647,045)</b>	<b>(1,457,923,455)</b>	(1,479,860,108)
<b>4. Net increase (decrease) in cash and cash equivalents</b>	4(32)	<b>184,763,633</b>	<b>140,959,786</b>	(504,825,619)

Legal Representative  
Li Xiaopeng

Chief Financial Officer  
Huang Jian

Accounting Supervisor  
Xu Ping

The accompanying notes are an integral part of these financial statements.