



***Consolidating Our Strengths,  
Re-powering into the Future.***

Year 2004 was the tenth anniversary of the establishment and overseas listing for Huaneng Power International, Inc (“Huaneng Power” or “the Company”). It was also a year full of opportunities and challenges for the Company. On the one hand, the continued growth of China’s economy brought strong power demand which provided good business opportunities for the Company. On the other hand, due to the shortage of coal supply, the Company encountered the pressure of rising fuel costs. Facing various challenges, during 2004 the Company adopted multiple measures to contain its fuel costs; it actively expanded the distribution of its power plants to leverage different geographical advantages; it optimized its generation structure to build a stable platform for power generation; and it strived to expand its scale of operation to enhance its profit growth potential. By means of the various strategies, the Company moved to consolidate its strengths, reinforce its foundation and re-power itself for greater developments in the future.

## Contents

2	Company Profile
4	Corporate Structure
6	Major Corporate Events in 2004
8	Financial Highlights
10	Letter to Shareholders
18	Management's Discussion and Analysis
44	Corporate Governance
48	Investor Relations
53	Human Resources
56	Report of the Board of Directors
69	Report of the Supervisory Committee
72	Profiles of Directors, Supervisors and Senior Management
90	Corporate Information

Financial statements prepared in accordance with International Financial Reporting Standards

92	Auditors' Report
93	Consolidated Income Statement
94	Consolidated Balance Sheet
97	Consolidated Statement of Changes in Shareholders' Equity
98	Statement of Changes in Shareholders' Equity
99	Consolidated Cash Flow Statement
101	Notes to the Financial Statements
151	Supplemental Information for North American Shareholders

Financial statements prepared in accordance with PRC Accounting Standards

165	Report of the Auditors
166	Balance Sheet
168	Profit and Loss Accounts
169	Statement of Income Appropriation
170	Cash Flow Statement
172	Notes to the Financial Statements
223	Supplemental Information