大唐国际发电股份有限公司
DATANG INTERNATIONAL POWER GENERATION CO., LTD.

(Stock Code : 00991)

Focus in Power Generation, Pursue Synergistic Diversifications, Grow into an Energy Conglomerate.

2010 Interim Report

Focus in Power Generation,
Pursue Synergistic Diversifications,
Grow into an Energy Conglomerate.

Datang Power has always been committed to its diversification development strategy throughout the years. The Company has witnessed its generation structure evolving from single-mode thermal generation into a strategically balanced deployment of thermal power, hydropower, wind power and nuclear power. Its business structure has also extended from a pure power generation operation to a chain of upstream and downstream businesses related to power generation.

In the future, based on various successful initiatives in its diversification strategy, Datang Power will further the development of its generation structure and business structure. It will continue to enhance its coal-fired power; aggressively expand its hydropower; continuously develop wind power; actively pursue nuclear power; focus on suitable coal operations; steadily develop coal-to-chemical projects; and secure a complementary development of railway, port and shipping. Through furthering its diversifications, Datang Power marches towards all-encompassing synergistic developments, endeavouring to develop into an integrated energy company that enjoys a domestic leadership position and international reputation.

Contents

Company Results

OPERATING AND FINANCIAL HIGHLIGHTS:

- Operating revenue amounted to approximately RMB28,946 million, representing an increase of approximately 39.66% over the first half of 2009.
- Net profit attributable to equity holders of the Company amounted to approximately RMB912 million, representing an increase of approximately 27.91% over the first half of 2009.
- Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0757, representing an increase of approximately RMB0.0151 per share over the first half of 2009.

The board of directors (the "Board") of Datang International Power Generation Co., Ltd. (the "Company") hereby announces the unaudited consolidated operating results of the Company and its subsidiaries (the "Group") prepared in conformity with the International Financial Reporting Standards ("IFRS") for the six months ended 30 June 2010 (the "Period"), together with the unaudited consolidated operating results of the first half of 2009 (the "Corresponding Period Last Year") for comparison. Such operating results have been reviewed and confirmed by the Company's audit committee (the "Audit Committee").

Operating revenue of the Group for the Period was approximately RMB28,946 million, representing an increase of approximately 39.66% as compared to the Corresponding Period Last Year.

Net profit attributable to equity holders of the Company was approximately RMB912 million, representing an increase of approximately 27.91% as compared to the Corresponding Period Last Year. Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0757, representing an increase of approximately RMB0.0151 per share as compared to the Corresponding Period Last Year.

The Board does not recommend any payment of interim dividend for 2010.

Please refer to the unaudited financial information for details of the consolidated operating results of the Group.

Management Discussion and Analysis

The Group is one of the largest independent power generation companies in the People's Republic of China (the "PRC"), which is primarily engaged in power generation businesses with its main focus on coal-fired power generation. As at 30 June 2010, the Group managed a total installed capacity of 34,252.8MW. The power generation businesses of the Group are primarily distributed in the North China Power Grid, the Gansu Power Grid, the Zhejiang Power Grid, the Yunnan Power Grid, the Fujian Power Grid, the Guangdong Power Grid, the Chongqing Power Grid, the Jiangxi Power Grid, the Liaoning Power Grid, the Ningxia Power Grid, the Jiangsu Power Grid and the Qinghai Power Grid.

During the Period, the PRC's economy maintained steady rapid growth, with a year-on-year 11.1% growth on Gross Domestic Product (GDP) reported. Both power generation and power consumption nationwide showed accelerated growth. Newly installed generating units continued to be of relatively large scale and their structure continued to improve; nationwide capability to supply power was sufficient; and the cumulative average utilisation hours of power generating facilities was 190 hours higher as compared to the Corresponding Period Last Year. Overally speaking, power supply and demand in the PRC was balanced in general. According to relevant information, during the Period, nationwide installed capacity of power plants with generation capacity of 6,000 kW or above grew by approximately 11.6% year-on-year; social power consumption increased by approximately 21.57% over the previous year, while nationwide power generation increased by approximately 19.3% over the previous year.

During the Period, the Group seized the opportunities of the upward economic trend and the recovery of the power market, while continuing steadfastly the implementation of the development strategy of "pursuing the power generation business as its core development whilst complementing with synergistic diversifications", and pushed forward power-related upstream and downstream projects such as coal mining, coal chemical, railway construction and shipping at a steady pace in accordance with plans. The Group, with reference to changes in the State policies and the market environment, took initiatives in tackling the changes and making prompt responses, while ensuring steady, safe and orderly production and operation management. As a result, the Group achieved a significant growth in profit over the Corresponding Period Last Year.

Management's Review on the Operating Results of Various Businesses

Power Generation Businesses

1. Business Review

(1) Maintained Stable Power Production

During the Period, the operational generating units of the Group maintained safe and stable operation. No casualties or incidents regarding the production facilities occurred to the Group during the course of power production. The equivalent availability factor of operational generating units amounted to 94.17%, maintaining at relatively high levels.

During the Period, primarily due to the impact of the positive macro-economy of the PRC, the utilisation hours of the Group's power generation facilities increased considerably as compared to the Corresponding Period Last Year. Total power generation of the Group amounted to approximately 80.768 billion kWh, representing a significant increase of approximately 31.75% as compared to the Corresponding Period Last Year. Total on-grid power generation of the Group amounted to approximately 76.013 billion kWh, representing an increase of approximately 31.65% over the Corresponding Period Last Year. Both total power generation and on-grid power generation saw significant year-on-year increases, which were mainly attributable to the buoyant macro-economy of the country, the continuously strong demand of social power consumption, a growth in capacity of the operational generating units and an increase in average utilisation hours of the coal-fired generating units of the Company and its subsidiaries.

Details of the power generation of the Group during the Period (Unit: billion kWh):

Power plant/company	Power generation for the first half of 2010	Power generation for the first half of 2009	Growth (%)
Gao Jing Thermal Power Plant	1.6835	1.3539	24.34%
Dou He Power Plant	4.2014	3.5957	16.85%
Xia Hua Yuan Power Plant	0.5145	0.6924	-25.69%
Zhang Jia Kou Power Plant	6.6552	6.2422	6.62%
Tianjin Datang International Panshan Power Generation Company Limited (“Panshan Power Company”)	3.4132	3.1573	8.11%
Inner Mongolia Datang International Tuoketuo Power Generation Company Limited (“Tuoketuo Power Company”)	10.1039	8.8999	13.53%
Shanxi Datang International Yungang Thermal Power Company Limited (“Yungang Thermal Power Company”)	3.1472	2.1242	48.16%
Hebei Datang International Tangshan Thermal Power Company Limited (“Tangshan Thermal Power Company”)	1.6580	1.9276	-13.99%
Shanxi Datang International Shentou Power Generation Company Limited (“Shentou Power Company”)	2.4540	2.3104	6.22%
Gansu Datang International Liancheng Power Generation Company Limited (“Liancheng Power Company”)	1.5835	1.4367	10.22%
Hebei Datang International Wangtan Power Generation Company Limited (“Wangtan Power Company”)	3.4390	3.2426	6.06%
Zhejiang Datang International Wushashan Power Generation Company Limited (“Wushashan Power Company”)	6.5222	5.9703	9.24%
Guangdong Datang International Chaozhou Power Generation Company Limited (“Chaozhou Power Company”)	3.1931	3.3272	-4.03%
Fujian Datang International Ningde Power Generation Company Limited (“Ningde Power Company”)	4.0524	3.4914	16.07%
Yunnan Datang International Honghe Power Generation Company Limited (“Honghe Power Company”)	2.2281	1.5756	41.41%

Power plant/company	Power generation for the first half of 2010	Power generation for the first half of 2009	Growth (%)
Jiangxi Datang International Xinyu Power Generation Company Limited ("Xinyu Power Company")	0.8051	0.8181	-1.59%
Shanxi Datang International Yuncheng Power Generation Company Limited ("Yuncheng Power Company")	3.0133	2.9647	1.64%
Inner Mongolia Datang International Hohhot Thermal Power Generation Company Limited ("Hohhot Thermal Power Company")	1.3820	0.4586	201.35%
Chongqing Datang International Pengshui Hydropower Development Company Limited ("Pengshui Hydropower Company")	2.0980	2.6167	-19.82%
Yunnan Datang International Nalan Hydropower Development Company Limited ("Nalan Hydropower Company")	0.1321	0.2045	-35.40%
Yunnan Datang International Lixianjiang Hydropower Development Company Limited ("Lixianjiang Hydropower Company")	0.9230	1.2857	-28.21%
Inner Mongolia Datang International Duolun Hydropower Multiple Development Company Limited ("Duolun Hydropower Company")	0.0026	0.0041	-36.59%
Qinghai Datang International Zhiganglaka Hydropower Generation Development Company Limited ("Zhiganglaka Hydropower Company")	0.3457	0.357	-3.17%
Hebei Datang International Huaze Hydropower Development Company Limited ("Huaze Hydropower Company")	0.0097	0.009	7.78%
Inner Mongolia Datang International Windpower Development Company Limited ("Inner Mongolia Windpower Company")	0.1014	0.0549	84.70%
Inner Mongolia Datang International Tuoketuo No. 2 Power Generation Company Limited ("Tuoketuo No. 2 Power Company")	3.3591	2.9386	14.31%
Liaoning Datang International Jinzhou Thermal Power Generation Company Limited ("Jinzhou Thermal Power Company")	1.6656	0.1967	746.77%
Shanxi Datang International Zuoyun Windpower Company Limited ("Zuoyun Windpower Company")	0.0843	0.048	75.63%

Power plant/company	Power generation for the first half of 2010	Power generation for the first half of 2009	Growth (%)
Hebei Datang International Fengrun Thermal Power Company Limited (“Fengrun Thermal Power Company”)	1.7015	Not Applicable	Not Applicable
Ningxia Datang International Daba Power Generation Company Limited (“Daba Power Company”)	3.9021	Not Applicable	Not Applicable
Hebei Datang International Zhangjiakou Thermal Power Company Limited (“Zhangjiakou Thermal Power Company”)	1.3965	Not Applicable	Not Applicable
Qian’an Datang Thermal Power Company Limited (Qianan Datang Thermal Power Company”)	0.5593	Not Applicable	Not Applicable
Liaoning Datang International Windpower Development Company Limited (“Liaoning Windpower Company”)	0.1143	Not Applicable	Not Applicable
Fujian Datang International Windpower Development Company Limited (“Fujian Windpower Company”)	0.0880	Not Applicable	Not Applicable
Jiangsu Datang International Lvsigang Power Generation Company Limited (“Lvsigang Power Company”)	3.6375	Not Applicable	Not Applicable
Yunnan Datang International Wenshan Hydropower Development Company Limited (“Wenshan Hydropower Development Company”)	0.2019	Not Applicable	Not Applicable
Yuneng (Group) Company Limited (“Yuneng Group Company”)	0.3960	Not Applicable	Not Applicable
Total	80.768	61.304	31.75%

(2) Advanced Steadily on Energy Savings and Emissions Reduction

During the Period, coal consumption of the Group amounted to approximately 324.92g/kWh, representing a decrease of approximately 1.88g/kWh over the Corresponding Period Last Year, while the consolidated electricity consumption rate of power plants amounted to approximately 5.95%. The coal-fired generating units of the Company and its subsidiaries continued to achieve a desulphurisation facilities installation rate of 100%. Emission rates of sulphur dioxide, nitrogen oxides, smoke ash and waste water amounted to approximately 0.459g/kWh, 1.41g/kWh, 0.131g/kWh and 86g/kWh, respectively. Emission rates of various pollutants were lower than the national average levels.

(3) Achieved Prominent Results in Project Construction

During the Period, the Group achieved prominent results in construction and preliminary works through delegating management responsibilities level-by-level according to specific production targets for power projects, thereby enabling new generating units with a total capacity of approximately 3,511MW to commence production successfully for power generation. Among the new capacity added:

— 2,940MW of coal-fired power units, mainly including: four 660MW generating units at Lvsigang Power Company; and one 300MW generating unit at Zhangjiakou Thermal Power Company.

— 473.5MW of hydropower units, including: 200MW hydropower generating units at Wenshan Hydropower Development Company; and 273.5MW hydropower generating units at Yuneng Group Company (obtained through acquisition).

— 97.5MW of windpower units, including: 48MW windpower generating units at Inner Mongolia Windpower Company; and 49.5MW windpower generating units at Zuoyun Windpower Company.

2. Major Financial Indicators and Analysis

(1) Operating Revenue

Revenues from power and heat sales of the Group accounted for approximately 84.01% of the total operating revenue of the Group. Among such revenues, sales revenue from the principal power generation business accounted for 82.92% of the total operating revenue.

During the Period, revenues from power and heat sales of the Group amounted to approximately RMB24,002 million and RMB316 million, respectively, representing increases of approximately 30.93% and 79.89% over the Corresponding Period Last Year. Among such revenues, the increase in revenue from power sales was mainly attributable to the significant year-on-year increases in power generation and on-grid power generation during the Period; the increase in revenue from heat sales was mainly attributable to an increase in co-generation units and the impact of climate change during the Period, resulting in a substantial year-on-year increase in heat sales.

(2) Operating Costs

During the Period, the operating costs of power and heat generation of the Group were approximately RMB19,608 million and RMB516 million, respectively, representing respective increases of approximately RMB5,078 million and RMB255 million as compared to the Corresponding Period Last Year, representing increases of approximately 34.94% and 97.66%, respectively.

(3) **Operating Profit**

During the Period, operating profit from power generation amounted to approximately RMB4,394 million, representing an increase of approximately 15.60% over the Corresponding Period Last Year while gross profit margin was approximately 18.31%.

Coal Chemical Business

During the Period, smooth progress was made on the following projects controlled and constructed by the Group: the Duolun Coal Chemical Project with a production scale of 460,000 tonnes of polypropylene per annum, the Keqi Coal-based Gas Project with a production scale of 4 billion cubic meters of natural gas per annum, and the Fuxin Coal-based Gas Project with a production scale of 4 billion cubic meters of natural gas per annum. Of these projects:

1 The Duolun Coal Chemical Project is located in Duolun County, Xilinguole Pledge, Inner Mongolia. It uses lignite coal from East Unit 2 of Shengli Coal Mine in Inner Mongolia (which is controlled and constructed by the Company) as raw materials; and it applies advanced technologies including the technology of vaporising coal ash, the syngas purification technology, the large-scale methanol synthesis technology, the technology to convert methanol to propylene, and the propylene polymerisation technology to produce coal chemical products. The final products of the project are 460,000 tonnes/year of polypropylene and other by-products. The project is still under construction at present. It is expected that the successful development and construction of this project will be a new point of profit growth for the Group.

2 Keqi Coal-based Natural Gas Project is located in Kesheketeng Qi, Chifeng City, Inner Mongolia. The project will use brown coal from East Unit 2 of Shengli Coal Mine in Inner Mongolia (which is controlled and constructed by the Company) as raw materials and fuels. It will be a coal conversion project making clean, efficient and high value-added use of coal through the adoption of internationally advanced technologies such as pressurised fixed bed gasification, synthesis gas purification and synthesis gas methanation. Natural gas, the principal product, will be transmitted by a long-distance pipeline covering 359 km in total which runs from the project site (Kesheketeng Qi station) to the final destination in Miyun, Beijing, the PRC. The Keqi Coal-based Natural Gas Project will be constructed in three stages. The Phase I project is expected to commence operation by 2012. The project is expected to produce 4 billion cubic meters of natural gas per annum upon completion of the entire project and commencement of production.

3 The Fuxin Coal-based Natural Gas Project is located in Changyingzi Town, Xinqiu District, Fuxin City, Liaoning Province and is a new coal conversion project using brown coal from East Unit 2 of Shengli Coal Mine in Inner Mongolia (which is controlled and constructed by the Company) as its raw materials. It will be a coal conversion project making clean, efficient and high value-added use of coal through the adoption of internationally advanced technologies such as pressurised fixed bed gasification, synthesised gas purification and synthesised gas methanation. The natural gas produced is supplied via long-distance pipelines to cities such as Shenyang, Tieling, Fushun, Benxi and Fuxin. Its pipeline covers 334 km in total. The Fuxin Coal-based Natural Gas Project will be constructed in three stages. The Phase I project is expected to commence operation by 2013. The project is expected to produce 4 billion cubic meters of natural gas per annum upon completion of the entire project and commencement of production.

Coal Business

1. Business Review

The East Unit 2 coal mine of Shengli Coal Mine was developed and constructed by the Group and is located in the central area of Shengli Coal Mine in Inner Mongolia. The coal produced will be mainly used as raw materials for coal chemical projects and coal-based natural gas projects including the Duolun Coal Chemical Project, the Keqi Coal-based Natural Gas Project and the Fuxin Coal-based Natural Gas Project. Among these, the Phase 1 project reaches a production scale of 10 million tonnes.

During the Period, the Group has completed the acquisition of 70% interest in Inner Mongolia Baoli Coal Company Limited ("Baoli Company"). The open-cut coal mine owned by Baoli Company is located in E'erduosi City, Inner Mongolia. Its designed production scale is 1.2 million tonnes per annum.

The successful developments and acquisitions of the above-said coal mine projects will enhance the coal consumption self-sufficiency ratio of the Company's power plants. Meanwhile, the Group is also proceeding with the preliminary development works on the Phase 2 project of the East Unit 2 coal mine of Shengli Coal Mine in Inner Mongolia, Wujianfang Coal Mine and Kongduigou Coal Mine. The successful development of the above-mentioned coal mine projects will increase the coal self-sufficiency ratio of the Group's power plants.

To further secure coal supply and lower fuel costs, Beijing Datang Fuel Company Limited ("Fuel Company"), a wholly-owned subsidiary of the Company, actively expanded its coal sales business and increased its coal sales during the Period.

2. Major Financial Indicators and Analysis

(1) Operating Revenue

Operating revenue from the coal business amounted to approximately RMB2,930 million, accounting for approximately 10.12% of the total operating revenue of the Group, representing an increase of approximately RMB813 million over the Corresponding Period Last Year.

(2) Operating Costs

During the Period, operating costs of the coal business amounted to approximately RMB2,435 million, representing an increase of approximately RMB391 million over the Corresponding Period Last Year.

(3) Operating Profit

During the Period, operating profit from the coal business amounted to approximately RMB495 million, representing an increase of approximately 582.00% over the Corresponding Period Last Year while gross profit margin was approximately 16.88%.

Other Businesses

Jiangsu Datang Shipping Company Limited ("Datang Shipping Company"), in which the Group holds 97.54% interest, was registered and established on 6 September 2007 by the Group. Currently, Datang Shipping Company has two 70,000-tonne bulk cargo vessels, namely "Datang Power #1" and "Datang Power #2", which are engaged in thermal coal transportation from Qinhuangdao (or other ports in North China) to Chaozhou, Guangdong (or Ningde, Fujian). Shipping companies, which the Group controls or has interest in, achieved 2.22 million tonnes of coal transportation in the first half of 2010.

Datang Shipping Company actively commenced shipbuilding works and has entered into relevant agreements on planned construction of four 45,000-tonne bulk cargo vessels and two 76,000-tonne bulk cargo vessels, thereby further expanding the fleet scale of the Group.

The development and strengthening of Datang Shipping Company will help to ease the tense situation being faced by the Group's coastal power plants in regard to transportation of thermal coal, stabilise transportation costs for thermal coal, and enhance its transportation self-sufficiency.

Management's Review on the Consolidated Operating Results

Improved Effectiveness in Operational Management

During the Period, the Company was still under the impact of unfavourable factors such as persistently high fuel coal prices. Faced with such tough operating environment, the Company kept abreast of the trends of the market while taking initiatives in planning budgets, strengthening internal management and at the same time creating a favourable external environment, thereby rigorously enhancing production and operation:

1 Through timely adjustments of the power generation evaluation system, management accountability was implemented level-by-level, and the target of power generation was achieved. Consolidated utilisation hours accumulated to 2,304 hours, representing a year-on-year increase of 66 hours;

2 The Company executed its development strategies through strengthening its capital operation. The non-public issuance of A shares to specific parties was completed by 23 March 2010. After completion of the issuance, the total share capital of the Company increased from 11,780,037,578 shares to 12,310,037,578 shares and the net funds raised amounted to RMB3,248,246,600. During the Period, the Group successfully acquired Baoli Company, which pertains to a designed production capacity of 1.2 million tonnes per year, thereby increasing the self-sufficiency ratio for coal consumption for the Company's power plants;

3 In order to effectively utilise the functions of resources allocation in the capital market, satisfy the capital needs arising from the rapid development of the Company and foster a successful implementation of the investment projects of the Company so as to enhance the Company's profitability, the Company planned to issue not more than 1 billion non-public A-shares within the current year, with an issue price not lower than RMB6.74 per share (as the Company has distributed the 2009 final dividend of RMB0.07 per share in July 2010, the issue price was adjusted from RMB6.81 per share to RMB6.74 per share). To date, such proposal has been considered and approved by the Board and the general meeting of the Company as well as the State-Owned Asset Supervisory and Administration Commission of the PRC (the "SASAC"), and the China Securities Regulatory Commission has accepted the application of the current non-public issue of A shares and is undergoing its approval procedures at present.

Operating Revenue

During the Period, the Group realised an operating revenue of approximately RMB28,946 million, representing an increase of approximately 39.66% over the Corresponding Period Last Year. Of the operating revenue, revenue from power sales increased by approximately RMB5,671 million.

Operating Costs

During the Period, total operating costs of the Group amounted to approximately RMB25,033 million, representing an increase of approximately RMB7,335 million or approximately 41.42% over the Corresponding Period Last Year.

Net Finance Costs

During the Period, finance costs of the Group amounted to approximately RMB2,563 million, representing an increase of approximately RMB532 million or approximately 26.22% over the Corresponding Period Last Year. The significant increase was mainly due to an increase of remaining borrowing balance, an increase in expensed interests and the construction-in-progress being successively converted into fixed assets.

Profit Before Tax and Net Profit

During the Period, the Group reported a total profit before income tax of approximately RMB1,742 million, representing an increase of approximately 30.24% over the Corresponding Period Last Year. Net profit attributable to equity holders of the Company amounted to approximately RMB912 million, representing an increase of approximately 27.91% over the Corresponding Period Last Year.

Financial Position

As at 30 June 2010, total assets of the Group amounted to approximately RMB202,819 million, representing an increase of approximately RMB18,596 million over the end of 2009. The increase in total assets resulted mainly from the implementation of the Group's expansion strategy which led to a corresponding increase in investments in construction-in-progress, property and equipment.

Total liabilities of the Group amounted to approximately RMB166,815 million, representing an increase of approximately RMB15,439 million over the end of 2009. Of the total liabilities, long-term liabilities increased by approximately RMB10,163 million over the end of 2009. The increase in total liabilities was mainly due to an increase in the Group's borrowing level so as to meet the needs of daily operations and infrastructure construction.

Equity attributable to owners of the Company amounted to approximately RMB29,241 million, representing an increase of approximately RMB3,042 million over the end of 2009. Net asset value per share attributable to equity holders of the Company amounted to approximately RMB2.38, representing an increase of approximately RMB0.16 per share over the end of 2009.

Liquidity

As at 30 June 2010, the asset-to-liability ratio of the Group was approximately 82.25%. The net debt-to-equity ratio (i.e. (loans + medium-term notes + short-term bonds — cash and cash equivalents — bank deposits with a maturity of over 3 months)/total equity) was approximately 375.75%.

As at 30 June 2010, cash and cash equivalents and bank deposits with a maturity of over 3 months of the Group amounted to approximately RMB7,452 million, of which deposits equivalent to approximately RMB199 million were foreign currency deposits. The Group had no entrusted deposits and overdue fixed deposits during the Period.

As at 30 June 2010, short-term loans of the Group amounted to approximately RMB19,967 million, bearing annual interest rates ranging from 2.10% to 7.47%. Long-term loans (excluding those repayable within one year) amounted to approximately RMB110,108 million and long-term loans repayable within one year amounted to approximately RMB6,719 million. All long-term loans (including those repayable within 1 year) were at annual interest rates ranging from 1.13% to 7.83%.

Loans of approximately RMB1,011 million were denominated in US dollar. The Group paid close attention to foreign exchange market fluctuations constantly and cautiously assessed foreign currency risks. Part of the borrowings of the Group was pledged against assets including accounts receivable, property, plant and equipment, etc, totalling approximately RMB32,850 million.

Welfare Policy

As at 30 June 2010, the staff of the Group totalled 17,120. The Group adopts the basic salary system on the basis of position-points salary distribution. The Group carries out evaluation of its subordinated enterprises based on a profit accountability system, and adopts an incentive system for the senior management of its subordinated enterprises based on assessments of capital operations, safe production and improved CPS's anti-corruption work. The Group is concerned about personal growth and occupational training. It implements a reward mechanism of "unification of training, usage and remuneration". Based on the basic principles of "identifying targets scientifically and providing training depending on actual needs", and led by the strategy of developing a strong corporation with strong talents, the Group relies on a three-tier management organisational structure and implements an all-staff training scheme for various levels.

Outlook for the Second Half of 2010

In the second half of 2010, the aftermath of the global financial crisis will still linger. Although the domestic economy has been developing along the expected direction of the State's macro-economic controls, it still faces the risk of a relapse. The Group, therefore, has a daunting task on maintaining stable and healthy development and is faced with both opportunities and challenges.

In the first half of the year, as the macro-economy of the PRC was gradually recovering, power demand has shown a rapid growth after recovery. The growth rate for the whole year is expected to maintain at a high level. In view of the current tough energy-saving environment, continued implementation of strict energy-saving and consumption lowering policies, and the State's adjustment of the energy structure, the growth rate of power demand by high-energy consumption industries such as the iron and steel and cement industries may slow. However, there is still hope that the growth rate for the whole year will maintain at a relatively high level. Although social power consumption will experience a first-high-then-low growth trend, thermal coal supply is expected to remain basically stable. However, there remains uncertain factors such as coal supply shortage and a surge in thermal coal prices.

Faced with a difficult operating environment, the Group will continue to implement an overall strategy that focuses on "pursuing the power generation business as its core development whilst complementing with synergistic diversifications". The Company will do its utmost to achieve the production and operation targets for 2010 with a persistent focus on profitability and safe production. It will actively expand its room for development and strengthen its marketing and sales efforts by fully leveraging its advantages in resources, scale, geographical distribution and costs. While pursuing success in its core power business, it will also pursue excellence in non-power businesses. It will exercise stringent cost controls and strive to contain unit fuel cost increase, with a view to enhancing the profitability of the Company.

In the second half of 2010, the Group will focus on the following tasks:

1 To strengthen production safety as the foundation of the Company and endeavour to be a company with safety as its character.

2 To expand income while reducing expenditures so as to enhance the profitability of the Company.

3 To actively pursue structural adjustments so as to raise quality and profitability throughout the Company.

4 To step up efforts in improving management and focus on the construction of excellent infrastructures.

5 To further push forward the development of capital operations and fully leverage the financing capacity of the Company.

6 To implement a lean management, thus further improving the Company's management performance.

7 To push forward the work on energy conservation and emissions reduction in order to maintain a leadership position of the Company in the industry.

Share Capital and Dividends

Share Capital

As at 30 June 2010, the total share capital of the Company amounted to 12,310,037,578 shares, divided into 12,310,037,578 shares carrying a nominal value of RMB1.00 each.

Shareholding of Substantial Shareholders

So far as the directors of the Company are aware, as at 30 June 2010, the persons below held the interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company under section 336 of the Securities and Futures Ordinance (the "SFO") (Chapter 571 of the Laws of Hong Kong):

Name of shareholder	Class of shares	Number of shares held	Approximate percentage to total issued share capital of the Company (%)	Approximate percentage to total issued A Shares of the Company (%)	Approximate percentage to total issued H Shares of the Company (%)
China Datang Corporation	A shares	3,959,241,160	32.16	44.02	—
	H shares	480,680,000(L)	3.90(L)	—	14.50(L)
Hebei Construction Investment Group Company Limited	A shares	1,299,872,927	10.56	14.45	—
Beijing Energy Investment (Group) Company Limited	A shares	1,278,988,672	10.39	14.22	—
Tianjin Jinneng Investment Company	A shares	1,212,012,600	9.85	13.48	—
Blackrock, Inc.	H shares	265,591,753(L)	2.16(L)	—	8.01(L)
		20,663,351(S)	0.17(S)	—	0.62(S)

(L) means Long Position (S) means Short Position (P) means Lending Pool

Dividends

The distribution proposal on the payment of cash dividends of RMB 0.07 per share (tax included) for the year of 2009 was considered and approved at the 2009 annual general meeting of the Company held on 11 June 2010. The above distribution proposal was completed before the date of this interim report.

The Board does not recommend the payment of any interim dividend for 2010.

Shareholding of the Directors and Supervisors

As at 30 June 2010, Mr. Fang Qinghai, a director of the Company, was interested in 24,000 A shares of the Company. Save as disclosed above, none of the directors, supervisors and chief executives of the Company nor their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of the SFO) that were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") under the provisions of Divisions 7 and 8 of Part XV of the SFO, or required to be recorded in the register mentioned in the SFO pursuant to section 352 or otherwise required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in Appendix 10 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules").

Significant Events

Pursuant to the resolutions passed at the thirty-seventh meeting of the sixth session of the Board held on 29 June 2010, the Board agreed to nominate Liu Shunda, Hu Shengmu, Cao Jingshan, Fang Qinghai, Zhou Gang, Liu Haixia, Guan Tiangang, Su Tiegang, Ye Yonghui and Li Gengsheng as candidates for non-independent directors of the seventh session of the Board of the Company; and to nominate Li Yanmeng, Zhao Zunlian, Li Hengyuan, Zhao Jie and Jiang Guohua as candidates for independent directors of the seventh session of the Board of the Company. The afore-mentioned election matters relating to the change of the session of the Board were submitted to the Second Extraordinary General Meeting of 2010 of the Company for consideration and approved on 19 August 2010. The term of office of the seventh session of the Board commenced from 20 August 2010 and will end on 30 June 2013.

Pursuant to the resolutions passed at the seventeenth meeting of the sixth session of the Supervisory Committee held on 29 June 2010, it was agreed to nominate Zhang Xiaoxu and Fu Guoqiang as candidates for supervisors representing the shareholders for the seventh session of the Supervisory Committee of the Company. Mr. Qiao Xinyi and Mr. Guan Zhenquan were elected at the Staff Representatives Congress as the supervisors representing the staff for the seventh session of the Supervisory Committee. The afore-mentioned election matters relating to the change of the session of the Supervisory Committee were submitted to the Second Extraordinary General Meeting of 2010 of the Company for consideration and approved on 19 August 2010. The term of office of the seventh session of the Supervisory Committee commenced from 20 August 2010 and will end on 30 June 2013.

Purchase, Sale and Redemption of the Company's Listed Securities

During the Period, the Group has not purchased, sold or redeemed any of the listed securities of the Company.

Compliance with the Code on Corporate Governance Practices

To the knowledge of the Board, the Company has complied with all the code provisions under the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules during the Period.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted the Model Code as the Code of Conducts for Securities Transactions by all directors of the Company. Upon specific enquiries made to all the directors of the Company and in accordance with the information provided, the Board confirmed that all directors of the Company have complied with the provisions under the Model Code during the Period.

Audit Committee

The Audit Committee has reviewed the accounting principles and methods adopted by the Group with the management of the Company. They have also discussed matters regarding internal controls and the annual financial statements, including the review of the financial information for the Period.

The Audit Committee considers that the 2010 interim financial report of the Group has complied with the applicable accounting standards, and that the Group has made appropriate disclosures thereof.

By Order of the Board
Zhai Ruoyu
Chairman

Beijing, the PRC, 19 August 2010

Condensed Consolidated Statement of Comprehensive Income

For The Six Months Ended 30 June 2010
(Amounts expressed in thousands of Renminbi, except earnings per share)

	Note	Six months ended 30 June	
		2010	2009
		(unaudited)	(unaudited and restated)
Operating revenue	4	**28,946,006**	20,726,435
Operating costs			
Fuel for power generation		**(14,027,483)**	(9,349,287)
Fuel for coal sales		**(2,840,373)**	(1,978,614)
Depreciation		**(3,571,794)**	(3,587,262)
Repairs and maintenance		**(539,261)**	(762,237)
Salaries and staff welfares		**(902,658)**	(902,705)
Local government surcharges		**(149,909)**	(186,361)
Others		**(3,001,467)**	(934,123)
		(25,032,945)	(17,700,589)
Operating profit		**3,913,061**	3,025,846
Share of profits/(losses) of jointly controlled entities		**6,806**	(7,495)
Share of profits of associates		**352,712**	185,747
Other gains		**8,212**	144,633
Interest income		**24,437**	19,550
Finance costs	6	**(2,563,386)**	(2,030,894)
Profit before tax		**1,741,842**	1,337,387
Income tax expense	7	**(312,707)**	(225,109)
Profit for the period	8	**1,429,135**	1,112,278

Condensed Consolidated Statement of Comprehensive Income (Cont'd)

For The Six Months Ended 30 June 2010
(Amounts expressed in thousands of Renminbi, except earnings per share)

	Note	Six months ended 30 June 2010 (unaudited)	Six months ended 30 June 2009 (unaudited and restated)
Other comprehensive income after tax:			
Disposal of available-for-sale investments, net of tax		**(10,954)**	—
Share of other comprehensive income of associates, net of tax		**(7,745)**	50,110
Currency translation differences		**1,303**	(148)
Other comprehensive income for the period, net of tax		**(17,396)**	49,962
Total comprehensive income for the period		**1,411,739**	1,162,240
Profit for the period attributable to:			
Owners of the Company		**911,878**	713,407
Non-controlling interests		**517,257**	398,871
		1,429,135	1,112,278
Total comprehensive income for the period attributable to:			
Owners of the Company		**896,673**	763,369
Non-controlling interests		**515,066**	398,871
		1,411,739	1,162,240
Earnings per share	10		
Basic (RMB)		**0.0757**	0.0606

Condensed Consolidated Statement of Financial Position

At 30 June 2010
(Amounts expressed in thousands of Renminbi)

	Note	At 30 June 2010 (unaudited)	At 31 December 2009 (audited and restated)
ASSETS			
Non-current assets			
Property, plant and equipment	11	**165,963,171**	157,524,940
Investment properties		**210,652**	—
Investments in jointly controlled entities		**2,354,049**	1,636,674
Investments in associates		**4,260,782**	3,772,537
Available-for-sale investments		**2,022,983**	1,339,829
Deferred housing benefits		**148,233**	163,384
Intangible assets		**2,331,513**	2,122,836
Long-term entrusted loans to associates		**100,135**	130,194
Deferred income tax assets		**834,425**	744,114
Other long-term assets		**57,801**	109,422
		178,283,744	167,543,930
Current assets			
Inventories		**3,480,244**	1,855,177
Short-term entrusted loans to ultimate parent company		**—**	17,000
Prepayments and other receivables		**6,501,684**	6,574,901
Accounts and notes receivable	12	**7,037,067**	6,634,917
Income tax recoverables		**64,342**	91,216
Cash and cash equivalents		**7,452,246**	1,506,435
		24,535,583	16,679,646
TOTAL ASSETS		**202,819,327**	184,223,576

Condensed Consolidated Statement of Financial Position (Cont'd)

At 30 June 2010
(Amounts expressed in thousands of Renminbi)

	Note	At 30 June 2010 (unaudited)	At 31 December 2009 (audited)
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	13	**12,310,038**	11,780,038
Reserves		**15,189,173**	12,700,049
Retained earnings			
– Proposed dividend		**—**	861,703
– Others		**1,741,427**	856,695
Equity attributable to owners of the Company		**29,240,638**	26,198,485
Non-controlling interests		**6,763,713**	6,649,510
Total equity		**36,004,351**	32,847,995
Non-current liabilities			
Long-term loans		**110,107,701**	99,506,545
Long-term bonds		**5,943,689**	5,938,544
Deferred income		**479,769**	475,788
Deferred income tax liabilities		**397,948**	323,789
Provision		**41,554**	36,008
Other long-term liabilities		**3,173,937**	3,701,165
		120,144,598	109,981,839

	Note	At 30 June 2010 (unaudited)	At 31 December 2009 (audited)
Current liabilities			
Accounts payable and accrued liabilities	14	**18,243,709**	14,040,020
Taxes payable		**448,991**	380,778
Dividends payable		**986,346**	36,909
Short-term loans		**19,966,552**	19,569,023
Current portion of long-term liabilities		**7,024,780**	7,367,012
		46,670,378	41,393,742
Total liabilities		**166,814,976**	151,375,581
TOTAL EQUITY AND LIABILITIES		**202,819,327**	184,223,576
Net current liabilities		**22,134,795**	24,714,096
Total assets less current liabilities		**156,148,949**	142,829,834

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2010
(Amounts expressed in thousands of Renminbi)

	Attributable to owners of the Company											
	Share capital	Capital reserve	Statutory surplus reserve	Discretionary surplus reserve	Restricted reserve	Currency translation differences	Available-for-sale investment revaluation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total Equity
	(Unaudited)											
At 1 January 2009	11,780,038	1,878,578	2,886,134	6,800,692	115,656	17,036	126,435	(55,168)	2,702,110	26,251,511	4,654,462	30,905,973
Total comprehensive income for the period	—	—	—	—	—	(148)	50,110	—	713,407	763,369	398,871	1,162,240
Capital injection into subsidiaries from non-controlling shareholders	—	—	—	—	—	—	—	—	—	—	234,826	234,826
Disposal of a subsidiary	—	—	—	—	—	—	—	—	—	—	(443,198)	(443,198)
Others	—	—	—	—	—	—	—	9,196	—	9,196	3,033	12,229
Transfer to restricted reserve	—	—	—	—	11,975	—	—	—	(11,975)	—	—	—
Transfer to surplus reserve	—	—	—	1,065,496	—	—	—	—	(1,065,496)	—	—	—
Dividends paid	—	—	—	—	—	—	—	—	(1,295,804)	(1,295,804)	(175,802)	(1,471,606)
At 30 June 2009	11,780,038	1,878,578	2,886,134	7,866,188	127,631	16,888	176,545	(45,972)	1,042,242	25,728,272	4,672,192	30,400,464

	Attributable to owners of the Company											
	Share capital	Capital reserve	Statutory surplus reserve	Discretionary surplus reserve	Restricted reserve	Currency translation differences	Available-for-sale investment revaluation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total Equity
	(Unaudited)											
At 1 January 2010	11,780,038	1,521,516	3,079,440	7,866,188	153,864	17,691	105,705	(44,355)	1,718,398	26,198,485	6,649,510	32,847,995
Total comprehensive income for the period	—	—	—	—	—	1,303	(16,508)	—	911,878	896,673	515,066	1,411,739
Issue of shares	530,000	2,718,246	—	—	—	—	—	—	—	3,248,246	—	3,248,246
Capital injection into subsidiaries from non-controlling shareholders	—	—	—	—	—	—	—	—	—	—	528,417	528,417
Non-controlling interests arising from business combinations	—	—	—	—	—	—	—	—	—	—	217,773	217,773
Acquisition of non-controlling interests of subsidiaries	—	—	—	—	—	—	—	(240,412)	—	(240,412)	(310,003)	(550,415)
Others	—	125	—	—	—	—	—	(4,543)	3,767	(651)	(13,292)	(13,943)
Transfer to restricted reserve	—	—	—	—	30,913	—	—	—	(30,913)	—	—	—
Dividends paid	—	—	—	—	—	—	—	—	(861,703)	(861,703)	(823,758)	(1,685,461)
At 30 June 2010	12,310,038	4,239,887	3,079,440	7,866,188	184,777	18,994	89,197	(289,310)	1,741,427	29,240,638	6,763,713	36,004,351

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2010
(Amounts expressed in thousands of Renminbi)

	Six months ended 30 June	
	2010	2009
	(unaudited)	(unaudited and restated)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**7,996,035**	5,962,346
NET CASH USED IN INVESTING ACTIVITIES	**(7,682,868)**	(12,743,373)
NET CASH GENERATED FROM FINANCING ACTIVITIES	**5,633,184**	3,661,088
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**5,946,351**	(3,119,939)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	**1,506,435**	4,979,535
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	**(540)**	3,487
CASH AND CASH EQUIVALENTS AT 30 JUNE	**7,452,246**	1,863,083

Notes to the Condensed Financial Statements

For the six months ended 30 June 2010
(Amounts expressed in thousands of Renminbi unless otherwise stated)

1. BASIS OF PREPARATION

These condensed financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” issued by the International Accounting Standards Board and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

At 30 June 2010, a significant portion of the funding requirements of the Company and its subsidiaries (collectively referred to as the “Group”) for capital expenditures was satisfied by short-term borrowings. Consequently, at 30 June 2010, the Group had a net current liabilities of approximately RMB22,135 million (At 31 December 2009: RMB24,714 million). The Group had significant undrawn borrowing facilities, subject to certain conditions, amounting to approximately RMB192.12 billion (At 31 December 2009: RMB169.00 billion) and may refinance and/or restructure certain short-term borrowings into long-term borrowings and will also consider alternative sources of financing, where applicable. The directors of the Company are of the opinion that the Group will be able to meet its liabilities as and when they fall due within the next twelve months and have prepared these financial statements on a going concern basis.

These condensed financial statements should be read in conjunction with the 2009 annual financial statements. The accounting policies and methods of computation used in the preparation of these condensed financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2009 except as stated below.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current period, the Group has adopted all the new and revised International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board that are relevant to its operations and effective for its accounting year beginning on 1 January 2010. IFRSs comprise International Financial Reporting Standards (“IFRS”); International Accounting Standards (“IAS”); and Interpretations. The adoption of these new and revised IFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and prior years except as stated below.

For the six months ended 30 June 2010
(Amounts expressed in thousands of Renminbi unless otherwise stated)

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

a. Business Combinations

IFRS 3 (Revised) "Business Combinations" continues to require acquisition method to be applied to business combinations with some significant changes:

- Contingent consideration is recognised at its acquisition-date fair value and forms part of the cost of acquisition. The previous IFRS 3 requires that a contingent consideration be recognised if it is probable and can be measured reliably.

- In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate goodwill. The previous IFRS 3 does not have a requirement for such fair value measurement.

- There is a choice to measure initially the non-controlling interests in a subsidiary either at their acquisition-date fair value or the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date. The previous IFRS 3 only allows the latter choice.

- If a business combination is accounted for using provisional amounts, the measurement period that the provisional amounts can be adjusted retrospectively is limited to one year from the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date. The previous IFRS 3 does not have a time limit for adjustments in relation to contingent considerations and deferred tax assets. Subsequent adjustments to contingent considerations and deferred tax assets will adjust goodwill.

- Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. The previous IFRS 3 requires that acquisition-related costs form part of the cost of a business combination.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

a. Business Combinations (Continued)

IFRS 3 (Revised) has been applied prospectively to business combinations for which the acquisition date is on or after 1 January 2010 and resulted in changes in the consolidated amounts reported in the financial statements as follows:

	At 30 June 2010	At 31 December 2009
Decrease in goodwill	**(3,090)**	—

	Six months ended 30 June	
	2010	2009
Increase in operating costs – others	**3,090**	—
Decrease in earnings per share (RMB)	**0.0003**	—

b. Classification of Land Leases

Amendments to IAS 17 "Leases" deleted the guidance in IAS 17 that when the land has an indefinite economic life, the land element is normally classified as an operating lease unless title is expected to pass to the lessee by the end of the lease term.

The adoption of the amendments to IAS 17 has resulted in a change in accounting policy for the classification of leasehold land of the Group. Previously, leasehold land was classified as an operating lease and stated at cost less accumulated amortisation. In accordance with the amendments, leasehold land is classified as a finance lease and stated at cost less accumulated depreciation if substantially all risks and rewards of the leasehold land have been transferred to the Group. As the present value of the minimum lease payments (i.e. the transaction price) of the land held by the Group amounted to substantially all of the fair value of the land as if it were freehold, the leasehold land of the Group has been classified as a finance lease. The amendments have been applied retrospectively to unexpired leases at the date of adoption of the amendments on the basis of information existing at the inception of the leases.

For the six months ended 30 June 2010
(Amounts expressed in thousands of Renminbi unless otherwise stated)

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

b. Classification of Land Leases (Continued)

Amendments to IAS 17 have been applied retrospectively and resulted in changes in the consolidated amounts reported in the financial statements as follows:

	At 30 June 2010	At 31 December 2009
Increase in property, plant and equipment	**1,923,750**	1,523,508
Decrease in land use rights	**(1,923,750)**	(1,523,508)

The Group has not applied the other new IFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new IFRSs but is not yet in a position to state whether these new IFRSs would have a material impact on its results of operations and financial position.

3. COMMON CONTROL BUSINESS COMBINATIONS

On 30 November 2009, the Company acquired 100% equity interests of Datang Liaoning New Energy Co., Ltd. ("Liaoning New Energy") and its subsidiary and Datang Zhangzhou Wind Power Co., Ltd. ("Zhangzhou Wind Power") from China Datang Corporation ("China Datang") for a cash consideration of RMB264.75 million while Datang Energy and Chemical Company Limited ("Energy and Chemical Company"), one of the Company's wholly-owned subsidiaries acquired 100% equity interest of Datang Hulunbei'er Fertilizer Company Limited ("Hulunbei'er Fertilizer") from China Datang for a cash consideration of RMB51.22 million (collectively referred to as "common control entities acquired in 2009"). Such acquisitions became effective on 30 November 2009. Thereafter, the Group controlled 100% equity interests in the common control entities acquired in 2009 and became their controlling shareholders.

As the Company, Energy and Chemical Company and the common control entities acquired in 2009 above are under the common control of China Datang before and after the acquisitions, these transactions were accounted for as common control business combinations, using merger accounting for all periods presented herein. The condensed consolidated statement of comprehensive income and condensed consolidated statement of cash flows include the results and cash flows of the combining entities from the earliest date presented or since the date when the combining entities first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

3. COMMON CONTROL BUSINESS COMBINATIONS (Continued)

Name of acquiree	Principal activities	Equity interest acquired
Liaoning New Energy and its subsidiary	Wind power generation	100%
Zhangzhou Wind Power	Wind power generation	100%
Hulunbei'er Fertilizer	Production and sales of chemical materials	100%

As a result of business combinations of common control entities acquired in 2009, profit for the period for the six months ended 30 June 2009 decreased by RMB8,553 thousand and the cash and cash equivalents as at 30 June 2009 increased by RMB16,746 thousand.

4. OPERATING REVENUE

	Six months ended 30 June	
	2010 **(unaudited)**	2009 (unaudited and restated)
Sales of electricity	**24,001,833**	18,331,293
Heat supply	**316,192**	175,767
Sales of coal	**2,930,001**	2,117,230
Transportation service fees	**125,437**	24,751
Sales of chemical products	**1,311,817**	1,540
Others	**260,726**	75,854
	28,946,006	20,726,435

5. SEGMENT INFORMATION

Executive directors and certain senior management of the Company perform the function as chief operating decision makers (collectively referred to as the "senior management"). The senior management reviews the internal reporting of the Group in order to assess performance and allocate resources. Senior management has determined the operating segments based on these reports.

Senior management considers the business from a product perspective. Senior management primarily assesses the performance of power generation, coal and chemical separately. Other operating activities include investments in transportation services, financial services, etc., and are included in "other segments".

For the six months ended 30 June 2010
(Amounts expressed in thousands of Renminbi unless otherwise stated)

5. SEGMENT INFORMATION (Continued)

Senior management assesses the performance of the operating segments based on a measure of profit before tax prepared under the People's Republic of China ("PRC") accounting standards.

Segment assets exclude deferred income tax assets and available-for-sale investments. Segment liabilities exclude the current income tax liabilities and deferred income tax liabilities. Sales between operating segments are marked to market or contracted close to market price and have been eliminated at consolidation level. Unless otherwise noted below, all such financial information in the segment tables below is prepared under China Accounting Standards for Business Enterprises ("PRC GAAP").

	Power generation segment (unaudited)	Coal segment (unaudited)	Chemical segment (unaudited)	Other segments (unaudited)	Total continuing operations (unaudited)	Total discontinued operations (coal segment) (unaudited)	Total (unaudited)
Six months ended 30 June 2010							
Revenue from external customers	**24,143,576**	**3,118,444**	**1,322,492**	**361,494**	**28,946,006**	**—**	**28,946,006**
Intersegment revenue	**36,731**	**8,446,414**	**—**	**157,110**	**8,640,255**	**—**	**8,640,255**
Segment profit/(loss)	**1,626,658**	**122,767**	**35,987**	**(4,428)**	**1,780,984**	**—**	**1,780,984**
At 30 June 2010							
Segment assets	**186,225,012**	**12,002,513**	**31,874,594**	**6,719,048**	**236,821,167**	**—**	**236,821,167**

	(unaudited and restated)	(unaudited)	(unaudited)	(unaudited)	(unaudited and restated)	(unaudited)	(unaudited and restated)
Six months ended 30 June 2009							
Revenue from external customers	18,538,156	2,186,739	1,540	—	20,726,435	—	20,726,435
Intersegment revenue	2,648	168,633	—	—	171,281	—	171,281
Segment profit/(loss)	1,110,385	63,245	(31,599)	86,396	1,228,427	40,000	1,268,427
	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)	(audited)
At 31 December 2009							
Segment assets	148,329,678	13,517,801	25,056,663	1,923,390	188,827,532	—	188,827,532

5. SEGMENT INFORMATION (Continued)

	Six months ended 30 June	
	2010	2009
	(unaudited)	(unaudited and restated)
Reconciliations of segment profit or loss:		
Total profit or loss of reportable segments	**1,780,984**	1,268,427
Elimination of intersegment profits	**(125,186)**	(2,525)
IFRS adjustment on reversal of general provision on mining funds	**101,195**	86,491
IFRS adjustment on amortisation of deferred housing benefits	**(15,151)**	(15,006)
Profit before tax	**1,741,842**	1,337,387

6. FINANCE COSTS

	Six months ended 30 June	
	2010	2009
	(unaudited)	(unaudited and restated)
Interest expense	**3,625,688**	3,359,480
Less: amount capitalised in property, plant and equipment	**(1,072,552)**	(1,369,441)
	2,553,136	1,990,039
Exchange gain, net	**(4,415)**	(222)
Others	**14,665**	41,077
	2,563,386	2,030,894

For the six months ended 30 June 2010
(Amounts expressed in thousands of Renminbi unless otherwise stated)

7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2010	2009
	(unaudited)	(unaudited)
Current tax	**429,866**	128,421
Deferred tax	**(117,159)**	96,688
	312,707	225,109

Income tax is provided on the basis of the statutory profit for financial reporting purposes, adjusted for income and expense items, which are not assessable or deductible for income tax purposes.

The applicable PRC income tax rate of the Company is 25% (six months ended 30 June 2009: 25%). Those entities located in western region in the PRC enjoy income tax rate of 15% before 2011 when such income tax rate will change to 25% thereafter.

In addition, certain subsidiaries, being located in specially designated regions in the PRC, are subject to preferential income tax rates. Moreover, certain subsidiaries are exempted from the PRC income tax for two years starting from the first year of commercial operation followed by a 50% exemption of the applicable tax rate for the next three years.

The subsidiary of the Company registered in Hong Kong applies Hong Kong Profits Tax rate of 16.5% (six months ended 30 June 2009: 16.5%).

8. PROFIT FOR THE PERIOD

The Group's profit for the period is arrived at after charging/(crediting):

	Six months ended 30 June	
	2010	2009
	(unaudited)	(unaudited and restated)
Interest income	**(24,437)**	(19,550)
Amortisation of intangible assets	**5,996**	4,125
Amortisation of deferred housing benefits	**15,151**	15,006
Depreciation	**3,571,794**	3,587,262
Gain on disposal of available-for-sale investments	**(8,212)**	(30,173)
Gain on disposal of assets and liabilities held for sale	**—**	(40,000)
Gain on disposal of an associate	**—**	(74,460)
Reversal of allowance for trade receivables	**(1,134)**	—
Reversal of allowance for inventories	**(757)**	—

Since certain aged inventories were sold during the period, the allowance made in prior years against the inventories of RMB757 thousand (six months ended 30 June 2009: RMBNil) was reversed during the period.

9. DIVIDENDS

	Six months ended 30 June	
	2010	2009
	(unaudited)	(unaudited)
Final dividend for the year ended 31 December 2009 (six months ended 30 June 2009: 2008) approved and paid — RMB0.07 (six months ended 30 June 2009: RMB0.11) per share	**861,703**	1,295,804

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(Amounts expressed in thousands of Renminbi unless otherwise stated)

10. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit for the period attributable to owners of the Company of RMB911,878 thousand (six months ended 30 June 2009, as restated: RMB713,407 thousand) and the weighted average number of ordinary shares of 12,045,038 thousand (six months ended 30 June 2009: 11,780,038 thousand) in issue during the period.

(b) Diluted earnings per share

No diluted earnings per share are presented as the Company did not have any dilutive potential ordinary shares during the six months ended 30 June 2010 and 2009.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2010, the Group acquired property, plant and equipment of RMB12,424,566 thousand (six months ended 30 June 2009, as restated: RMB11,563,023 thousand).

In order to reflect the Group's financial position and operating results in a fairer and more appropriate manner so that the depreciation periods for property, plant and equipment is brought closer to their real useful lives, the Group has made changes to the estimated useful lives and estimated net salvage values of the property, plant and equipment pursuant to the accounting standards and other related accounting and tax regulations in combination with the actual situation of the Group. The changes to the estimated useful lives and estimated net salvage values of the property, plant and equipment were considered and approved at the thirty-fifth meeting of the sixth session of the Board of the Directors held on 29 April 2010. These changes in accounting estimates reduced the Group's depreciation charges by approximately RMB900 million for the six months ended 30 June 2010.

12. ACCOUNTS AND NOTES RECEIVABLE

The Group usually grants about one month's credit period to local power grid customers and coal purchase customers from the end of the month in which the sales are made. Ageing analysis of accounts and notes receivable is as follows:

	At 30 June 2010 (unaudited)	At 31 December 2009 (audited)
Within 1 year	**6,894,768**	6,447,885
Between 1 to 2 years	**48,046**	186,396
Between 2 to 3 years	**94,253**	636
	7,037,067	6,634,917

13. SHARE CAPITAL

	At 30 June 2010 (unaudited)	At 31 December 2009 (audited)
Registered, issued and fully paid:		
8,994,360,000 (At 31 December 2009: 8,464,360,000) A shares of RMB1 each	**8,994,360**	8,464,360
3,315,677,578 (At 31 December 2009: 3,315,677,578) H shares of RMB1 each	**3,315,678**	3,315,678
	12,310,038	11,780,038

For the six months ended 30 June 2010
(Amounts expressed in thousands of Renminbi unless otherwise stated)

13. SHARE CAPITAL (Continued)

A summary of the movements in the issued share capital of the Company is as follows:

	Note	**Number of shares issued ’000**	**Nominal value of shares issued RMB’000**
At 1 January 2009, 31 December 2009 and 1 January 2010		11,780,038	11,780,038
Shares issued	(i)	530,000	530,000
At 30 June 2010		12,310,038	12,310,038

Note:

(i) On 23 March 2010, the Company issued 530,000,000 A shares at a subscription price of RMB6.23 per share for a total cash consideration of approximately RMB3,301,900 thousand.

14. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	At 30 June 2010 (unaudited)	At 31 December 2009 (audited)
Accounts and notes payable	**7,791,458**	6,015,519
Other payables and accrued liabilities	**10,452,251**	8,024,501
	18,243,709	14,040,020

14. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES (Continued)

Ageing analysis of accounts and notes payable is as follows:

	At 30 June 2010 (unaudited)	At 31 December 2009 (audited)
Within 1 year	**7,406,537**	5,716,659
Between 1 to 2 years	**196,566**	127,756
Between 2 to 3 years	**54,377**	43,857
Over 3 years	**133,978**	127,247
	7,791,458	6,015,519

(Amounts expressed in thousands of Renminbi unless otherwise stated)

15. ACQUISITION OF SUBSIDIARIES

On 1 January 2010, the Group acquired 100% of the issued capital of Yuneng (Group) Company Limited for a cash consideration of RMB1,345 million, of which approximately RMB550.4 million was paid for acquisition of non-controlling interests of two subsidiaries of the Company held by Yuneng (Group) Company Limited. Yuneng (Group) Company Limited and its subsidiaries (collectively referred to as "Yuneng Group") were engaged in power generation, mining and metallurgy as well as property development during the period.

The carrying amount and the fair value of the identifiable assets and liabilities of Yuneng Group acquired as at its date of acquisition are as follows:

	Carrying amount	Fair value adjustments	Fair value
Net assets acquired:			
Property, plant and equipment	2,149,858	(97,699)	2,052,159
Other non-current assets	914,916	(158,253)	756,663
Cash and cash equivalents	1,418,922	—	1,418,922
Other current assets	1,169,255	148,470	1,317,725
Long-term loans	(1,892,750)	—	(1,892,750)
Other non-current liabilities	(62,213)	(26,823)	(89,036)
Current liabilities	(2,676,661)	(14,996)	(2,691,657)
	1,021,327	(149,301)	872,026
Non-controlling interests	(179,015)	(38,145)	(217,160)
Goodwill			139,719
Satisfied by:			
Cash			794,585
Net cash inflow arising on acquisition:			
Cash consideration paid			(794,585)
Cash and cash equivalents acquired			1,418,922
			624,337

15. ACQUISITION OF SUBSIDIARIES (Continued)

At 1 January 2010, Yunnan Datang International Deqin Hydropower Development Company Limited ("Datang Deqin") was a 40% owned subsidiary of the Company. On 4 March 2010, the Group further acquired 30% of the issued share capital of Datang Deqin for a cash consideration of approximately RMB0.7 million. Datang Deqin is engaged in hydropower generation construction during the period.

The fair value of the identifiable assets and liabilities of Datang Deqin acquired as at its date of acquisition, which has no significant difference from its carrying amount, is as follows:

Net assets acquired:	
Property, plant and equipment	43,765
Cash and cash equivalents	8,156
Other current assets	197
Long-term loans	(30,000)
Current liabilities	(11,974)
	10,144
Net assets attributable to the owners of the Company before acquisition of additional interest	(8,918)
Non-controlling interests	(613)
Goodwill	70
Satisfied by:	
Cash	683
Net cash inflow arising on acquisition:	
Cash consideration paid	(683)
Cash and cash equivalents acquired	8,156
	7,473

For the six months ended 30 June 2010
(Amounts expressed in thousands of Renminbi unless otherwise stated)

15. ACQUISITION OF SUBSIDIARIES (Continued)

On 23 March 2010, the Group acquired 100% of the issued share capital of Liaoning Datang International Fuxin Wind Power Company Limited ("Datang Fuxin") for a cash consideration of approximately RMB33.2 million. Datang Fuxin is engaged in wind power generation construction during the period.

The carrying amount and the fair value of the identifiable assets and liabilities of Datang Fuxin acquired as at its date of acquisition are as follows:

	Carrying amount	Fair value adjustments	Fair value
Net assets acquired:			
Property, plant and equipment	9,859	14,963	24,822
Cash and cash equivalents	20,654	—	20,654
Other current assets	20	—	20
Other non-current liabilities	—	(3,741)	(3,741)
Current liabilities	(8,533)	—	(8,533)
	22,000	11,222	
Satisfied by:			
Cash			33,222
Net cash outflow arising on acquisition:			
Cash consideration paid			(33,222)
Cash and cash equivalents acquired			20,654
			(12,568)

The goodwill arising on the acquisition of Yuneng Group and Datang Deqin is attributable to the anticipated profitability of their power generation operations and the anticipated future operating synergies from the combination.

Yuneng Group, Datang Deqin and Datang Fuxin reduced the Group's profit for the period for the six months ended 30 June 2010 by approximately RMB31.5 million, RMBNil and RMBNil respectively between the respective dates of acquisition and the end of the reporting period.

If all the above acquisitions had been completed on 1 January 2010, such acquisitions will have no effect on total Group turnover for the period and profit for the period. The proforma information is for illustrative purposes only and is not necessarily an indication of the turnover and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2010, nor is intended to be a projection of future results.

16. RELATED PARTY TRANSACTIONS

(a) Significant transactions with China Datang and its subsidiaries

	Six months ended 30 June	
	2010	2009
	(unaudited)	(unaudited)
Agency commission paid to a fellow subsidiary for equipment purchases	**4,851**	4,027
Ash disposal fee to ultimate parent company	**28,946**	28,946
Fuel management fee to ultimate parent company	**8,210**	—
Fuel management fee to a fellow subsidiary	**—**	1,260
Interest expense to an associate	**87,596**	53,315
Interest income from associates	**13,517**	5,568
Purchases of coal from a fellow subsidiary	**9,896**	—
Purchases of coal from a jointly controlled entity	**124,045**	153,904
Purchases of coal from associates	**297,511**	177,478
Purchases of materials and fuel from a fellow subsidiary	**—**	429
Purchases of equipment from fellow subsidiaries	**243,037**	3,789
Rental expense for buildings to ultimate parent company	**3,614**	3,614
Rental expense for public facility to a fellow subsidiary	**1,250**	7,500
Repairs expense to a fellow subsidiary	**1,800**	—
Sales of pre-project assets to a fellow subsidiary	**80,726**	—
Sales of heat to an associate	**39,223**	94,260
Sales of equipment to a fellow subsidiary	**—**	6,649
Sales of power to an associate	**2,822**	1,208
Technical support, assistance and testing service fee to an associate	**20,599**	26,864

At 30 June 2010, the ultimate parent company provided guarantees for loans of the Group amounting to RMB3,234 million (At 31 December 2009: RMB1,537 million).

At 30 June 2010, a wholly owned subsidiary of the ultimate parent company's provided guarantees for loans of the Group amounting to RMB611 million (At 31 December 2009: RMB616 million) which were counter-guaranteed by the Company.

16. RELATED PARTY TRANSACTIONS (Continued)

(a) Significant transactions with China Datang and its subsidiaries (Continued)

At 30 June 2010, the Company provided guarantees for the loans borrowed by two associates, proportionate to its shareholding percentage, amounting approximately RMB456 million (At 31 December 2009: RMB456 million).

At 30 June 2010, the Company provided guarantees for the loans borrowed by a jointly controlled entity, proportionate to its shareholding percentage, totalling approximately RMB617 million (At 31 December 2009: RMB577 million).

At 30 June 2010, an associate of the Company provided borrowing facilities of RMB4.5 billion (At 31 December 2009: RMB4.5 billion) to the Group.

(b) Significant transactions with other state-owned enterprises

State-owned enterprises and their subsidiaries, other than entities under China Datang (also a state-owned enterprise), directly or indirectly controlled by the PRC government are also defined as related parties of the Group in accordance with IAS 24 “Related Party Disclosures”.

Given that the PRC government still owns a significant portion of the productive assets in the PRC despite the continuous reform of the government structures, the majority of the business activities of the Group are conducted with enterprises directly or indirectly owned or controlled by the PRC government (“other state-owned enterprises”), including China Datang and its subsidiaries, jointly controlled entities and associates in the normal course of business.

For the purpose of the related party transactions disclosure, the Group has established procedures to determine, to the extent possible, the identification of the ownership structure of their customers and suppliers as to whether they are state-owned enterprises. However, many state-owned enterprises have multi-layered corporate structures and the ownership structures change over time as a result of transfers and privatization programs. Nevertheless, management believes that all material related party transactions have been adequately disclosed.

16. RELATED PARTY TRANSACTIONS (Continued)

(b) Significant transactions with other state-owned enterprises (Continued)

	Six months ended 30 June	
	2010	2009
	(unaudited)	(unaudited)
Sales of electricity	**19,839,888**	18,414,462
Sales of heat	**167,335**	81,507
Interest income from state-controlled banks/non-bank financial institutions	**14,926**	19,882
Interest expense on loans borrowed from state-controlled banks/non-bank financial institutions	**2,136,884**	2,940,644
Purchases of property, plant and equipment (including construction-in-progress)	**2,603,205**	6,418,170
Purchases of fuel	**10,975,711**	6,758,379
Purchases of spare parts and consumable supplies	**41,626**	96,068
Drawdown of short-term loans from state-controlled banks/non-bank financial institutions	**20,394,129**	12,960,448
Drawdown of long-term loans borrowed from state-controlled banks/non-bank financial institutions	**16,212,417**	24,901,821

At 30 June 2010, loans of RMB430 million (At 31 December 2009: RMB4,328 million) were guaranteed by other state-controlled enterprises.

At 30 June 2010, the Company provided guarantees for the loans borrowed by an other state-controlled enterprise of RMB132 million (At 31 December 2009: RMB326 million).

For the six months ended 30 June 2010
(Amounts expressed in thousands of Renminbi unless otherwise stated)

16. RELATED PARTY TRANSACTIONS (Continued)

(c) Key management personnel compensation

	Six months ended 30 June	
	2010	2009
	(unaudited)	(unaudited)
Basic salaries and allowances	**795**	554
Bonus	**1,682**	1,776
Retirement benefits	**99**	19
Other benefits	**434**	666
	3,010	3,015

17. CONTINGENT LIABILITIES

At the end of the reporting period, the Group has provided financial guarantees for loan facilities granted to the following parties:

	At 30 June 2010 (unaudited)	At 31 December 2009 (audited)
Associates	**455,880**	455,880
A jointly controlled entity	**616,500**	576,500
Other investees	**132,000**	132,000
Other state-controlled enterprises	**—**	193,550
	1,204,380	1,357,930

Based on historical experience, no claims have been made against the Group since the dates of granting the financial guarantees described above.

18. COMMITMENTS

(a) Capital commitments

At 30 June 2010, the Company has capital commitments related to investments in subsidiaries, jointly controlled entities, associates and other investees amounted to approximately RMB94 million (At 31 December 2009: RMB2,030 million). In addition, capital commitments of the Group in relation to the construction and renovation of the electric utility plants and acquisition of intangible assets not provided for in the condensed consolidated statement of financial position are as follows:

	At 30 June 2010 (unaudited)	At 31 December 2009 (audited)
Contracted but not provided for	**17,918,627**	18,337,718

(b) Lease commitments

At 30 June 2010 the total future minimum lease payments under non-cancellable operating leases in relation to buildings are payable as follows:

	At 30 June 2010 (unaudited)	At 31 December 2009 (audited)
Within one year	**40,732**	20,578
In the second to fifth years inclusive	**60,195**	68,427
After five years	**24,300**	46,813
	125,227	135,818

19. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 19 August 2010.

Supplemental Information

Equity and net profit reconciliations between PRC GAAP and IFRS

For the six months ended 30 June 2010

(Amount expressed in thousands of Renminbi, unless otherwise stated)

The unaudited condensed financial statements, which are prepared by the Group in conformity with IFRS, differ in certain respects from PRC GAAP. Major differences between PRC GAAP and IFRS (“GAAP differences”), which affect the equity and net profit of the Group, are summarised as follows:

		Equity	
		At 30 June 2010 (unaudited)	At 31 December 2009 (audited and restated)
Equity attributable to owners of the Company under IFRS		**29,240,638**	26,198,485
Impact of PRC GAAP adjustments:			
Difference in the commencement of depreciation of property, plant and equipment	(a)	**106,466**	106,466
Difference in accounting treatment on monetary housing benefits	(b)	**(148,233)**	(163,384)
Difference in accounting treatment on mining funds	(c)	**(120,741)**	(83,291)
Applicable deferred income tax impact of the above GAAP differences	(d)	**16,481**	9,158
Non-controlling interests’ impact of the above GAAP differences after tax		**2,600**	6,011
Equity attributable to owners of the Company under PRC GAAP		**29,097,211**	26,073,445

Equity and net profit reconciliations between PRC GAAP and IFRS (Continued)

For the six months ended 30 June 2010

(Amount expressed in thousands of Renminbi, unless otherwise stated)

		Net profit for the six months ended 30 June	
		2010	2009
		(unaudited)	(unaudited and restated)
Profit for the period attributable to owners of the Company under IFRS		**911,878**	713,407
Impact of PRC GAAP adjustments:			
Difference in accounting treatment on monetary housing benefits	(b)	**15,151**	15,006
Difference in accounting treatment on mining funds	(c)	**(101,195)**	(86,491)
Applicable deferred income tax impact of the above GAAP differences	(d)	**7,323**	6,857
Non-controlling interests' impact of the above GAAP differences after tax		**(3,411)**	(4,961)
Net profit attributable to owners of the Company under PRC GAAP		**829,746**	643,818

(a) Difference in the commencement of depreciation of property, plant and equipment

This represents the depreciation difference arose from the different timing of the start of depreciation charge in previous years.

(b) Difference in accounting treatment on monetary housing benefits

Under PRC GAAP, the monetary housing benefits provided to employees who started work before 31 December 1998 were directly deducted from the retained earnings and statutory public welfare fund after approval by the general meeting of the Company and its subsidiaries.

Under IFRS, these benefits are recorded as deferred assets and amortised on a straight-line basis over the estimated service lives of relevant employees.

Equity and net profit reconciliations between PRC GAAP and IFRS (Continued)

For the six months ended 30 June 2010

(Amount expressed in thousands of Renminbi, unless otherwise stated)

(c) Difference in accounting treatment on mining funds

Under PRC GAAP, accrual of future development and work safety expenses are included in respective product cost or current period profit or loss and recorded in a specific reserve accordingly. When such future development and work safety expenses are applied and related to revenue expenditures, specific reserve is directly offset when expenses incurred. When capital expenditures are incurred, they are included in construction-in-progress and transferred to fixed assets when the related assets reach the expected use condition. They are then offset against specific reserve based on the amount included in fixed assets while corresponding amount is recognised in accumulated depreciation. Such fixed assets are not depreciated in subsequent periods.

Under IFRS, coal mining companies are required to set aside an amount to a fund for future development and work safety through transferring from retained earnings to restricted reserve. When qualifying revenue expenditures are incurred, such expenses are recorded in statement of comprehensive income as incurred. When capital expenditures are incurred, an amount is transferred to property, plant and equipment and is depreciated in accordance with the depreciation policy of the Group. Internal equity items transfers take place based on the actual application amount of future development and work safety expenses whereas restricted reserve is offset against retained earnings to the extent of zero.

(d) Applicable deferred income tax impact on the above GAAP differences

This represents the deferred income tax effect on the above GAAP differences where applicable.