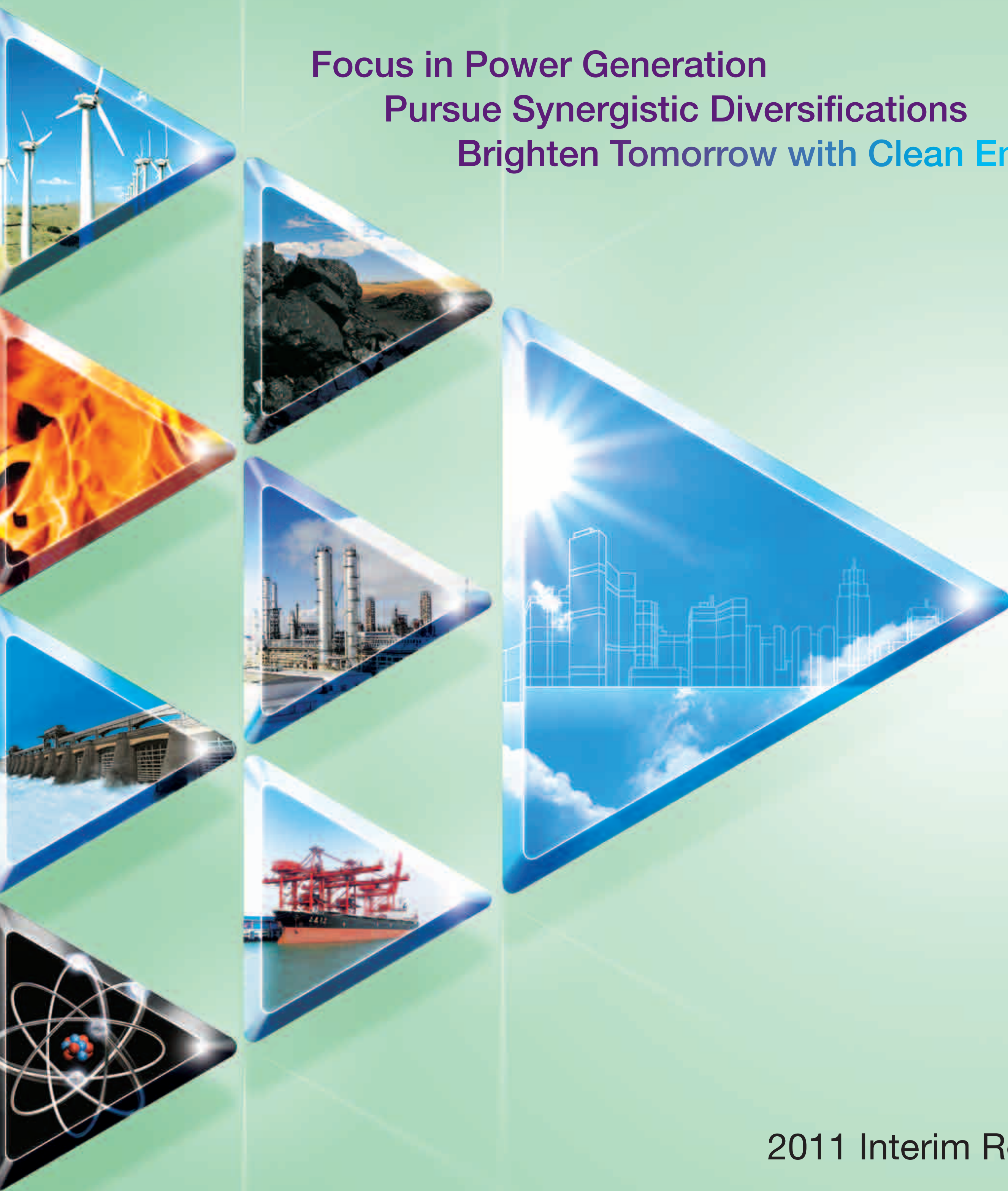
大唐国际发电股份有限公司
DATANG INTERNATIONAL POWER GENERATION CO., LTD.

(Stock Code: 00991)

Focus in Power Generation
Pursue Synergistic Diversifications
Brighten Tomorrow with Clean Energy



2011 Interim Report

Focus in Power Generation,
Pursue Synergistic Diversifications,
Brighten Tomorrow with Clean Energy.

All these years, Datang Power has been steadfastly implementing its development strategy of "focusing in the power generation business whilst seeking synergistic diversifications". It has gone a long way towards achieving diversified expansion of its power sources structure as well as its assets structure: concurrent developments on coal-fired power, hydropower and wind power; continued capacity growth on clean and renewable energies; and continuous growth on various business segments including power generation, coal, coal-to-chemical, transport and recycling economy.

During the Twelfth Five-year Plan period, Datang Power will continue to focus in the power generation business whilst capitalising on the complementary advantages of various power sources, and will rely on the coal operations as a foundation for strengthening the Group's risk-aversion capability. It will build the coal-to-chemical business into a new profit platform, and develop railway, port and shipping into a transportation backbone to link up the Group's upstream-downstream assets chain. In fully leveraging the synergy of its diversified businesses, Datang Power aims to enhance its competitiveness and profitability in various energy sectors, building itself into a brighter tomorrow.

Contents

Company Results

OPERATING AND FINANCIAL HIGHLIGHTS:

- Operating revenue amounted to approximately RMB33,322 million, representing an increase of approximately 15.12% over the first half of 2010.
- Net profit attributable to equity holders of the Company amounted to approximately RMB932 million, representing an increase of approximately 2.17% over the first half of 2010.
- Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0747, representing a decrease of approximately RMB0.001 per share over the first half of 2010.

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 2011 (the "Period"), together with the unaudited consolidated operating results of the first half of 2010 (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 RMB33,322 million, representing an increase of approximately 15.12% as compared to the Corresponding Period Last Year. Net profit attributable to equity holders of the Company was approximately RMB932 million, representing an increase of approximately 2.17% as compared to the Corresponding Period Last Year. Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.0747, representing a decrease of approximately RMB0.001 per share as compared to the Corresponding Period Last Year.

The Board does not recommend any payment of interim dividend for 2011.

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. In the first half of 2011, the Company continued to steadfastly implement the strategy of "focusing in the power generation business whilst complementing with synergistic diversifications". The Company, having consolidated its strengths in the power generation business, continued pushing 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 year-on-year steady growth in profits despite a number of unfavourable factors such as increases in fuel price and loan interest rate.

A. Management's Review on the Operating Results of Various Businesses

(Financial information is shown according to China Accounting Standards for Business Enterprises ("PRC GAAP"). For segment information, please refer to Note 4 to the unaudited financial information below.)

1. The Power Generation Business

(1) Business Review

The Company is one of the largest independent power producers in the PRC. As at 30 June 2011, the Group managed a total installed capacity of approximately 37,258MW. 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.

In the first half of 2011, the macro-economy performed satisfactorily as a whole, which was demonstrated by an overall robust demand for power nationwide. The power consumption of the society increased relatively fast by undergoing an year-on-year increase of more than 12%; and power consumption in various provinces recorded positive growth. However, the problem regarding structural power shortage remained, competition in the power market was as intense as before, and the continuously rising thermal coal prices stayed at high levels, thereby exerting tremendous pressure on power enterprises for their production operation and power supply. Under the market conditions where opportunities co-existed with pressures, the employees of the Group at all levels stood in unity and worked together, leveraged their management advantages, and adopted pragmatic and effective measures to overcome to the maximum degree the impact of the unfavourable factors, thereby having succeeded in maintaining safe and stable operation and sound development of the Group's power generation businesses.

(i) **Maintained Stable and Safe Power Production**

During the Period, total power generation of the Group amounted to approximately 96.1569 billion kWh, representing an increase of approximately 19.05% as compared to the Corresponding Period Last Year. Total on-grid power generation of the Group amounted to approximately 90.6614 billion kWh, representing an increase of approximately 19.27% over the Corresponding Period Last Year. Significant year-on-year increases in both total power generation and on-grid power generation were mainly attributable to a continued sound macro-economy of the country, an increase in power consumption of the whole society, and an increase in the capacity of the Group's operational generating units and their safe and steady operation.

During the Period, the Group added new installed capacity of approximately 1,208.14 MW. The average utilisation hours of power generation facilities increased by 253 hours as compared to the Corresponding Period Last Year. Operational generating units were operated safely and steadily. No casualties or incidents occurred in connection with power generation. The equivalent availability factor of the operational generating units stood at a high level of 91.46%.

(ii) **Energy Saving and Emissions Reduction Reaped Remarkable Results**

During the Period, coal consumption of the Group amounted to approximately 319.67g/kWh, representing a decrease of approximately 5.25g/kWh over the Corresponding Period Last Year, while the consolidated electricity consumption rate of power plants amounted to approximately 5.80%. The coal-fired generating units of the Group 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 0.382g/kWh, 1.329g/kWh, 0.118g/kWh and 65.91g/kWh respectively, representing decreases of approximately 17%, 5.7%, 9.9% and 23% respectively. Emission rates of various pollutants were lower than the national average levels.

(iii) **Strengthened Economic Analysis and Improved Business Management Efficiency**

During the Period, the Group continued to encounter various unfavourable situations such as rising and high coal prices and increases in loan interest rate. Faced with such an ongoing challenging operation environment, the Group closely tracked the market, actively conducted researches on budget plans, strengthened internal management and created a favourable external environment for pushing forward production and operation work in a solid manner: (1) Capital operation proceeded in a solid manner. During the Period, the Group made full use of the functions of resources allocation in the capital market by issuing 1 billion A shares by way of non-public issue to nine specific investors including the parent company China Datang Corporation. Net proceeds of approximately RMB6,671 million were raised to replenish the capital needs of the Group during the process of its development, facilitate a smooth implementation of investment projects and further improve the Group's profitability. During the Period, the Group also successfully issued 10-year corporate bonds in a total amount of RMB3,000 million bearing a coupon rate of 5.25%, thereby having effectively optimised the debt structure and reduced the financing costs of the Group. (2) Management responsibilities were executed level-by-level to achieve the targets of power generation. Aggregate utilisation hours of power generating units amounted to approximately 2,557 hours, representing a year-on-year increase of approximately 253 hours. (3) Various types of economical coal were developed to secure fuel supply; coal blending and mixed burning were enhanced, so that fuel costs were kept under control effectively. (4) Cash allocation and capital availability according to needs were improved; and loans were repaid on a timely basis to minimise idle funds and optimise loan portfolio.

(iv) Pushed forward Infrastructure Construction and Optimised Power Generation Structure

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 various power projects, thereby enabling new generating units with a total capacity of approximately 1,208.14MW to commence power generation successfully. Among the new capacity added:

- Newly installed 600MW of coal-fired power units, mainly including two 300MW thermal power co-generating units at Linfen Hexi Thermal Power Company;

- Newly installed 301.89MW of hydropower units, including 150MW hydropower generating units at Chongqing Wulong Hydropower Company, 1.89MW hydropower generating units at Yuneng Group and 150MW hydropower generating units at Sichuan Jinkang Electricity Development Co., Ltd. (owned through acquisitions); and

- Newly installed 306.25MW of wind power and photovoltaic generating units, including 97.5MW wind power generating units at Liaoning Wind Power Generation Company, 177.75MW wind power generating units at Inner Mongolia Wind Power Company, 21MW wind power generating units at Zuoyun Wind Power Company and 10MW photovoltaic generating units at Qingtongxia Photovoltaic Co. Ltd.

As at 30 June 2011, the generation capacities of coal-fired power, hydropower and wind power accounted for 86.62%, 11.40% and 1.96% of the Group's installed power generation capacity, respectively. As compared to the Corresponding Period Last Year, the proportion of capacity in clean and renewable energy increased to 13.36%, making the power generation structure further optimised on an ongoing basis.

(v) Preliminary Works on Projects Proceeded Steadfastly

During the Period, five power projects of the Group have been approved by the State, including a hydropower project with an approved total capacity of 850MW, two wind power projects with an approved total capacity of 96MW, and two photovoltaic power generation projects with an approved total capacity of 40MW. Details of the aforesaid power projects are:

- Hydropower project: 850MW generating units at Huangjinping Hydropower Station in Dadu River, Sichuan.

- Wind power project: The Phase 3 project for 48MW generating units at Faku Wind Power Station in Liaoning, and the Phase 1 project for 48MW generating units at Shengjiadun, Qingtongxia in Ningxia.

- Photovoltaic power generation project: The Phase 2 project for 20MW generating units at Qingtongxia photovoltaic power generation in Ningxia, and 20MW generating units at Golmud photovoltaic power generation project in Qinghai.

(2) Major Financial Indicators and Analysis

(i) Operating Revenue

During the Period, revenues from electricity and heat sales of the Group accounted for approximately 92.05% of the total operating revenue of the Group of the Period. Revenue from electricity sales accounted for 90.82% of the total operating revenue.

During the Period, revenues from electricity and heat sales of the Group amounted to approximately RMB30,264 million and RMB410 million, respectively, representing respective increases of approximately 26.09% and 29.59% over the Corresponding Period Last Year. Of such revenues, the increase in revenue from electricity sales was primarily attributable to the combined effects of an increase in the capacity of operational generating units, a growth in on-grid power generation due to increased power demand, and a rise in average on-grid tariffs.

During the Period, the increase in on-grid power generation led to an increase of approximately RMB4,497 million in the Group's revenue; the Group's average on-grid tariffs increased by approximately RMB22.80/MWh over the Corresponding Period Last Year, resulting in an increase of approximately RMB1,765 million in revenue. Of such revenue increase, an increase of approximately RMB769 million in the first half of the year was owing to the State's adjustments of power tariff levels in some areas.

(ii) Operating Costs

During the Period, power fuel expenses incurred by the Group amounted to approximately RMB18,871 million, representing an increase of approximately RMB4,814 million from approximately RMB14,057 million for the Corresponding Period Last Year, which was primarily attributable to firstly an increase of approximately 12.963 billion kWh in on-grid coal-fired power generation as compared to the Corresponding Period Last Year, and secondly a rise of approximately RMB26.83/MWh in unit fuel costs as compared to the Corresponding Period Last Year due to rising and high coal prices.

(iii) Operating Profit

During the Period, operating gross profit from power generation amounted to approximately RMB5,406 million, representing an increase of approximately 23.03% over the Corresponding Period Last Year while gross profit margin was approximately 17.86%.

2. The Chemical Business

During the Period, the Duolun Coal Chemical Project with a production scale of 460,000 tonnes of polypropylene per annum, the Keqi Coal-based Natural Gas Project with a production scale of 4 billion cubic meters of natural gas per annum, the Fuxin Coal-based Natural Gas Project with a production scale of 4 billion cubic meters of natural gas per annum, and the High-Aluminium Pulverised Fuel Ash Integrated Use Project of Inner Mongolia Datang International Renewable Energy Resource Development Company Limited, being controlled and constructed by the Group, proceeded smoothly. Of these projects:

(1) The Duolun Coal Chemical Project is located at Duolun County, Xilinguole Pledge, Inner Mongolia Autonomous Region. It uses lignite coal from the Shengli Open-cut Coal Mine East Unit 2 in Shengli area of Inner Mongolia as raw materials; and it applies internationally 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 is 460,000 tonnes/year of polypropylene and other by-products.

During the Period, the coal chemical project was under smooth construction and has succeeded in the first trial run of two gasifiers. The successful conduct of critical phases such as the successful operation of the response system of the methanol-to-propylene (MTP) facility in one go and the production of alkene with qualified constituents marked a significant breakthrough on the core technologies of the Duolun Coal Chemical Project. This has laid a solid foundation for opening up the whole-line process flows and ensuring a stable production of polypropylene products. The Duolun Coal Chemical Project produced qualified methanol at the end of June 2011. The project was planned to produce qualified end-product of polypropylene before the end of 2011, and to carry out continuous production and operation. It is expected that upon its successful development and construction, the project will become a new point of profit growth for the Group.

(2) The Keqi Coal-based Natural Gas Project is located in Keshiketeng Qi, Chifeng City, Inner Mongolia. Upon its completion, the major supply targets of the project are Beijing and cities along the gas transmission pipeline. As a political, cultural and financial centre of the PRC, Beijing has a strong demand for clean energy such as natural gas, given the city's high requirement for the quality of the air environment. The Group believes that following the completion of the Keqi Coal-based Natural Gas Project, it will meet the increasing demand for clean energy in Beijing and the cities along the gas transmission pipeline, thereby increasing the overall profitability of the Group.

During the Period, as for the Keqi Coal-based Natural Gas Project, No. 2 power furnace was ignited and on-grid commissioning for No. 1 unit was conducted; stand-alone test runs and pipeline pressure tests were carried out for Phase 1 of the air separation project; gasification of all dynamic and static facilities was completed; lifting of large purification towers and lifting of the methanation PSA facilities were completed; assembly and installation of the torch project for the whole plant were all completed; and construction of water pipelines was all completed and ready for water supplies. All works are proceeding at an accelerated speed with a target for commencement of operation in 2012.

(3) The Fuxin Coal-based Natural Gas Project is located in Changyingzi Town, Xinqiu District, Fuxin City, Liaoning Province. Upon its completion, the project aims to supply natural gas mainly to Shenyang in Liaoning Province and nearby cities such as Tieling, Fushun, Benxi and Fuxin. Liaoning Province has experienced fast economic growth. With the acceleration of urbanisation, the reform in coal-fired boilers and the development of gas buses and industries using natural gas as raw material, the supply gap of natural gas in the above cities will grow bigger and bigger. Following the completion of the Fuxin Coal-based Natural Gas Project, the Group will benefit from the growing demand for clean energy in Shenyang and nearby cities which have experienced rapid economic development, thereby increasing the overall profitability of the Group.

As at the end of the Period, for the Fuxin Coal-based Natural Gas Project, invitation of tenders for long-cycle facilities was completed; construction of major plant zones for gasification, air separation, rectisol and power island has commenced successively; the chimney shaft in the power zone was built up to 94.5 metres; and concrete pouring for various units in the air separation zone was completed. Construction of these projects is being stepped up, with a target for commencement of operation in 2013.

(4) The High-Aluminium Pulverised Fuel Ash Integrated Use Project of Inner Mongolia Datang International Renewable Energy Resource Development Company Limited makes use of the resource characteristic of high-aluminium pulverised fuel ash from the Inner Mongolia Autonomous Region and independently developed a technological process for extracting alumina from high-aluminium pulverised fuel ash. Such process uses industrial solid waste such as high-aluminium pulverised fuel ash to produce alumina, electrolytic aluminum and other related products by means of the sintering technology. 2011 is the first year that the alumina segment of the High-Aluminium Pulverised Fuel Ash Integrated Use Project commenced operation on a trial basis. Considering the fact that the whole set of technology and equipment of the project is the first case in China, and that the design is still being enhanced during the commissioning and testing stage, it is expected that a long-cycle and stable operation will commence before the end of 2011.

3. The Coal Business

(1) Business Review

The Shengli Open-cut Coal Mine East Unit 2 in Shengli area of Inner Mongolia, developed and constructed by the Group, is located in the central part of Shengli Coal Mine in Inner Mongolia, with a planned construction scale of 60 million tonnes. Its coal products will be primarily supplied as raw materials to the coal chemical and coal-based natural gas projects such as the Duolun Coal Chemical Project, the Keqi Coal-based Natural Gas Project and the Fuxin Coal-based Natural Gas Project. In particular, Phase 1 project (with a construction scale of 10 million tonnes/year) has commenced operation; Phase 2 project with an annual production capacity of 20 million tonnes was approved by the National Development and Reform Commission in March 2011.

During the Period, coal for power generation sourced from coal companies in which the Company has controlling interests amounted to 2.29 million tonnes (including 1.67 million tonnes from Shengli Coal Mine East Unit 2 and 0.62 million tonnes from Baoli Coal Mine); coal for power generation sourced from coal companies in which the Company has equity interests amounted to 6.97 million tonnes (including 4.97 million tonnes from the Tashan Coal Mine and 2.00 million tonnes from Yuzhou Mining). These made up a total amount of 9.26 million tonnes of coal in the first half of 2011, thereby assuring stable coal sources for the Group. The Group is carrying out preliminary development works on various projects such as the Wujianfang Coal Mine, the Kongduigou Coal Mine and the Changtan Coal Mine. The successful developments of the above-said coal mine projects will increase the self-sufficiency ratio of coal consumption of the Group's power plants.

(2) Major Financial Indicators and Analysis

(i) Operating Revenue

During the Period, operating revenue from the coal business after consolidation and offset amounted to approximately RMB788 million, accounting for approximately 2.37% of the Group's total operating revenue, representing a decrease of approximately 73.09% over the Corresponding Period Last Year.

The relatively substantial change in the operating revenue was primarily attributable to the Group's further increase in the self-sufficiency of coal consumption and a decrease in sales of exported coal.

(ii) Operating Costs

During the Period, operating costs from the coal business after consolidation offset amounted to approximately RMB652 million, representing a decrease of and approximately RMB1,783 million over the Corresponding Period Last Year. The decrease in the operating costs was primarily attributable to reduced business in coal exports.

(iii) Operating Profit

During the Period, operating gross profit from the coal business amounted to approximately RMB136 million. Gross profit margin was approximately 17.28%, representing an increase of approximately 0.40% over the Corresponding Period Last Year.

4. Other Businesses

(1) Jiangsu Datang Shipping Company Limited ("Datang Shipping Company"), in which the Group holds 97.54% interests, was registered and established in 2007 by the Group. Currently, Datang Shipping Company has two 70,000-tonne bulk cargo vessels, namely "Datang #1" and "Datang #2", and four 45,000-tonne bulk cargo vessels, namely "Datang #6", "Datang #7", "Datang #8" and "Datang #10", which are engaged in thermal coal transportation from Qinhuangdao (or other ports in North China) to southeastern coasts. During the Period, the shipping companies which the Group controlled or had interests in achieved 2.16 million tonnes of coal transportation.

Datang Shipping Company actively commenced shipbuilding works and has entered into relevant agreements on proposed construction of two 76,000-tonne bulk cargo vessels, thereby further expanding the fleet scale of the Group. The development and expansion of Datang Shipping Company will help to ease the tense situation being faced with by the Group's coastal power plants in regard to transportation of thermal coal, to stabilise transportation costs for thermal coal, and to enhance its transportation self-sufficiency.

(2) The Board of Directors of the Company considered and approved the Group's equity investments in various port projects such as the construction of the Third Phase 3 of the Coal Terminal Project in the Caofeidian Port Area in Tangshan Port, and the First Phase of the Coal Terminal Project in the Suizhong Port Area in Huludao Port. These projects aimed to implement the development strategy of "Securing the Complementary Development of Railway, Port and Shipping", and further extending the assets chain in order to secure the Group's outbound shipment of coal resources and to meet coal supply needed by the power plants located along the southeastern coast, thereby enhancing the Group's overall profitability.

B. Management's Review on the Consolidated Operating Results

1. Operating Revenue

During the Period, the Group realised an operating revenue of approximately RMB33,322 million, representing an increase of approximately 15.12% over the Corresponding Period Last Year. Of the operating revenue, revenue from electricity sales increased by approximately RMB6,262 million, representing a year-on-year increase of approximately 26.09%.

2. Operating Costs

During the Period, total operating costs of the Group amounted to approximately RMB28,861 million, representing an increase of approximately RMB3,829 million or approximately 15.29% over the Corresponding Period Last Year. Among the operating costs, fuel cost for power generation and heat generation increased by approximately 34.43% year-on-year, accounting for approximately 67.31% of the operating costs, and depreciation cost accounted for approximately 14.40% of the operating costs. Since the standard coal unit price of the Group for power generation increased by RMB92.50/tonne over the Corresponding Period Last Year, the fuel cost for power generation of the Group increased by RMB2,520 million as a result.

3. Net Finance Costs

During the Period, finance costs of the Group amounted to approximately RMB3,304 million, representing an increase of approximately RMB741 million or approximately 28.90% over the Corresponding Period Last Year. The significant increase was mainly due to increases in interest rates and interest-bearing debts.

4. Net Profit

During the Period, net profit attributable to equity holders of the Group amounted to approximately RMB932 million, representing an increase of approximately 2.17% over the Corresponding Period Last Year. The steady year-on-year growth in the Group's profits was mainly attributable to the optimised power structure and the profit contributions by hydropower, wind power and other clean energy projects as well as non-power projects.

5. Financial Position

As at 30 June 2011, total assets of the Group amounted to approximately RMB237,435 million, representing an increase of approximately RMB24,519 million as compared to the end of 2010. The increase in total assets was primarily attributable to increased investments in projects under construction, properties, equipment and so forth as a result of the Group's implementation of its development strategies as well as the Company's issue of 1 billion Renminbi-denominated ordinary shares to specific investors by way of non-public issue in May 2011. The actual net proceeds from the issue amounted to approximately RMB6,671 million.

Total liabilities of the Group amounted to approximately RMB191,135 million, representing an increase of approximately RMB16,652 million over the end of 2010. Of the total liabilities, long-term borrowings increased by approximately RMB12,793 million over the end of 2010. The increase in total liabilities was mainly due to an increase in the Group's borrowings so as to meet the capital needs of day-to-day operations and infrastructure construction. Equity attributable to equity holders of the Company amounted to approximately RMB38,405 million, representing an increase of approximately RMB7,555 million over the end of 2010. Net asset value per share attributable to equity holders of the Company amounted to approximately RMB2.89, representing an increase of approximately RMB0.38 per share over the end of 2010.

6. Liquidity

As at 30 June 2011, the asset-to-liability ratio of the Group was approximately 80.50%. The net debt-to-equity ratio (i.e. (loans + long-term bonds — cash and cash equivalents)/total equity) was approximately 317.20%.

As at 30 June 2011, cash and cash equivalents of the Group amounted to approximately RMB15,782 million, of which deposits equivalent to approximately RMB223 million were foreign currency deposits. The Group had no entrusted deposits and overdue fixed deposits during the Period.

As at 30 June 2011, short-term loans of the Group amounted to approximately RMB20,934 million, bearing annual interest rates ranging from 1.26% to 6.31%. Long-term loans (excluding those repayable within one year) amounted to approximately RMB122,378 million and long-term loans repayable within one year amounted to approximately RMB10,401 million. Long-term loans (including those repayable within 1 year) were at annual interest rates ranging from 1.00% to 6.80%.

Loans of approximately RMB1,027 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 RMB53,140 million.

7. Welfare Policy

As at 30 June 2011, the staff of the Group totalled 24,081. The Group adopts the basic salary system on the basis of position-points salary distribution. 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.

During the Period, the Group focused on stepping up the system establishment for a training base and organised 24 corporate training sessions, attracting 1,539 attendances. More than 520 employees were arranged to attend professional skills training and on-the-job qualification and certification training programmes hosted by China Datang Corporation. 130 employees were selected as production safety experts. 1,907 employees were arranged to undertake professional skills qualification assessments, and accreditation was conducted. 2,713 employees were arranged to participate in vocational skills appraisals.

C. Outlook for the Second Half of 2011

Nationwide power demand will maintain a relatively rapid growth momentum under the impact of a steady and relatively rapid development of the national economy. Power generation is anticipated to increase by more than 12% for the year, while nationwide power supply and demand for the year will be tight as a whole, especially for some areas. Thermal coal supply will remain tight in some areas and will even be tense in some areas and during certain intervals. The overall price of coal will stay high and is very likely to soar further. This will create a great impact on power generation and supply as well as on the profitability of the enterprise. Meanwhile, the State has adjusted the energy structure by devoting more efforts to the promotion of clean and renewable energy development, which has imposed more stringent requirements on the development of new projects of the Group.

In the second half of 2011, the government will continue to maintain continuity and stability of the macro-economic policies, and will continuously enhance the pertinence, flexibility and effectiveness of these policies. The People's Bank of China made six consecutive raises in the reserve requirement ratio and three times of increase in loan interest during the year following the government's switch of its "moderately relaxed" monetary policy to a "prudent" one. Various banks have further enhanced risk control and as a result, enterprises are facing increased difficulties in financing and rising financing costs.

Faced with such complex and volatile situations, the Group will continue to adhere to the strategy of "focusing in the power generation business whilst complementing with synergistic diversifications", and will continue implementing the development strategy of "enhancing its coal-fired power; aggressively expanding its hydropower; continuously developing wind power; strategically developing nuclear power; appropriately developing solar power; focusing on suitable coal operations; actively and steadily developing coal chemical business; speedily developing the high-aluminium pulverised fuel ash integrated utilisation projects; and securing a complementary development of railway, port and shipping". It will seize new opportunities, overcome new challenges, achieve new breakthroughs, stride ahead and build up new strengths. The Group will take proactive initiatives to cope with market changes with a committed focus on profitability to ensure that the operation objectives for the whole year will be accomplished as planned:

1. Further reinforce the management of production safety. Prevent casualties and equipment failures of large generating units to ensure that power generation will not be affected by production safety issues.

2. Strive to enhance the Group's profitability. With the enhancement of enterprise profitability as an ongoing objective, strengthen capital management, rationalise the portfolio for the use of funds and save financial costs. Increase power generation with all efforts and contain coal prices by applying various measures with an aim to enhance the profitability of the Group.

3. Seize strategic opportunities, step up the development of the Group's business resources, continue improving the rational assets deployment, and optimise the development structure. Continue strengthening the power generation business, excel in the non-power businesses and promote synergistic diversifications.

4. Actively push forward capital operation. Make full use of the financing platform to expand financing channels, and improve the rational allocation of capital and resources to meet the Group's capital demand for development. Actively pursue acquisitions of good-quality assets with a view to maximising investment returns for the Group.

5. Continuously intensify energy saving and emissions reduction. Further enhance the benchmark management of energy consumption; actively carry out sophisticated management of energy consumption indices and optimise operation of generating units to further enhance the level of energy consumption indices; and continuously improve the operation rate and comprehensive efficiency of environmental protection facilities. Speed up the progress of desulphurisation transformation of coal-fired generating units, and strengthen the management of the operation of environmental protection facilities for operational generating units, with a view to effectively reducing the discharge of pollutants and controlling energy-saving and environmental costs.

6. Comprehensively strengthen risk prevention and control. The Group will comprehensively implement the State's "Basic Standards for Enterprise Internal Control" as well as its guidelines, so as to fully implement comprehensive accountability management, comprehensive budget management and comprehensive risk management with a view to raising the management to a more advanced level.

Share Capital and Dividends

1. Share Capital

As at 30 June 2011, the total share capital of the Company amounted to 13,310,037,578 shares, divided into 13,310,037,578 shares carrying a nominal value of RMB1.00 each.

2. Shareholding of Substantial Shareholders

So far as the directors of the Company are aware, as at 30 June 2011, the persons listed below held the interests or underlying shares or short positions in the 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	A shares	4,138,977,414	31.10	41.41	—
Corporation	H shares	480,680,000(L)	3.61(L)	—	14.50(L)
Tianjin Jinneng Investment Company	A shares	1,296,012,600	9.74	12.97	—
Hebei Construction Investment (Group) Company Limited	A shares	1,281,872,927	9.63	12.83	—
Beijing Energy Investment (Group) Company Limited	A shares	1,260,988,672	9.47	12.62	—
Deutsche Bank	H shares	210,277,701(L)	1.58(L)	—	6.34(L)
Aktiengesellschaft		123,055,686(S)	0.92(S)	—	3.71(S)

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

3. Dividends

The Board does not recommend the payment of any interim dividend for 2011.

4. Shareholding of the Directors and Supervisors

As at 30 June 2011, 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

During the Period, the Company issued 1 billion Renminbi-denominated ordinary shares (A shares) to nine specific investors including China Datang Corporation by way of non-public issue at the issue price of RMB6.74 per share. The net proceeds from the issue amounted to RMB6,670,950,000. Upon completion of the issue, the Company's total share capital increased from 12,310,037,578 shares to 13,310,037,578 shares.

The non-public issue contributes to optimising the Group's structure of assets and liabilities and reducing the Group's financial risks, ensuring the Company's subsequent financing and sustainable development. In addition, the repayment of bank loans by the proceeds from the issue will help reduce finance costs and improve the Group's overall profitability. The proceeds, net of costs in relation to the issue, will be mainly used in construction project related to coal chemical, nuclear power, hydropower and wind power projects as well as to the upstream and downstream industries. Upon commencement of operation of these projects in which the proceeds are invested, the Group's equity-based installed capacity can be effectively enhanced, its power generation source structure can be improved and its generating capacity can be strengthened. Meanwhile, certain progress will be made in power-related upstream and downstream industries such as coal exploration, and as a result, the Group's industry chain deployment will be optimised on an ongoing basis.

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

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 for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules 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 2011 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
Liu Shunda
Chairman

Beijing, the PRC, 26 August 2011

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2011

	Note	Six months ended 30 June 2011 RMB'000 (unaudited)	2010 RMB'000 (unaudited)
Operating revenue	3	**33,321,564**	28,946,006
Operating costs			
Fuel for power and heat generation		**(19,426,036)**	(14,450,381)
Fuel for coal sales		**(652,211)**	(2,840,373)
Depreciation		**(4,156,572)**	(3,571,794)
Repairs and maintenance		**(1,017,673)**	(842,101)
Salaries and staff welfares		**(961,783)**	(902,658)
Local government surcharges		**(238,945)**	(149,909)
Others		**(2,408,268)**	(2,275,729)
Total operating costs		**(28,861,488)**	(25,032,945)
Operating profit		**4,460,076**	3,913,061
Share of profits of associates		**345,286**	352,712
Share of profits of jointly controlled entities		**56,379**	6,806
Investment income		**18,571**	—
Other gains		**5**	8,212
Interest income		**46,456**	24,437
Finance costs	5	**(3,304,196)**	(2,563,386)
Profit before tax		**1,622,577**	1,741,842
Income tax expense	6	**(306,909)**	(312,707)
Profit for the period	7	**1,315,668**	1,429,135
Other comprehensive income after tax:			
Reclassification adjustments for amounts transferred to profit or loss upon disposals of available-for-sale investments		**(5)**	(14,606)
Fair value gain on available-for-sale investments		**1,505**	—
Share of other comprehensive income of associates		**(62,322)**	(7,745)
Foreign currency translation differences		**11,680**	1,303
Income tax relating to components of other comprehensive income		**(375)**	3,652
Other comprehensive income for the period, net of tax		**(49,517)**	(17,396)
Total comprehensive income for the period		**1,266,151**	1,411,739

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2011

	Note	Six months ended 30 June	
		2011	2010
		RMB'000	RMB'000
		(unaudited)	(unaudited)
Profit for the period attributable to:			
Owners of the Company		**931,658**	911,878
Non-controlling interests		**384,010**	517,257
		1,315,668	1,429,135
Total comprehensive income for the period attributable to:			
Owners of the Company		**882,074**	896,673
Non-controlling interests		**384,077**	515,066
		1,266,151	1,411,739
		RMB	RMB
		(unaudited)	(unaudited)
Earnings per share	9		
Basic and diluted		**0.0747**	0.0757

Condensed Consolidated Statement of Financial Position

At 30 June 2011

	Note	**At 30 June 2011 RMB'000 (unaudited)**	At 31 December 2010 RMB'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	10	**186,490,958**	179,233,770
Investment properties		**241,499**	211,866
Intangible assets		**2,607,318**	2,498,329
Investments in associates		**5,124,098**	4,591,838
Investments in jointly controlled entities		**3,254,097**	2,649,778
Available-for-sale investments		**2,343,049**	2,304,158
Deferred housing benefits		**118,394**	132,530
Deferred tax assets		**1,189,036**	972,760
Other long-term assets		**635,526**	428,477
		202,003,975	193,023,506
Current assets			
Inventories		**5,334,512**	4,011,713
Accounts and notes receivable	11	**8,287,012**	8,158,622
Prepayments and other receivables		**5,739,478**	4,101,545
Short-term entrusted loans to a jointly controlled entity		**100,139**	100,153
Tax recoverable		**187,188**	76,820
Cash and cash equivalents		**15,782,314**	3,442,976
		35,430,643	19,891,829
TOTAL ASSETS		**237,434,618**	212,915,335

Condensed Consolidated Statement of Financial Position

At 30 June 2011

	Note	At 30 June 2011 RMB'000 (unaudited)	At 31 December 2010 RMB'000 (audited)
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	12	**13,310,038**	12,310,038
Reserves		**20,991,471**	15,343,804
Retained earnings			
Proposed dividends		**931,703**	861,703
Others		**3,171,508**	2,334,526
Equity attributable to owners of the Company		**38,404,720**	30,850,071
Non-controlling interests		**7,895,216**	7,582,760
Total equity		**46,299,936**	38,432,831
Non-current liabilities			
Long-term loans		**122,378,246**	109,585,377
Long-term bonds		**8,930,666**	5,949,018
Deferred income		**472,789**	460,989
Deferred tax liabilities		**648,142**	439,226
Provisions		**41,603**	41,603
Other non-current liabilities		**5,949,351**	3,723,182
		138,420,797	120,199,395

	Note	At 30 June 2011 RMB'000 (unaudited)	At 31 December 2010 RMB'000 (audited)
Current liabilities			
Accounts payable and accrued liabilities	13	**19,069,373**	18,930,066
Taxes payable		**1,046,497**	1,165,696
Dividends payable		**921,178**	2,336
Short-term loans		**20,933,966**	19,374,828
Current portion of non-current liabilities		**10,742,871**	14,810,183
		52,713,885	54,283,109
Total liabilities		**191,134,682**	174,482,504
TOTAL EQUITY AND LIABILITIES		**237,434,618**	212,915,335
Net current liabilities		**(17,283,242)**	(34,391,280)
Total assets less current liabilities		**184,720,733**	158,632,226

Approved by the Board of Directors on 26 August 2011

Cao Jingshan
Director

Zhou Gang
Director

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2011

	Attributable to owners of the Company											
	Share capital	Capital reserve	Statutory surplus reserve	Discretionary surplus reserve	Restricted reserve	Foreign currency translation reserve	Available-for-sale investment revaluation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)
At 1 January 2010, as restated	11,780,038	1,521,516	3,071,864	7,866,188	153,864	17,691	105,705	(44,355)	1,650,211	26,122,722	6,649,510	32,772,232
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 from non-controlling interests	—	—	—	—	—	—	—	—	—	—	528,417	528,417
Non-common control business combinations	—	—	—	—	—	—	—	—	—	—	217,773	217,773
Acquisition of non-controlling interests	—	—	—	—	—	—	—	(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, as restated	12,310,038	4,239,887	3,071,864	7,866,188	184,777	18,994	89,197	(289,310)	1,673,240	29,164,875	6,763,713	35,928,588
At 1 January 2011	**12,310,038**	**4,239,888**	**3,279,458**	**7,866,188**	**107,887**	**35,301**	**31,778**	**(216,696)**	**3,196,229**	**30,850,071**	**7,582,760**	**38,432,831**
Total comprehensive income for the period	—	—	—	—	—	**11,669**	**(61,253)**	—	**931,658**	**882,074**	**384,077**	**1,266,151**
Issue of shares	**1,000,000**	**5,670,950**	—	—	—	—	—	—	—	**6,670,950**	—	**6,670,950**
Capital injection from non-controlling interests	—	—	—	—	—	—	—	—	—	—	**397,638**	**397,638**
Non-common control business combinations	—	—	—	—	—	—	—	—	—	—	**687,489**	**687,489**
Acquisition of non-controlling interests	—	—	—	—	—	—	—	**173**	—	**173**	**(33,452)**	**(33,279)**
Others	—	—	—	—	—	—	—	**1,452**	—	**1,452**	**1,188**	**2,640**
Transfer to restricted reserve	—	—	—	—	**24,676**	—	—	—	**(24,676)**	—	—	—
Dividends paid	—	—	—	—	—	—	—	—	—	—	**(1,124,484)**	**(1,124,484)**
At 30 June 2011	**13,310,038**	**9,910,838**	**3,279,458**	**7,866,188**	**132,563**	**46,970**	**(29,475)**	**(215,071)**	**4,103,211**	**38,404,720**	**7,895,216**	**46,299,936**

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2011

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
	(unaudited)	(unaudited)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**5,187,339**	7,996,035
NET CASH USED IN INVESTING ACTIVITIES	**(9,493,320)**	(7,682,868)
NET CASH GENERATED FROM FINANCING ACTIVITIES	**16,653,577**	5,633,184
NET INCREASE IN CASH AND CASH EQUIVALENTS	**12,347,596**	5,946,351
CASH AND CASH EQUIVALENTS AT 1 JANUARY	**3,442,976**	1,506,435
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	**(8,258)**	(540)
CASH AND CASH EQUIVALENTS AT 30 JUNE	**15,782,314**	7,452,246

Notes to the Condensed Financial Statements

For the six months ended 30 June 2011

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 2011, 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 2011, the Group had net current liabilities of approximately RMB17.28 billion. The Group had significant undrawn borrowing facilities, subject to certain conditions, amounting to approximately RMB145.67 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 2010 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 2010 except as stated below.

These condensed financial statements are presented in Renminbi ("RMB"), which is the Company's functional and presentation currency, and all values are rounded to the nearest thousand ("RMB'000"), unless otherwise stated.

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 2011. 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.

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

Related party disclosures

IAS 24 (Revised) "Related Party Disclosures" revises the definition of a related party and provides a partial exemption of disclosing related party transactions for government-related entities.

A related party is a person or entity that is related to the Group.

(A) A person or a close member of that person's family is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Company or of a parent of the Company.

(B) An entity is related to the Group (reporting entity) if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (A).

(vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity.

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

Related party disclosures (Continued)

IAS 24 (Revised) exempts an entity from the disclosure requirements in relation to related party transactions and outstanding balances, including commitments, with

— a government that has control, joint control or significant influence over the entity; and

— another entity that is a related party because the same government has control, joint control or significant influence over both entities.

The entity that applies the exemption is required to disclose the following:

— the name of the government and the nature of its relationship with the entity (i.e. control, joint control or significant influence); and

— the following information in sufficient detail to enable users of the entity's financial statements to understand the effect of related party transactions on its financial statements:

  i. the nature and amount of each individually significant transaction; and

  ii. for other transactions that are collectively, but not individually, significant, a qualitative or quantitative indication of their extent.

The revision of the definition of a related party has no material impact on the financial statements of the Group. The partial disclosure exemption relating to transactions between the Group and government-related entities has been applied retrospectively. The Group discloses only individually or collectively significant transactions with government-related entities.

The Group has not applied the 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. OPERATING REVENUE

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Sales of electricity	**30,263,584**	24,001,833
Heat supply	**409,758**	316,192
Sales of coal	**788,473**	2,930,001
Transportation service fees	**2,377**	125,437
Sales of chemical products	**1,305,080**	1,311,817
Others	**552,292**	260,726
	33,321,564	28,946,006

4. SEGMENT INFORMATION

Executive directors and certain senior management (including chief accountant) (collectively referred to as the "Senior Management") of the Company perform the function as chief operating decision makers. 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 primarily include sales of properties, cement products and sales of coal ash etc., and are included in "other segments".

Senior Management assesses the performance of the operating segments based on a measure of profit before tax prepared under China Accounting Standards for Business Enterprises ("PRC GAAP").

4. SEGMENT INFORMATION (Continued)

Segment profits or loss do not include dividend income from listed available-for-sale investments and gain on disposals of available-for-sale investments. Segment assets exclude deferred tax assets and available-for-sale investments. Segment liabilities exclude the current tax liabilities and deferred 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 PRC GAAP.

	Power generation segment	**Coal segment**	**Chemical segment**	**Other segments**	**Total**
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Six months ended 30 June 2011					
Revenue from external customers	**30,585,742**	**867,778**	**1,433,560**	**434,484**	**33,321,564**
Intersegment revenue	**58,658**	**11,336,270**	**—**	**62,960**	**11,457,888**
Segment profit	**1,167,663**	**407,686**	**157,740**	**59,594**	**1,792,683**
At 30 June 2011					
Segment assets	**184,002,732**	**19,705,944**	**41,617,718**	**10,078,071**	**255,404,465**
Six months ended 30 June 2010					
Revenue from external customers	24,143,576	3,118,444	1,322,492	361,494	28,946,006
Intersegment revenue	36,731	8,446,414	—	157,110	8,640,255
Segment profit/(loss)	1,626,658	122,767	35,987	(4,428)	1,780,984
	(audited)	(audited)	(audited)	(audited)	(audited)
At 31 December 2010					
Segment assets	152,509,810	16,058,293	39,345,040	10,625,419	218,538,562

4. SEGMENT INFORMATION (Continued)

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Reconciliations of segment profit or loss:		
Total profit or loss of reportable segments	**1,792,683**	1,780,984
Gain on disposals of available-for-sale investments	**5**	—
Elimination of intersegment profits	**(262,000)**	(125,186)
IFRS adjustment on amortisation of monetary housing benefits	**(14,136)**	(15,151)
IFRS adjustment on reversal of general provision on mining funds	**106,025**	101,195
Consolidated profit before tax	**1,622,577**	1,741,842

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Revenue from major customers:		
Power generation segment		
North China Grid Company Limited	**9,322,726**	8,088,081
Guangdong Power Grid Corporation	**3,736,058**	1,295,023
State Grid Corporation of China	**3,004,947**	4,959,990

5. FINANCE COSTS

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest expense	**4,414,551**	3,625,688
Less: amount capitalised in property, plant and equipment	**(1,115,183)**	(1,072,552)
	3,299,368	2,553,136
Exchange gain, net	**(17,443)**	(4,415)
Others	**22,271**	14,665
	3,304,196	2,563,386

6. INCOME TAX EXPENSE

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Current tax	**522,771**	429,866
Deferred tax	**(215,862)**	(117,159)
	306,909	312,707

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 People's Republic of China ("PRC") Enterprise Income Tax rate of the Company and its subsidiaries is 25% (six months ended 30 June 2010: 25%). Certain subsidiaries located in western region in the PRC enjoyed PRC Enterprise Income Tax rate of 15% before 2011 when such income tax rate has changed 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 Enterprise 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.

7. PROFIT FOR THE PERIOD

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

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest income	**(46,456)**	(24,437)
Dividend income	**(16,250)**	—
Amortisation of intangible assets	**17,115**	5,996
Amortisation of deferred housing benefits	**14,136**	15,151
Depreciation	**4,156,572**	3,571,794
Gain on disposals of available-for-sale investments	**(5)**	(8,212)
Reversal of allowance for accounts receivable	**(56)**	(1,134)
Reversal of allowance for inventories	**—**	(757)

8. DIVIDENDS

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Proposed final dividend for the year ended 31 December 2010 - RMB0.07 per share	**931,703**	—
Final dividend for the year ended 31 December 2009 approved and paid - RMB0.07 per share	**—**	861,703
	931,703	861,703

9. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share attributable to owners of the Company is based on the profit for the period attributable to owners of the Company of RMB931,658 thousand (six months ended 30 June 2010: RMB911,878 thousand) and the weighted average number of ordinary shares of 12,476,704 thousand (six months ended 30 June 2010: 12,045,038 thousand) in issue during the period.

Diluted earnings per share

During the six months ended 30 June 2011 and 2010, the Company did not have any dilutive potential ordinary shares. Therefore, diluted earnings per share is equal to basic earnings per share.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2011, the Group acquired property, plant and equipment of RMB10,521,227 thousand (six months ended 30 June 2010: RMB12,424,566 thousand).

11. ACCOUNTS AND NOTES RECEIVABLE

The Group usually grants credit period of approximately one month to local power grid customers and coal purchase customers from the month end after sales and sale transactions made respectively. The ageing analysis of accounts and notes receivable is as follows:

	At 30 June 2011 RMB'000 (unaudited)	At 31 December 2010 RMB'000 (audited)
Within one year	**8,221,683**	8,013,428
Between one to two years	**61,485**	143,990
Between two to three years	**3,758**	1,096
Over three years	**86**	108
	8,287,012	8,158,622

12. SHARE CAPITAL

	At 30 June 2011 RMB'000 (unaudited)	At 31 December 2010 RMB'000 (audited)
Registered, issued and fully paid:		
9,994,360,000 (At 31 December 2010: 8,994,360,000)		
A shares of RMB1 each	**9,994,360**	8,994,360
3,315,677,578 (At 31 December 2010: 3,315,677,578)		
H shares of RMB1 each	**3,315,678**	3,315,678
	13,310,038	12,310,038

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 2010		11,780,038	11,780,038
Shares issued		530,000	530,000
At 31 December 2010 and 1 January 2011		12,310,038	12,310,038
Shares issued	(i)	1,000,000	1,000,000
At 30 June 2011		**13,310,038**	**13,310,038**

Note:

(i) In May 2011, the Company issued 1,000,000,000 A shares at a subscription price of RMB6.74 per share for a total cash consideration of RMB6,740,000 thousand.

For the six months ended 30 June 2011

13. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	At 30 June 2011 RMB'000 (unaudited)	At 31 December 2010 RMB'000 (audited)
Accounts and notes payable	**7,200,922**	8,129,771
Other payables and accrued liabilities	**11,868,451**	10,800,295
	19,069,373	18,930,066

The ageing analysis of accounts and notes payable is as follows:

	At 30 June 2011 RMB'000 (unaudited)	At 31 December 2010 RMB'000 (audited)
Within one year	**6,913,248**	8,129,711
Between one to two years	**287,674**	—
	7,200,922	8,129,711

14. ACQUISITION OF SUBSIDIARIES

On 31 March 2011, the Group acquired 100% of the respective issued capital of Chengdu Liguo Energy Co., Ltd., Chengdu Qingjiangyuan Energy Co., Ltd. and Chengdu Zhongfu Energy Co., Ltd. in order to gain 54% indirect equity interest in Sichuan Jinkang Electricity Development Co., Ltd. ("Jinkang Company") for a total cash consideration of RMB974,870 thousand. Jinkang Company was engaged in hydropower generation during the period.

The carrying amount and the fair value of the identifiable assets and liabilities of the above subsidiaries acquired as at their date of acquisition are as follows:

	Carrying amount RMB'000	**Fair value adjustments RMB'000**	**Fair value RMB'000**
Net assets acquired:			
Property, plant and equipment	1,323,236	1,387,509	2,710,745
Cash and cash equivalents	86,798	—	86,798
Other current assets	182,415	—	182,415
Loans	(1,140,000)	—	(1,140,000)
Deferred tax liabilities	—	(208,126)	(208,126)
Other current liabilities	(78,338)	—	(78,338)
	374,111	1,179,383	1,553,494
Non-controlling interests	(150,162)	(537,327)	(687,489)
Goodwill			108,865
Satisfied by:			
Cash			974,870
Net cash outflow arising on acquisition:			
Cash consideration paid			(974,870)
Cash and cash equivalents acquired			86,798
			(888,072)

14. ACQUISITION OF SUBSIDIARIES (Continued)

The goodwill arising on the acquisition of above subsidiaries is attributable to the anticipated profitability of their hydropower generation operations and the anticipated future operating synergies from the combination.

The above subsidiaries contributed RMB3,680 thousand to the Group's profit for the period for the period between their date of acquisition and the end of the reporting period.

If the above acquisition had been completed on 1 January 2011, total Group turnover for the period would have been RMB33,338,926 thousand, and profit for the period would have been RMB1,311,267 thousand. 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 2011, nor is intended to be a projection of future results.

15. RELATED PARTY TRANSACTIONS

(a) Significant transactions with China Datang Corporation which is the ultimate parent of the Company and its subsidiaries other than the Group (collectively referred to as "China Datang Group") and associates and jointly controlled entities of the Group and their subsidiaries

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
	(unaudited)	(unaudited)
China Datang Group		
Receipt of equipment purchase agency services	**181**	4,851
Receipt of coal ash disposal services	**28,946**	28,946
Receipt of fuel management services	**—**	8,210
Purchases of fuel	**132,527**	9,896
Purchases of materials and equipment	**51,685**	243,037
Operating lease expenses for buildings and facilities	**11,114**	4,864
Receipt of repairs and maintenance services	**4,077**	1,800
Sales of pre-project assets	**—**	80,726
Receipt of capital injection to subsidiaries	**332,540**	—
Receipt of material management services	**800**	—

15. RELATED PARTY TRANSACTIONS (Continued)

(a) Significant transactions with China Datang Corporation which is the ultimate parent of the Company and its subsidiaries other than the Group (collectively referred to as "China Datang Group") and associates and jointly controlled entities of the Group and their subsidiaries (Continued)

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Associates of the Group		
Interest expense on loans	**98,970**	87,596
Interest income on deposits	**16,986**	13,517
Purchases of fuel	**37,840**	5,941
Sales of electricity	**—**	2,822
Sales of heat	**—**	39,223
Receipt of technical support services	**7,196**	20,599
Drawdown of loans	**4,810,000**	8,123,000
Subsidiary of an associate of the Group		
Purchases of fuel	**258,561**	291,570
Jointly controlled entities of the Group		
Purchases of fuel	**161,992**	124,045
Interest income on entrusted loans	**2,516**	—

For the six months ended 30 June 2011

15. RELATED PARTY TRANSACTIONS (Continued)

(b) Financial guarantees and financing facilities with China Datang Group and associates and jointly controlled entities of the Group

	At 30 June 2011 RMB'000 (unaudited)	At 31 December 2010 RMB'000 (audited)
China Datang Group		
Long-term loans of the Group guaranteed by China Datang Corporation	**608,891**	1,348,176
Short-term loans of the Group guaranteed by a subsidiary of China Datang Corporation and secured by a charge over 358,680,000 H shares of the Company executed by that subsidiary in favour of the bank and counter-guaranteed by the Company	**587,229**	616,336
Associates of the Group		
Long-term loans of the associates guaranteed by the Company	**490,000**	170,000
Integrated credit facilities provided by an associate	**18,000,000**	4,500,000
Jointly controlled entities of the Group		
Long-term loans of the jointly controlled entities guaranteed by the Company	**497,300**	389,500
Short-term loans of a jointly controlled entity guaranteed by the Company	**225,000**	225,000

15. RELATED PARTY TRANSACTIONS (Continued)

(c) Significant transactions with government-related enterprises

Government-related entities, other than entities under China Datang Corporation which is a state-owned enterprise and its subsidiaries, directly or indirectly controlled by the Central People's Government of the PRC ("Government-Related Entities) are also regarded as related parties of the Group.

For the purpose of the related party transactions disclosure, the Group has established procedures for determination, to the extent possible, of the identification of the ownership structure of its customers and suppliers as to whether they are Government-Related Entities to ensure the adequacy of disclosure for all material related party transactions given that many Government-Related Entities have multi-layered corporate structures and the ownership structures change over time as a result of transfers and privatisation programs.

During the six months ended 30 June 2011 and 2010, the Group sold substantially all of its electricity to local government-related power grid companies. Please refer the details of information of power generation revenue to major power grid companies to note 4 to the condensed financial statements. The Group maintained most of its bank deposits in government-related financial institutions while lenders of most of the Group's loans are also government-related financial institutions, associated with the respective interest income or interest expense incurred.

During the six months ended 30 June 2011 and 2010, other collectively significant transactions with Government-Related Entities also included purchases of fuel and property, plant and equipment.

(d) Compensation to key management personnel of the Group

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Basic salaries and allowances	**1,476**	795
Bonus	**1,931**	1,682
Retirement benefits	**99**	99
Other benefits	**78**	434
	3,584	3,010

16. 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 2011 RMB'000 (unaudited)	At 31 December 2010 RMB'000 (audited)
Associates	**490,000**	170,000
Jointly controlled entities	**722,300**	614,500
Other investees	**108,000**	108,000
	1,320,300	892,500

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

17. CAPITAL COMMITMENTS

At 30 June 2011, the Group has capital commitments related to investments in subsidiaries, associates, jointly controlled entities and other investees amounted to RMB199,840 thousand (At 31 December 2010: RMB1,024,710 thousand). In addition, capital commitments of the Group in relation to the construction and renovation of the electricity utility plants and acquisition of intangible assets not provided for in the condensed consolidated statement of financial position are as follows:

	At 30 June 2011 RMB'000 (unaudited)	At 31 December 2010 RMB'000 (audited)
Contracted but not provided for	**15,163,216**	19,052,087

18. LEASE COMMITMENTS

At 30 June 2011 the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	At 30 June 2011 RMB'000 (unaudited)	At 31 December 2010 RMB'000 (audited)
Within one year	**41,524**	26,158
In the second to fifth years inclusive	**51,749**	51,747
After five years	**22,828**	23,336
	116,101	101,241

19. APPROVAL OF CONDENSED FINANCIAL STATEMENTS

The condensed financial statements were approved and authorised for issue by the Board of Directors on 26 August 2011.

Differences Between Financial Statements

For the six months ended 30 June 2011

The condensed financial statements which are prepared by the Group in conformity with International Financial Reporting Standards ("IFRS") differ in certain respects from China Accounting Standards for Business Enterprises ("PRC GAAP"). Major differences between IFRS and PRC GAAP ("GAAP Differences"), which affect the net assets and net profit of the Group, are summarised as follows:

	Note	Net assets At 30 June 2011 RMB'000 (unaudited)	 At 31 December 2010 RMB'000 (audited)
Net assets attributable to owners of the Company under IFRS		**38,404,720**	30,850,071
Impact of IFRS 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)	**(118,394)**	(132,530)
Difference in accounting treatment on mining funds	(c)	**(145,162)**	(82,095)
Applicable deferred tax impact of the above GAAP Differences		**23,466**	(3,641)
Non-controlling interests' impact of the above GAAP Differences after tax		**(31,751)**	(1,015)
Net assets attributable to owners of the Company under PRC GAAP		**38,239,345**	30,737,256

	Note	Net profit Six months ended 30 June 2011 RMB'000 (unaudited)	2010 RMB'000 (unaudited)
Profit for the period attributable to owners of the Company under IFRS		**931,658**	911,878
Impact of IFRS adjustments:			
Difference in accounting treatment on monetary housing benefits	(b)	**14,136**	15,151
Difference in accounting treatment on mining funds	(c)	**(106,025)**	(101,195)
Applicable deferred tax impact of the above GAAP Differences		**27,107**	7,323
Non-controlling interests' impact of the above GAAP Differences after tax		**(12,744)**	(3,411)
Net profit for the period attributable to owners of the Company under PRC GAAP		**854,132**	829,746

Differences Between Financial Statements

For the six months ended 30 June 2011

Note:

(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 remaining average service lives of relevant employees.

(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 the profit or loss 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.