新天綠色能源股份有限公司
China Suntien Green Energy Corporation Limited *

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

Stock Code：00956

Interim Report 2013

Green Energy

Make the World Better

*For identification purpose only

Interim Results

Any discrepancies that arise from the aggregate amounts indicated in any forms or texts herein are due to rounding.

Interim Results

The Board of China Suntien Green Energy Corporation Limited hereby presents the unaudited interim financial results of the Group for the six months ended 30 June 2013 prepared in accordance with the International Financial Reporting Standards. The Audit Committee of the Board has also reviewed the 2013 interim results of the Group and relevant financial information.

For the six months ended 30 June 2013, the Group recorded a consolidated operating revenue of RMB2.206 billion, up 19.7% over the corresponding period of 2012; profit before tax of approximately RMB555 million; net profit attributable to the owners of the Company of RMB330 million and earnings per share of approximately RMB0.10. As at 30 June 2013, net assets per share of the Company (excluding the interests held by non-controlling interest holders) amounted to RMB1.8.

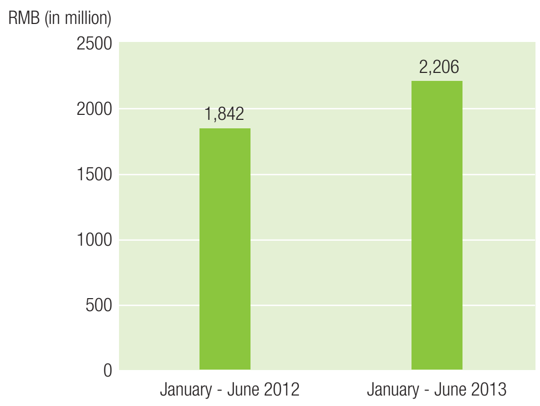
Financial Highlights and Major Operation Data

	For the six-month period ended 30 June	
	2013	2012
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Revenue	**2,206,634**	1,842,473
Profit before tax	**555,331**	525,879
Income tax	**83,704**	36,018
Profit for the period	**471,627**	489,861
Attributable to:		
Owners of the Company	**329,685**	360,581
Non-controlling interest holders	**141,942**	129,280
Total comprehensive income for the period	**471,627**	489,861
Basic and diluted earnings per share (RMB cent)	**10.18**	11.13

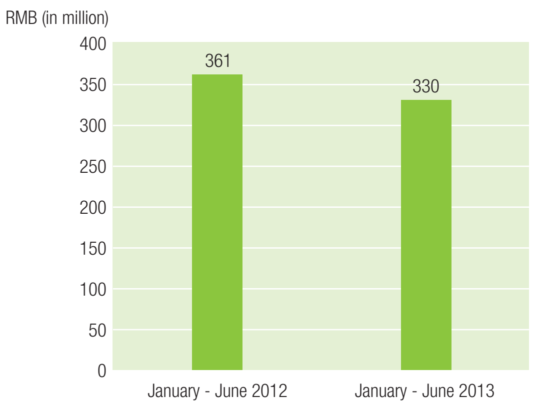
Financial Highlights and Major Operation Data

Major Operation Data

Consolidated Revenue

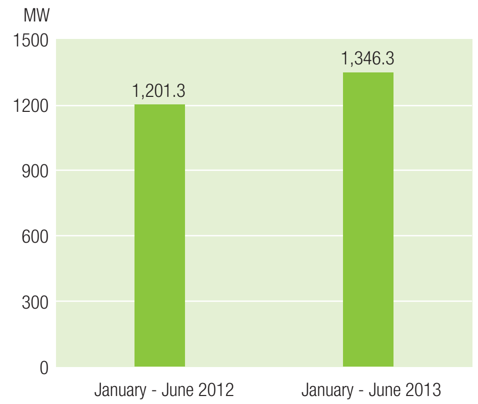


Net Profits Attributable to Owners of the Company

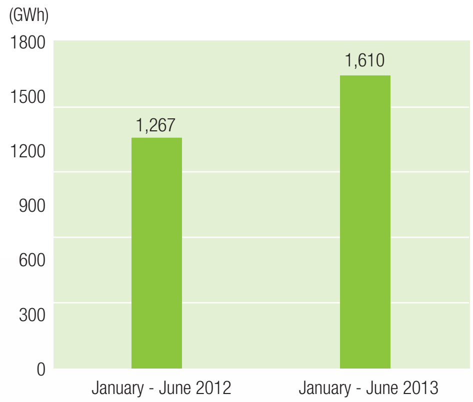


Natural Gas Sales Volume

Wind Power Consolidated Installed Capacity



Consolidated Gross Power Generation



Management Discussion and Analysis

During the first half of 2013, the national apparent consumption rate of natural gas increased by 13.1% to 81.5 billion m^3, total electricity consumption increased by 5.1% compared with the same period of last year to 2.5 trillion kWh, power generation capacity of power plants at national scale increased by 4.4% compared with the same period of last year to 2.43 trillion kWh, of which wind power generation capacity increased rapidly by 39.3% compared with the same period of last year. Both natural gas and wind power industries maintained a stable growth.

During the first half of 2013, Northern China continued to suffer from heavy fog and haze and environmental pollution problems raised concern from the whole nation. The State Council put forward ten measures for the prevention of air pollution in June, calling for the increase in supply of clean energy such as natural gas and strongly promoted the production of renewable energy such as wind power. Hebei Province, the most serious air-polluted region, announced the "Implementation Plan for Air Pollution Prevention Operation of Hebei Province", with an aim to reduce coal consumption by 40 million tons in five years through the promotion of clean energy and sustainable development. The National Energy Administration issued the "Notice in relation to related works of Wind Power Network Connection and Absorption of 2013" in early 2013, which required the collaborate development of grid construction and wind power development scale and promoted the healthy development of wind power. In May 2013, the National Energy Administration announced the first batch of energy projects including gas pipeline wind power projects of which the administrative examination and approval authority would be delegated to regional level to encourage the effective operation of energy industries such as gas and wind power.

(1) NATURAL GAS BUSINESS

BUSINESS REVIEW

1. Steady growth in sales volume of natural gas

During the first half of 2013, the Group sold 726 million cubic meters of natural gas, representing an increase of 14.3% over the corresponding period last year. In particular, the volume of natural gas sold to wholesale customers by long-distance transmission pipeline, branch pipeline, city gas pipeline networks and natural gas distribution stations was approximately 385 million cubic meters, representing an increase of 5.5% over the corresponding period last year. The piped natural gas sold to retail customers was approximately 311 million cubic meters, representing an increase of 29.6% over the corresponding period last year. The CNG sold by CNG primary filling stations was 30 million cubic meters, which remained at the same level as last year.

2. Further expansion of city natural gas market

During the Period, the Group enhanced the development of city natural gas market with high profit margins. Except exploring for new customers, the gas consumption volume of existing customers has also shown signs of recovery and gas consumption volume increased. The proportion of retail business increased by 5% compared with the same period of last year. As at 30 June 2013, the Group owned city pipeline network with total length of 410 km, city natural gas business was expanded to 19 regional markets including the newly added market of Baoding.

3. Smooth progress in the development of pipeline network projects

In the first half of 2013, the Group's natural gas infrastructure management progressed smoothly. In particular, 75% construction work of the phase I pipeline network for ten counties in Central Hebei Province had been completed; construction work of the phase I pipeline network of Chengde natural gas utilization project was basically completed, planning of two gas refilling stations was also completed and is undergoing project approval formalities; the main structures welding of Huancheng sub-high pressure pipeline in Shahe had been completed.

4. Substantial progress achieved in natural gas resource co-operation projects

In the first half of 2013, the Shanxi coalbed methane introduction project of the Group progressed smoothly, of which construction design and tender preparation were completed and is currently applying for the relevant formalities before construction, and a project company is expected to be established by the second half of the year; 81% of the phase I construction of Tangshan LNG project was completed and construction progressed as planned, it is expected precooling will be completed by the end of 2013 with gasification capacity of 24 million m^3 per day to begin transmission of natural gas.

5. Active response to natural gas sales price adjustment

National Development and Reform Commission issued a notice on 28 June 2013 to adjust non-residential natural gas prices. Pursuant to the notice, the highest retail price of stock gas and incremental gas in Hebei Province are RMB2.24 per m^3 and RMB3.12 per m^3 respectively. The Hebei Provincial Price Control Bureau issued the Notice of "Forwarding the Notice of National Development and Reform Commission on the Adjustment of Gas Prices" on 19 July 2013 and confirmed that the Group could charge an additional transmission fee of RMB0.25 based on the retail price; for the wholesale business, the highest retail price of industrial used stock gas is RMB2.49 per m^3, and the highest retail price of incremental gas is RMB3.37 per m^3. Based on the abovementioned notice and price adjustment plan of upstream gas suppliers, the Group formulated the price adjustment plan of the Group and implemented price adjustment. The adjustment of natural gas price clarified the relationship between energy prices and could enhance enthusiasm of upstream gas suppliers to effectively ease the situation of limited gas supply. The Group will negotiate with pricing authorities and gas using units of each market areas to determine the gas sales prices.

MAJOR FINANCIAL INDICATORS OF NATURAL GAS BUSINESS

1. Revenue

During the Period, the Group achieved natural gas sales revenue of RMB1.468 billion, representing an increase of 15.5% over the corresponding period last year. This was mainly due to the increase in natural gas sales volume during the Period. In particular, wholesale piped natural gas business achieved sales revenue of RMB684 million, representing 46.6% of the Group's sales revenue from natural gas; retail business, such as city natural gas, recorded sales revenue of RMB687 million, representing 46.8% of the Group's sales revenue from natural gas. CNG business recorded sales revenue of RMB66 million, representing 4.5% of the Group's sales revenue from natural gas. Other income was RMB31 million, representing 2.1% of the Group's sales revenue from natural gas.

2. Operating cost

During the Period, the operating cost (including cost of sales, selling and distribution cost, administrative expenses and other expenses) of the Group's natural gas business was RMB1.191 billion, representing an increase of 14.9% from RMB1.036 billion over the corresponding period last year. This was mainly due to the increase in natural gas sales volume resulting in the increase in operating cost during the Period.

3. Operating profit

During the Period, the operating profit of the natural gas business of the Group was approximately RMB278 million, representing an increase of 17.5% from RMB237 million over the corresponding period last year. The increase was mainly due to the increase in gas sales volume. Gross profit margin was 21.9%, representing an increase of 0.7 percentage point from 21.2% over the corresponding period last year, mainly due to larger proportion of retail business with higher gross profit in the natural gas sales structure.

(2) WIND POWER BUSINESS

BUSINESS REVIEW

1. Sustaining growth in power generation

In the first half of 2013, the average utilization hours of the wind farms of the Group was 1,312 hours, representing an increase of 56 hours or 4.5% over the corresponding period last year due to the enhanced operation and maintenance management; the average availability factor of wind farms reached 97.78%, representing an increase of 0.05 percentage point over the corresponding period last year.

In the first half of 2013, the consolidated installed capacity of the wind farms of the Group was 1,346.3MW and total consolidated power generation volume of the Group was 1.610 billion kWh, representing an increase of 27.07% over the corresponding period last year.

Besides, the Group continuously enhanced its production safety management, enhanced the remediation efforts of hazards and defects and optimized the operation of equipment and maintenance management to achieve sound and safe production.

Management Discussion and Analysis

2. **Further improvement of construction quality**

The Group, by incessantly adhering to its philosophy of refinement and strengthening management and control of construction, enhanced its quality management to attain the goal of "quality works, exquisite works". Construction quality was significantly enhanced due to the emphasis on the management of quality, safety, time and cost of construction project. During the Period, the 49.3MW project of Chongli Jiaocheshan Wind Farm of the Group won the award of the 2013 National Premium Electricity Construction Project.

As at 30 June 2013, there were five wind power projects under construction with capacity under construction of 350MW and seven wind power projects under planning with capacity under planning of 748MW.

3. **Continued expansion of project reserves**

During the Period, the Group continued to increase investment in the development of wind farm projects. A portfolio of wind farm projects of 1,040.5MW had been selected in the third batch of wind power projects approval scheme of the "Twelve Five-Year National Plan". As at 30 June 2013, the reserved capacity of the preliminary approved and approved wind farm project of the Company amounted to 2,897.9MW.

In addition, the Group had four new onshore Preliminary Approved Projects with a total capacity of 196.5MW and additional wind resource reserves of 300MW. The wind resource reserves of the Group reached 20,049MW.

4. **New progress in offshore wind farm**

During the Period, the preliminary work of the Group's offshore wind power project achieved further progress. The 300MW offshore wind farm demonstration project at Puti Island, Laoting, Tangshan passed the investigation in relation to seas usage argumentation and marine environmental impact evaluation argumentation by the State Oceanic Administration in May 2013 and laid a solid foundation for obtaining approval for the project.

MAJOR FINANCIAL INDICATORS OF THE WIND POWER BUSINESS

1. **Revenue**

During the Period, the Group realized wind power sales revenue of RMB737 million, representing an increase of 29.0% from the same period last year. The increase was mainly due to the increase in installed capacity of wind farms and the increase in the average utilization hours resulting in the increase in net power delivered to grid during the Period.

2. **Operating cost**

During the Period, the operating cost (including cost of sales, selling and distribution cost, administrative expenses and other expenses) of the Group's wind power business was RMB288 million, representing an increase of 16.90% from the same period last year. This was mainly due to the increase of wind farm operating capacity resulting in depreciation and the corresponding increase of operating cost.

3. Operating profit

During the Period, the operating profit of the wind power business was RMB454 million, representing an increase of 14.4% from the same period last year. The increase was mainly due to the increase in net power delivered to grid and decrease in CDM revenue. The gross profit margin of the wind power business was 65.2%, representing an increase of 1.9 percentage points from the same period last year. This was mainly due to the increase in the utilization hours, which then led to a decrease in unit fixed costs.

(3) OTHER RENEWABLE ENERGY BUSINESS

The Group has long been concerned about the development of other renewable energy technologies and actively facilitated the building of solar model projects so as to gain experience for industrialization in the future. During the Period, the Group operated the 1MW solar power project in Baoding Laiyuan Zhoucun of Hebei Province. The 10MW solar power project in Laiyuan Jinjiajing, Hebei and the 20MW solar power project in Xinjiang Hejing entered into the preparatory phase of construction. There is one 31MW solar power which has obtained preliminary approval.

(4) ANALYSIS OF CONSOLIDATED OPERATING RESULTS

Overview

During the Period, the Group recorded net profit RMB472 million, representing a decrease of 3.7% over the corresponding period last year; net profit attributable to shareholders of the Company was RMB330 million, representing a decrease of 8.6% over the corresponding period last year.

Revenue

During the Period, the Group recorded consolidated revenue of RMB2.206 billion, representing an increase of 19.7% over the corresponding period last year, among which:

1. natural gas business recorded sales income of RMB1.468 billion, representing an increase of 15.5% over the corresponding period last year. This was mainly attributable to the increase in natural gas sales volume during the year.

Management Discussion and Analysis

2. wind power business achieved sales income of RMB737 million, representing an increase of 29.0% over the corresponding period last year. This was mainly due to the combined effect of the increase in the operating capacity of our wind farms and the power generation hours resulting in the increase in volume of net power delivered to grid.

	Six-month period ended 30 June		
	2013 (RMB'000) (Unaudited)	2012 (RMB'000) (Unaudited)	Percentage change (%)
Natural gas	**1,468,493**	1,271,077	15.5
Wind power	**737,141**	571,396	29.0
Total	**2,205,634**	1,842,473	19.7

Other income and net gains

During the Period, the Group recorded other income and net gains of RMB12 million, representing a decrease of 84.7% over the corresponding period last year. This was mainly due to a decrease in revenue from CDM under the wind power business compared with the same period last year. As certain sales contracts of the wind power CDM project signed in the past expired by the end of 2012. There were 19 wind power projects and realized CDM revenue of approximately RMB68 million, while there were only seven CDM projects that had renewed the sales contract by the end of the Period as market prices decreased significantly, together with the effect of significant decrease of international market prices, resulting in realized CDM revenue decreased significantly compared with the same period of last year and amounted to approximately RMB2 million only during the Period.

Operating costs

During the Period, the Group's operating cost, including cost of sales, selling and distribution cost, administrative expenses and other expenses aggregated to RMB1.499 billion, representing an increase of 15.5% over the corresponding period last year. This was mainly due to the increase in wind power operating capacity and increase in the volume of natural gas purchased. Among others:

1) cost of sales was RMB1.404 billion, representing an increase of 16.0% over the corresponding period last year. This was mainly due to the increase in cost of sales resulting from the increase in wind power operating capacity, and the increase in cost of purchase resulting from the growth in volume of gas sold from natural gas business.

Management Discussion and Analysis

2) administrative expenses was RMB93 million, representing an increase of 16.9% over the corresponding period last year. This was mainly due to the corresponding increase in management costs as a result of the Group's production expansion.

3) other expenses were RMB2 million, representing a decrease of 70.6% over the corresponding period last year. This was mainly due to the decrease in exchange losses.

Finance cost

During the Period, the Group's finance cost was RMB185 million, representing an increase of 19.6% from RMB155 million over the corresponding period last year. This was mainly due to increase in borrowing from wind farm projects switched into commercial operation resulting in the corresponding increase in finance cost.

Share of profit of affiliates

During the Period, the Group's share of profit of our affiliates was RMB22 million, representing a decrease of RMB33 million from RMB55 million over the corresponding period last year. This was mainly due to the significant decrease in CDM revenue of investee wind power companies.

Income tax expense

During the Period, the Group's net income tax expense was RMB84 million, representing an increase of 132.4% from RMB36 million over the corresponding period last year. This was mainly due to the expiration of 2 +3 tax holiday of natural gas companies resulting in applicable tax rate of 25% starting from 1 January 2013 and three wind farms in the wind power segment entered the half income tax period from full exemption period pursuant to the income tax policy in this year.

Net profit

During the Period, the Group recorded a net profit of RMB472 million, representing a decrease of RMB18 million of 3.7% from RMB490 million over the corresponding period last year. This was mainly due to CDM revenue of wind power industry was affected by the international market and decreased significantly compared with the same period of last year, resulting in the corresponding decrease in revenue from wind power projects operated by the Group and investee wind power companies of the Group, which then led to the decrease in net other income and gains and share of profits of associates compared with the same period of last year.

During the Period net profit attributable to owners of the Company was RMB330 million, representing a decrease of 8.6% over the corresponding period last year. Basic earnings per share attributable to owners of the Company were RMB0.10.

Interest-bearing bank and other borrowings

As at 30 June 2013, the Group's long-term and short-term borrowings totaled RMB7.732 billion, representing an increase of RMB607 million as compared with RMB 7.125 billion over the corresponding period last year. Among the total borrowings, short-term borrowings (including current portion of long-term borrowings) amounted to RMB619 million and long-term borrowings amounted to RMB7.113 billion.

Liquidity and capital resources

As at 30 June 2013, the Group's net current assets were RMB770 million. The net cash and cash equivalents increased by RMB343 million as compared with 31 December 2012. The Group had consolidated banking facilities of RMB16.24 billion granted by various domestic banks, of which RMB7.15 billion was utilized.

Net gearing ratio

As at 30 June 2013, the net gearing ratio (net liabilities divided by the sum of net liabilities and equity) of the Group was 53.6%, representing a decrease of 0.4 percentage point from 54.0% as at 31 December 2012.

Foreign exchange risk

Most of the Group's income is in RMB. However, the CDM income of our wind power business is settled in foreign currencies and certain capital raised in foreign currencies in relation to the listing of the Group was not settled. Hence, fluctuations in exchange rate would cause exchange losses or gains in the Group's foreign currency business. The Group will keep track of changes in exchange rates, strictly control the settlement and use of foreign exchange and seriously control foreign exchange risks.

Capital expenditures

During the Period, capital expenditures mainly included construction costs for new wind power projects, natural gas pipelines and additions to property, plant and equipment and prepayment for leased land. Capital resources mainly include self-owned fund, bank borrowings and cash flow from the Group's operating activities. During the Period, the Group's capital expenditures were RMB483 million, representing an decrease of 10.3% from RMB538 million over the corresponding period last year. Segment information of capital expenditures is as follows:

	Six-month period ended 30 June		
	2013 (RMB'000) (Unaudited)	2012 (RMB'000) (Unaudited)	Percentage change (%)
Natural gas	**169,663**	63,441	167.4
Wind power	**312,826**	474,392	(34.1)
Unallocated capital expenditures	**249**	69	260.9
Total	**482,738**	537,902	(10.3)

Material investments

The Group had no material investments during the Period.

Material acquisitions and disposals

The Group had no material acquisitions or disposals during the Period.

Charge on assets of the Group

During the Period, the Group had no charge on its assets.

Contingent liabilities

During the Period, the Group had no contingent liabilities.

(5) WORKING PLAN FOR THE SECOND HALF OF 2013:

1. Formulate a comprehensive and practical natural gas pricing solution to achieve the ideal shift of natural gas prices adjustment to downstream.

2. Establish a healthy market development incentive scheme to further enhance market development efforts, continue to understand the gas usage and gas usage planning of key downstream users, actively coordinate with key customers to understand the operating environment and opportunities to promote the growth in gas sales.

3. Actively push ahead with the development progress of CNG and LNG projects to ensure the completion of CNG primary filling stations in Chengde and Baoding by the end of the year, and strengthen the development of CNG refilling stations to ensure the completion of LNG projects in Shahe.

4. Strengthen the operation management and maintenance of the wind farms, secure a safe and stable operation of wind farm equipment and maintain a relatively high availability factor and average utilization hours.

5. Strengthen the connection between wind power development projects and grid planning, accelerate the approval procedure and construction and ensure the annual goal of the Company will be achieved successfully.

6. Actively push ahead with the implementation of offshore wind farm project in Puti Island, Laoting, Tangshan and strive for obtaining approvals and replies in respect of the project in the second half of 2013, and perform preparatory work well for project commencement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board confirms that the Company has strictly complied with the principles and code provisions, and some of the recommended best practices in the Corporate Governance Code as set out in the Listing Rules from 1 January 2013 to 30 June 2013. The Company has also established a modern and balanced corporate governance structure which comprises a number of independently operated bodies including shareholders meeting, the Board, the board of supervisors and senior management.

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES

(1) APPOINTMENT OR RESIGNATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT AND TOTAL NUMBER OF EMPLOYEES

1. APPOINTMENT OR RESIGNATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

(1) On 27 March 2013, Dr. Li Lian Ping, the chairman of the first session of the Board, resigned as the Chairman of the Board, a non-executive Director, chairman and member of the Nomination Committee and the Strategic and Investment Committee of the Board, and member of the Remuneration and Appraisal Committee due to change in work arrangement. As approved at the thirteenth meeting of the first session of the Board, Dr. Cao Xin was re-designated as the chairman of the first session of the Board and a non-executive Director of the Company with effect from 28 March 2013. His term of office expired upon the expiry of the term of the first session of the Board.

(2) On 28 March 2013, Dr. Cao Xin resigned as the president of the Company and Mr. Gao Qing Yu has been appointed as the president of the Company on the same day.

(3) On 28 March 2013, after obtaining the approval from thirteenth meeting of the first session of the Board, Dr. Cao Xin has been appointed as the chairman and member of the Nomination Committee, a member of the Remuneration and Appraisal Committee and the chairman of the Strategic and Investment Committee of the first session of the Board.

(4) The Company convened the annual general meeting on 6 June 2013. Following the approval by the shareholders of the Company at the annual general meeting and with effect from 6 June 2013, Mr. Zhao Hui Ning, Mr. Xiao Gang and Mr. Ma Guo Qing have been appointed as non-executive Directors of the second session of the Board; Dr. Cao Xin, Mr. Gao Qing Yu, Mr. Wang Hong Jun and Mr. Zhao Hui have been appointed as executive Directors of the second session of the Board; and Mr. Qin Hai Yan, Mr. Ding Jun, Mr. Wang Xiang Jun and Mr. Yue Man Yiu Matthew have been appointed as independent non-executive Directors of the second session of the Board; Mr. Sun Xin Tian, the former executive Director of the Company, ceased to be an executive Director of the Company upon the expiration of his term of office. Mr. Yang Hong Chi and Mr. Liu Jin

Other Information

Hai, the non-employee representative supervisors of the second session of the Board of Supervisors, together with Mr. Qiao Guo Jie, who has been elected as the employee representative supervisor in an employee representatives meeting of the Company, formed the second session of the Board of Supervisors. Mr. Mi Xian Wei, the former non-employee representative supervisor of the Company, ceased to be a supervisor the Company upon the expiration of his term of office. On the same day, after obtaining approval from the first meeting of the second session of the Board of Supervisors, Mr. Yang Hong Chi has been appointed as the chairman of the Board of Supervisors. After obtaining the approval from the first meeting of the second session of the Board, Dr. Cao Xin has been appointed as the chairman of the second session of the Board; Mr. Xiao Gang and Mr. Ma Guo Qing have been appointed as the vice-chairmen; Mr. Gao Qing Yu has been appointed as the president; and Mr. Zhao Hui, Mr. Sun Xin Tian and Mr. Mei Chun Xiao have been appointed as vice presidents of the Company.

2. NUMBER OF EMPLOYEES

As at 30 June 2013, the Company had 1,230 employees in total.

(2) INTERESTS AND SHORT POSITIONS OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2013, none of the Directors, supervisors or senior management of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein, or which were 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 (for this purpose, the relevant provisions of the SFO will be interpreted as if they applied to the supervisors).

(3) COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by all Directors, supervisors and relevant employees of the Company(as defined under the the Corporate Governance Code). After making specific enquiries to all of the Directors and supervisors of the Company, all Directors and supervisors confirmed that during the Period, they had strictly complied with the Model Code for Securities Transactions by Directors of Listed Companies.

The Directors will review the corporate governance and the operation of the Company from time to time in order to comply with the related requirements of the Listing Rules and protect the interests of the shareholders.

THE BOARD

The Board has the responsibility to lead and monitor the Company. Under the leadership of the Chairman, the Board is responsible for approving and monitoring the overall strategies and policies of the Company, executing the resolutions of shareholders' meetings, evaluating the performance of the Company and supervising the work of the management.

During the Period, three Board meetings, one Audit Committee meeting, two Nomination Committee meetings, one Board of Supervisors meeting and an annual general meeting were held by the Company. All the Directors of the Company have attended both the Board meetings and the annual general meeting.

Liability insurance for Directors and senior management officers has been maintained by the Company with coverage for any legal liabilities which may arise in the course of performing their duties.

(1) AUDIT COMMITTEE

During the Period, the Company has established the Audit Committee of the second session of the Board. It consists of three Directors: Mr. Wang Xiang Jun, Mr. Xiao Gang and Mr. Yue Man Yiu Matthew. Mr. Wang Xiang Jun currently serves as the chairman of the Audit Committee.

The Audit Committee reviewed the interim results for the six months ended 30 June 2013 of the Group and considered that the Group was in full compliance with all applicable accounting standards and regulations and adequate disclosures were made.

(2) REMUNERATION AND APPRAISAL COMMITTEE

During the Period, the Company has established the Remuneration and Appraisal Committee of the second session of the Board. It consists of three Directors: Mr. Qin Hai Yan, Dr. Cao Xin and Mr. Ding Jun. Mr. Qin Hai Yan currently serves as the chairman of the Remuneration and Appraisal Committee.

(3) NOMINATION COMMITTEE

During the Period, the Company has established the Nomination Committee of the second session of the Board. It consists of five Directors: Dr. Cao Xin, Mr. Zhao Hui Ning, Mr. Qin Hai Yan, Mr. Ding Jun and Mr. Yue Man Yiu Matthew. Dr. Cao Xin currently serves as the chairman of the Nomination Committee.

(4) STRATEGIC AND INVESTMENT COMMITTEE

During the Period, the Company has established the Strategic and Investment Committee of the second session of the Board. It consists of three Directors: Dr. Cao Xin, Mr. Zhao Hui Ning and Mr. Gao Qing Yu. Dr. Cao Xin currently serves as the chairman of the Strategic and Investment Committee.

INTERNAL CONTROL

The Board has the responsibility to maintain and review the Company's internal control system to protect the Company's assets and shareholders' interests. The Board also reviews the internal control and risk management systems to ensure their effectiveness.

The Company has set up an audit and regulations department, which plays an important role for its internal control system.

During the Period, a professional consulting company was engaged by the Company in co-operation with the audit and regulations department to work on improving and perfecting the Company's risks and internal control system, so as to ensure sound and effective internal

Other Information

control of the important processes. It is expected that such work will be completed within the year.

The Board considers that, during the Period, the existing internal control system has been operating in a healthy and effective manner in the financial, operational, compliance and risk management aspects.

SHARE CAPITAL

As at 30 June 2013, the total number of shares of the Company was 3,238,435,000, comprising of 1,876,156,000 domestic shares and 1,362,279,000 H shares. There has been no change in the share capital of the Company during the Period.

INTERIM DIVIDEND

The Board has not made any recommendation on the distribution of an interim dividend for the six-month ended 30 June 2013.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2013.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 30 June 2013, to the best knowledge of the Directors, the following persons (other than Directors, senior management or supervisors of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of Shareholder	Class of Share	Capacity	Number of Shares Held	Percentage in the Relevant Class of Share Capital	Percentage in the Total Share Capital
HECIC	Domestic shares	Interests of beneficial owner and controlled company	1,876,156,000 (Long position)	100%	57.93%
The PRC National Council for Social Security Fund	H Shares	Beneficial owner	107,690,000 (Long position)	7.91%	3.33%
FMR LLC	H Shares	Investment manager	79,423,300 (Long position)	5.83%	2.45%
HSBC Global Asset Management (Hong Kong) Limited	H Shares	Investment manager	68,186,000 (Long position)	5.00%	2.11%

CONTACT PERSON FOR THE EXTERNAL JOINT COMPANY SECRETARY

During the Period, the main contact person of the Company for Ms. Lam Yuen Ling, Eva, the external joint company secretary, is Mr. Zhao Hui, the internal joint company secretary. Mr. Zhao Hui has reported to the chairman of the Board in respect of the material matters.

ARTICLES OF ASSOCIATION

During the Period, Article 101 of the Articles of Association of the Company is amended as follows:

The original Article 101 reads: "The Company shall establish a board of directors. The board of directors shall be composed of eleven (11) directors, who shall include one (1) chairman of the board, two (2) vice chairmen of the board and four (4) executive directors, three (3) non-executive directors and four (4) independent non-executive directors. "

Article 101 has been amended as: "The Company shall have a Board of Directors. The Board of Directors shall consist of 11 Directors, of which four shall be independent non-executive directors. The Board of Directors shall have one Chairman and two Vice Chairmen."

COMPLIANCE WITH NON-COMPETITION AGREEMENT

The Company entered into a Non-Competition Agreement with HECIC on 19 September 2010. Pursuant to the Non-competition Agreement, HECIC agreed not to compete with the Group in the relevant businesses and shall procure its subsidiaries (other than the Company, Jointo Energy Investment Co., Ltd. and their respective subsidiaries) not to do so, and granted to the Company the options to acquire any retained business and new business opportunities and pre-emptive rights to acquire the equity interest of HECIC in certain new businesses.

On 5 April 2013, HECIC sent us a letter pursuant to the Non-Competition Agreement to grant the Group an option for the new business opportunity in the provincial cooperation between HECIC and China Petroleum & Chemical Corporation in the Eastern region of Hebei province for the joint investment and cooperation of construction and operation of two long-distance transmission gas pipelines, namely Handan-Hengshui-Bohai New Area pipeline and Qinhuangdao-Fengrun coastal pipeline. After careful analysis and evaluation made at the ninth extraordinary meeting of the first session of the Board, the Directors considered that, such new business could effectively alleviate the risk of single energy source problem, optimize the energy structure of the Hebei province and was in line with our investment strategies. Nevertheless, in respect of project investment, the construction cycle of this project is relatively long and huge sum of investment may be needed at the initial stage. Besides, uncertainties such as project approval, profitability and the estimated time for generating profit may appear and the project may suffer loss for several years after commercial operation. As such, the Company decided to give up this business opportunity for such investment project; however, we will retain the acquisition option according to the Non-Competition Agreement, which means the Company could exercise, once or more than once, the option to acquire this new business from HECIC at any time in compliance with the applicable laws and in the manner that meets the legal requirements and procedures. By that time, the Company will further issue a written notice to HECIC and fulfill the relevant approval and compliance procedures according to the applicable laws and regulations and the Listing Rules.

MATERIAL LITIGATION

As at 30 June 2013, the Group was not involved in any material litigation or arbitration. So far as the Directors are aware, no material litigation or claims are pending or threatened against the Group.

Interim Condensed Consolidated Statement of Comprehensive Income

For the six-month period ended 30 June 2013

	Notes	Six-month period ended 30 June 2013 RMB'000 (Unaudited)	2012 RMB'000 (Unaudited)
REVENUE	4	**2,205,634**	1,842,473
Cost of sales	5	**(1,403,669)**	(1,210,519)
Gross profit		**801,965**	631,954
Other income and gains, net	4	**12,324**	80,799
Selling and distribution costs		**(305)**	(98)
Administrative expenses		**(93,294)**	(79,791)
Other expenses		**(2,191)**	(7,451)
PROFIT FROM OPERATIONS		**718,499**	625,413
Finance costs	6	**(185,355)**	(155,018)
Share of profits of associates		**22,187**	55,484
PROFIT BEFORE TAX	5	**555,331**	525,879
Income tax expense	7	**(83,704)**	(36,018)
PROFIT FOR THE PERIOD		**471,627**	489,861
Other comprehensive income		**–**	–
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**471,627**	489,861
Total comprehensive income for the period attributable to:			
Owners of the Company		**329,685**	360,581
Non-controlling interests		**141,942**	129,280
		471,627	489,861
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY:			
Basic (RMB)	9	**10.18 cents**	11.13 cents
Diluted (RMB)	9	**10.18 cents**	11.13 cents

Interim Condensed Consolidated Statement of Financial Position

30 June 2013

	Notes	30 June 2013 RMB'000 (Unaudited)	31 December 2012 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	**8,943,702**	8,602,374
Prepaid land lease payments		**175,087**	148,071
Goodwill		**9,215**	9,215
Intangible assets		**2,287,780**	2,347,909
Investments in associates		**437,727**	412,260
Held-to-maturity investments		**7,500**	7,500
Available-for-sale investments		**253,400**	253,400
Deferred tax assets		**200**	200
Prepayments and other receivables	11	**1,130,557**	1,250,375
Total non-current assets		**13,245,168**	13,031,304
CURRENT ASSETS			
Prepaid land lease payments		**5,089**	4,636
Inventories		**27,452**	29,959
Trade and bills receivables	12	**824,742**	842,796
Prepayments, deposits and other receivables	11	**368,318**	393,092
Available-for-sale investments		**392,000**	203,000
Pledged deposits	13	**64**	64
Cash and cash equivalents	13	**1,100,561**	757,760
Total current assets		**2,718,226**	2,231,307
CURRENT LIABILITIES			
Trade payables	14	**196,556**	197,248
Other payables and accruals	15	**1,125,574**	913,240
Interest-bearing bank and other borrowings	16	**618,572**	971,347
Tax payable		**7,550**	14,453
Total current liabilities		**1,948,252**	2,096,288
NET CURRENT ASSETS		**769,974**	135,019
TOTAL ASSETS LESS CURRENT LIABILITIES		**14,015,142**	13,166,323
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	16	**7,113,209**	6,528,624
Other payables and accruals	15	**4,712**	15,011
Total non-current liabilities		**7,117,921**	6,543,635
Net assets		**6,897,221**	6,622,688
EQUITY			
Equity attributable to owners of the Company			
Issued share capital		**3,238,435**	3,238,435
Reserves		**2,594,138**	2,264,453
Proposed dividends	8	**–**	64,769
		5,832,573	5,567,657
Non-controlling interests		**1,064,648**	1,055,031
Total equity		**6,897,221**	6,622,688

Interim Condensed Consolidated Statement of Changes in Equity

For the six-month period ended 30 June 2013

	Attributable to owners of the Company							
	Issued share capital RMB'000	Capital reserve RMB'000	Reserve funds RMB'000	Retained profits RMB'000	Proposed dividends RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
As at 1 January 2013 (audited)	**3,238,435**	**1,378,106***	**61,778***	**824,569***	**64,769**	**5,567,657**	**1,055,031**	**6,622,688**
Total comprehensive income for the period (unaudited)	**–**	**–**	**–**	**329,685**	**–**	**329,685**	**141,942**	**471,627**
Final 2012 dividend declared (note 8) (unaudited)	**–**	**–**	**–**	**–**	**(64,769)**	**(64,769)**	**–**	**(64,769)**
Dividends declared to non-controlling shareholders (unaudited)	**–**	**–**	**–**	**–**	**–**	**–**	**(148,225)**	**(148,225)**
Cash contributions by non-controlling shareholders (unaudited)	**–**	**–**	**–**	**–**	**–**	**–**	**15,900**	**15,900**
As at 30 June 2013 (unaudited)	**3,238,435**	**1,378,106***	**61,778***	**1,154,254***	**–**	**5,832,573**	**1,064,648**	**6,897,221**
As at 1 January 2012 (audited)	3,238,435	1,378,106	40,413	361,002	187,829	5,205,785	889,190	6,094,975
Total comprehensive income for the period (unaudited)	–	–	–	360,581	–	360,581	129,280	489,861
Final 2011 dividend declared (note 8) (unaudited)	–	–	–	–	(187,829)	(187,829)	–	(187,829)
Dividends declared to non-controlling shareholders (unaudited)	–	–	–	–	–	–	(135,864)	(135,864)
Cash contributions by non-controlling shareholders (unaudited)	–	–	–	–	–	–	6,900	6,900
As at 30 June 2012 (unaudited)	3,238,435	1,378,106	40,413	721,583	–	5,378,537	889,506	6,268,043

* These reserve accounts comprise the consolidated reserves of RMB2,594,138,000 (31 December 2012: RMB2,264,453,000) in the interim condensed consolidated statement of financial position as at 30 June 2013.

Interim Condensed Consolidated Statement of Cash Flows

For the six-month period ended 30 June 2013

	Six-month period ended 30 June	
	2013	2012
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
NET CASH FLOWS FROM OPERATING ACTIVITIES	**942,301**	544,706
NET CASH FLOWS USED IN INVESTING ACTIVITIES	**(519,449)**	(112,049)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	**63,449**	(105,455)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**486,301**	327,202
Cash and cash equivalents at beginning of period	**614,496**	719,502
Effect of exchange rate changes on cash and cash equivalents	**(236)**	(783)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**1,100,561**	1,045,921

Notes to the Interim Condensed Consolidated Financial Statements

30 June 2013

1. CORPORATE INFORMATION

China Suntien Green Energy Corporation Limited (the "Company") was established as a joint stock company with limited liability on 9 February 2010 in the People's Republic of China (the "PRC" or Mainland China) as part of the reorganisation (the "Reorganisation") of Hebei Construction & Investment Group Co., Ltd. (河北建投投資集團有限責任公司, "HECIC", a state-owned enterprise in the PRC) in preparation for the listing of the shares of the Company on the main board of the Stock Exchange of Hong Kong Ltd. (the "Listing"). HECIC was the holding company of the subsidiaries now comprising the Group prior to the Reorganisation.

The Company's H shares were issued and listed on the main board of the Stock Exchange of Hong Kong Ltd. (the "Hong Kong Stock Exchange") in the last quarter of 2010.

The registered office of the Company is located at 9th Floor Block A, Yuyuan Plaza, No. 9 Yuhua West Road, Shijiazhuang, Hebei Province, the PRC.

The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are principally engaged in the investment, development, management and operation of wind power generation, sale of natural gas and gas appliances, and connection and construction of natural gas pipelines.

In the opinion of the directors of the Company (the "Directors"), HECIC is the ultimate holding company of the Company.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial statements for the six-month period ended 30 June 2013 have been prepared in accordance with International Accounting Standard ("IASs") 34 *Interim Financial Reporting* and the disclosure requirements of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange ("Listing Rules").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2012.

The interim condensed consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand, except when otherwise indicated.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 Impact of amended International Financial Reporting Standards

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2012, except for the adoption of the new and revised International Financial Reporting Standards ("IFRSs") as of 1 January 2013, noted below:

IAS 1 *Presentation of Items of Other Comprehensive Income* – Amendments to IAS 1

The amendments to IAS 1 introduce a grouping of items presented in other comprehensive income ("OCI"). Items that could be reclassified (or recycled) to profit or loss at a future point in time (e.g., net gain on hedge of net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) now have to be presented separately from items that will never be reclassified (e.g., actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affected presentation only and had no impact on the Group's financial position or performance.

IAS 1 *Clarification of the requirement for comparative information* (Amendment)

The amendment to IAS 1 clarifies the difference between voluntary additional comparative information and the minimum required comparative information. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the minimum required comparative period. The additional voluntarily comparative information does not need to be presented in a complete set of financial statements.

An opening statement of financial position (known as the 'third balance sheet') must be presented when an entity applies an accounting policy retrospectively, makes retrospective restatements, or reclassifies items in its financial statements, provided that any of those changes has a material effect on the statement of financial position at the beginning of the preceding period. The amendment clarifies that a third balance sheet does not have to be accompanied by comparative information in the related notes. Under IAS 34, the minimum items required for interim condensed financial statements do not include a third balance sheet.

IAS 32 *Tax effects of distributions to holders of equity instruments* (Amendment)

The amendment to IAS 32 *Financial Instruments: Presentation* clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with IAS 12 *Income Taxes*. The amendment removes existing income tax requirements from IAS 32 and requires entities to apply the requirements in IAS 12 to any income tax arising from distributions to equity holders. The amendment did not have an impact on the interim condensed consolidated financial statements for the Group, as there is no tax consequences attached to cash or non-cash distribution.

Notes to the Interim Condensed Consolidated Financial Statements

30 June 2013

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 Impact of amended International Financial Reporting Standards (continued)

IAS 34 *Interim financial reporting and segment information for total assets and liabilities* (Amendment)

The amendment clarifies the requirements in IAS 34 relating to segment information for total assets and liabilities for each reportable segment to enhance consistency with the requirements in IFRS 8 *Operating Segments*. Total assets and liabilities for a reportable segment need to be disclosed only when the amounts are regularly provided to the chief operating decision maker. The amendment does not have an impact on the Group.

IAS 19 *Employee Benefits* (Revised 2011) (IAS 19R)

IAS 19R includes a number of amendments to the accounting for defined benefit plans, including actuarial gains and losses that are now recognised in other comprehensive income ("OCI") and permanently excluded from profit and loss; and expected returns on plan assets that are no longer recognised in profit or loss. Instead, there is a requirement to recognise interest on the net defined benefit liability (asset) in profit or loss, calculated using the discount rate used to measure the defined benefit obligation, and; unvested past service costs are now recognised in profit or loss at the earlier of occurrence of the amendment and the recognition of the related restructuring or termination costs. Other amendments include new disclosures, such as, quantitative sensitivity disclosures. The transition to IAS 19R had no impact on the Group.

IFRS 7 *Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities* – Amendments to IFRS 7

The amendments require an entity to disclose information about rights to set-off financial instruments and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether the financial instruments are set off in accordance with IAS 32. As the Group is not setting off financial instruments in accordance with IAS 32 and does not have relevant offsetting arrangements, the amendments do not have an impact on the Group.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 Impact of amended International Financial Reporting Standards (continued)

IFRS 10 *Consolidated Financial Statements* and IAS 27 *Separate Financial Statements*

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. IFRS 10 replaces the parts of previously existing IAS 27 *Consolidated and Separate Financial Statements* that dealt with consolidated financial statements and SIC-12 *Consolidation – Special Purpose Entities*. IFRS 10 changes the definition of control such that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. To meet the definition of control in IFRS 10, all three criteria must be met, including: (a) an investor has power over an investee; (b) the investor has exposure, or rights, to variable returns from its involvement with the investee; and (c) the investor has the ability to use its power over the investee to affect the amount of the investor's returns. IFRS 10 had no impact on the consolidation of investments held by the Group.

IFRS 11 *Joint Arrangements* and IAS 28 *Investment in Associates and Joint Ventures*

IFRS 11 replaces IAS 31 *Interests in Joint Ventures* and SIC-13 *Jointly-controlled Entities — Non-monetary Contributions by Venturers*. IFRS 11 removes the option to account for jointly controlled entities ("JCEs") using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture under IFRS 11 must be accounted for using the equity method. The application of this new standard had no impact on the Group.

IFRS 12 *Disclosure of Interests in Other Entities*

IFRS 12 sets out the requirements for disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. None of these disclosure requirements is applicable for interim condensed consolidated financial statements, unless significant events and transactions in the interim period require that they are provided. Accordingly, the Group has not made such disclosures.

IFRS 13 *Fair Value Measurement*

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. IFRS 13 also requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including IFRS 7 *Financial Instruments: Disclosures*. The application of IFRS 13 has not materially impacted the fair value measurements carried out by the Group.

In addition to the above-mentioned amendments and new standards, IFRS 1 *First-time Adoption of International Financial Reporting Standards* was amended with effect for reporting periods starting on or after 1 January 2013. The Group is not a first-time adopter of IFRS, therefore, this amendment is not relevant to the Group. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Notes to the Interim Condensed Consolidated Financial Statements

30 June 2013

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.3 Issued but not yet effective International Financial Reporting Standards

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these interim condensed consolidated financial statements.

IFRS 9	*Financial Instruments* [2]
IFRS 10, IFRS 12 and IAS 27 (Revised) Amendments	Amendments to IFRS 10, IFRS 12 and IAS 27 (Revised) – *Investment Entities* [1]
IAS 32 Amendments	Amendments to IAS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities* [1]
IAS 36 Amendments	Amendments to IAS 36 *Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets* [1]
IAS 39 Amendments	Amendments to IAS 39 *Novation of Derivatives and Continuation of Hedge Accounting*
IFRIC 21	*Levies* [1]

1 Effective for annual periods beginning on or after 1 January 2014
2 Effective for annual periods beginning on or after 1 January 2015

The Group is in the process of making an assessment of the impact of these new and revised IFRSs upon initial application. So far, the Group considers that these new and revised IFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

(a) Natural gas – this segment engages in the sale of natural gas and gas appliances and the provision of construction and connection services of natural gas pipelines.

(b) Wind power – this segment develops, manages and operates wind power plants and generates electric power for sale to external power grid companies.

Management monitors the operating results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss after tax. The adjusted profit or loss after tax is measured consistently with the Group's profit or loss after tax except that interest income and head office and corporate expenses are excluded from measurement.

Segment assets exclude the unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude the unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

3. OPERATING SEGMENT INFORMATION (continued)

The following tables present revenue, profit and certain asset, liability and expenditure information for the Group's operating segments for the six-month periods ended 30 June 2013 and 2012.

Six-month period ended 30 June 2013

	Natural gas RMB'000 (Unaudited)	Wind power RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue:			
Sales to external customers	1,468,493	737,141	2,205,634
Intersegment sales	–	–	–
Total revenue	1,468,493	737,141	2,205,634
Segment results	278,256	475,157	753,413
Interest income	157	779	936
Finance costs	(19,617)	(165,562)	(185,179)
Income tax expense	(67,676)	(16,028)	(83,704)
Profit for the period of segments	191,120	294,346	485,466
Unallocated interest income			3,613
Unallocated finance costs			(176)
Corporate and other unallocated expenses			(17,276)
Profit for the period			471,627
Segment assets	2,477,427	12,366,904	14,844,331
Corporate and other unallocated assets			1,119,063
Total assets			15,963,394
Segment liabilities	1,386,110	7,543,884	8,929,994
Corporate and other unallocated liabilities			136,179
Total liabilities			9,066,173
Other segment information:			
Segment depreciation and amortisation	(35,056)	(236,398)	(271,454)
Unallocated depreciation and amortisation			(431)
			(271,885)
Share of profits of associates	–	22,187	22,187
Investments in associates	3,280	434,447	437,727
Segment capital expenditure *	169,663	312,826	482,489
Unallocated capital expenditure *			249
Total capital expenditure *			482,738

3. OPERATING SEGMENT INFORMATION (continued)

Six-month period ended 30 June 2012

	Natural gas RMB'000 (Unaudited)	Wind power RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue:			
Sales to external customers	1,271,077	571,396	1,842,473
Intersegment sales	–	–	–
Total revenue	1,271,077	571,396	1,842,473
Segment results	235,520	450,187	685,707
Interest income	1,332	2,041	3,373
Finance costs	(17,285)	(137,426)	(154,711)
Income tax expense	(29,292)	(6,726)	(36,018)
Profit for the period of segments	190,275	308,076	498,351
Unallocated interest income			1,175
Unallocated finance costs			(307)
Corporate and other unallocated expenses			(9,358)
Profit for the period			489,861
Other segment information:			
Segment depreciation and amortisation	(29,193)	(198,312)	(227,505)
Unallocated depreciation and amortisation			(338)
			(227,843)
Share of profits of associates	–	55,484	55,484
Investments in associates	–	438,655	438,655
Segment capital expenditure *	63,441	474,392	537,833
Unallocated capital expenditure *			69
Total capital expenditure *			537,902

* Capital expenditure mainly consists of additions to items of property, plant and equipment, prepaid land lease payments, intangible assets and the non-current prepayment on acquisition of items of property, plant and equipment.

Geographical information

No further geographical information is presented as the Group's revenue is derived from customers based in Mainland China, and the Group's assets are located in Mainland China.

4. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents: (1) the net invoiced value of natural gas and electricity sold, net of value-added tax and government surcharges; and (2) the value of services rendered.

An analysis of the Group's revenue, other income and gains is as follows:

	Six-month period ended 30 June	
	2013	2012
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue		
Sales of natural gas	**1,437,805**	1,243,814
Sales of electricity	**737,078**	571,352
Construction and connection of natural gas pipelines	**6,615**	5,614
Natural gas transportation service and other natural gas services	**24,073**	21,649
Wind power services	**63**	44
	2,205,634	1,842,473
Other income and gains, net		
Government grants:		
– CERs income, net	**1,509**	68,062
– Value-added tax refunds	**464**	–
Bank interest income	**4,549**	4,548
Others	**5,802**	8,189
	12,324	80,799

Notes to the Interim Condensed Consolidated Financial Statements

30 June 2013

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Six-month period ended 30 June	
	2013	2012
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of goods sold	**1,400,763**	1,208,922
Cost of services rendered	**2,906**	1,597
Total cost of sales	**1,403,669**	1,210,519
Depreciation of items of property, plant and equipment	**209,146**	164,425
Amortisation of prepaid land lease payments	**2,495**	1,620
Amortisation of intangible assets	**60,244**	61,798
Total depreciation and amortisation	**271,885**	227,843
Minimum lease payments under operating leases of land and buildings	**3,100**	3,014
Employee benefit expenses (including directors' and supervisors' remuneration):		
Wages, salaries and allowances	**50,447**	40,440
Pension scheme contributions		
(defined contribution scheme)	**4,574**	3,728
Welfare and other expenses	**19,740**	12,443
Gain from held-to-maturity investments	**(391)**	(545)
Gain from available-for-sale investments	**(3,846)**	(6,181)
Loss on disposal of items of property, plant and equipment, net	**31**	209
Foreign exchange losses, net	**2,159**	7,242

6. FINANCE COSTS

	Six-month period ended 30 June	
	2013	2012
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest expense on bank loans and other borrowings	**224,939**	209,781
Less: Interest capitalised to property, plant and equipment	**(39,584)**	(54,763)
	185,355	155,018

7. INCOME TAX EXPENSE

A subsidiary of the Company is an equity joint venture in which a foreign investor owns a 45% shareholding interest. It is identified as a manufacturing enterprise with an operating period of 10 years or more which is entitled to a tax holiday of a two-year full exemption followed by a three-year 50% exemption commencing from its first profit-making year after offsetting accumulated tax losses, if any. However, pursuant to *Notice of the State Council on the Implementation of the Transitional Preferential Tax Polices* (國務院關於實施企業所得稅過渡優惠政策的通知) (Guofa [2007] No. 39), the subsidiary has started enjoying the tax holiday from the year 2008 due to the income tax reform.

In addition, pursuant to Caishui [2008] No. 46 *Notice on the Execution of the Catalogue of Public Infrastructure Projects Entitled for Preferential Tax Treatment* ("Circular 46") (財政部、國家稅務總局關於執行公共基礎設施項目企業所得稅優惠目錄有關問題的通知), certain subsidiaries of the Company, which were set up after 1 January 2008 and are engaged in public infrastructure projects, are each entitled to a tax holiday of a three-year full exemption followed by a three-year 50% exemption commencing from their respective first year generating operating income ("3+3 tax holiday"). As at 30 June 2013, these entities were in the process of the preparation and submission of the required documents to the respective tax authorities to qualify for the 3+3 tax holidays.

Pursuant to Caishui [2012] No. 10 *Notice on Preferential Tax Treatment for Projects relating to Public Infrastructure, Environment Protection, and Water and Energy Conservation* (財政部、國家稅務總局關於公共基礎設施項目和環境保護、節能節水項目企業所得稅優惠政策問題的通知) issued on 5 January 2012, certain subsidiaries of the Company, which were established before 1 January 2008 and are engaging in public infrastructure projects, are entitled to the 3+3 tax holiday commencing 1 January 2008. These entities obtained the approval from the respective tax authorities in 2012 to deduct from their future income tax liabilities by income tax paid during 2008 to 2011.

Under the relevant PRC Corporate Income Tax Law and respective regulations, except for certain preferential treatment available to certain subsidiaries of the Company as mentioned above, the entities within the Group were subject to corporate income tax at a rate of 25% during the six-month periods ended 30 June 2013 and 2012.

No Hong Kong profits tax has been provided because the Group did not generate any assessable profits in Hong Kong for the six-month periods ended 30 June 2013 and 2012.

	Six-month period ended 30 June	
	2013	2012
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current income tax – Mainland China	**83,704**	35,925
Deferred income tax	**–**	93
Tax charge for the period	**83,704**	36,018

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8. DIVIDENDS

The dividends for the six-month periods ended 30 June 2013 and 2012 are set out below:

	Six-month period ended 30 June	
	2013	2012
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Dividends:		
Declared final dividend – RMB2 cents (2011: RMB5.8 cents) per ordinary share	**64,769**	187,829

At the annual general meeting held on 6 June 2013, the Company's shareholders approved the payment of the final dividend for the year ended 31 December 2012 of RMB0.02 per share which amounted to RMB64,769,000 and was settled in full in July 2013.

At the annual general meeting held on 4 June 2012, the Company's shareholders approved the payment of the final dividend for the year ended 31 December 2011 of RMB0.058 per share which amounted to RMB187,829,000 and was settled in full in June 2012.

The Directors did not recommend the payment of an interim dividend for the six-month period ended 30 June 2013.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share is based on the profit attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares in issue during the six-month periods ended 30 June 2013 and 2012.

	Six-month period ended 30 June	
	2013	2012
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Earnings:		
Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation	**329,685**	360,581

	Number of shares	
	Six-month period ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
Shares:		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	**3,238,435,000**	3,238,435,000

The Company did not have any dilutive potential ordinary shares during these periods.

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10. PROPERTY, PLANT AND EQUIPMENT

During the six-month period ended 30 June 2013, the Group acquired property, plant and equipment at an aggregate cost amounting to approximately RMB579,713,000 (six-month period ended 30 June 2012: RMB575,781,000).

During the six-month period ended 30 June 2013, items of property, plant and equipment with an aggregate net carrying value of approximately RMB34,000 (six-month period ended 30 June 2012: RMB460,000) were disposed of which resulted in a net loss on disposal of approximately RMB31,000 (six-month period ended 30 June 2012: RMB209,000) and recorded as other expenses.

11. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 June 2013 RMB'000 (Unaudited)	As at 31 December 2012 RMB'000 (Audited)
Prepayments to suppliers	**640,775**	726,967
Deductible VAT	**697,947**	765,466
CERs receivable	**9,468**	47,609
Deposits and other receivables	**93,192**	96,889
Dividend receivable	**14,203**	14,203
Other prepayments	**52,040**	5,362
	1,507,625	1,656,496
Less: Impairment	**(8,750)**	(13,029)
	1,498,875	1,643,467
Portion classified as non-current assets	**(1,130,557)**	(1,250,375)
Current portion	**368,318**	393,092

The amounts due from related parties included in the prepayments, deposits and other receivables are as follows:

	As at 30 June 2013 RMB'000 (Unaudited)	As at 31 December 2012 RMB'000 (Audited)
A fellow subsidiary	**1,092**	841
Associates	**14,203**	14,203
	15,295	15,044

The above amounts are unsecured, non-interest-bearing and have no fixed terms of repayment.

12. TRADE AND BILLS RECEIVABLES

The majority of the Group's revenues are generated through sales of natural gas and electricity. The credit period offered by the Group to customers of natural gas and electricity generally ranges from one month to two months. The Group seeks to maintain strict control over its outstanding receivables and minimise credit risk. Overdue balances are reviewed regularly by senior management. Trade and bills receivables are non-interest-bearing.

	As at 30 June 2013 RMB'000 (Unaudited)	As at 31 December 2012 RMB'000 (Audited)
Trade receivables	**590,606**	631,519
Bills receivable	**278,240**	251,102
Impairment	**(44,104)**	(39,825)
	824,742	842,796

An aged analysis of trade and bills receivables, based on the invoice date, as at the reporting date is as follows:

	As at 30 June 2013 RMB'000 (Unaudited)	As at 31 December 2012 RMB'000 (Audited)
Within 3 months	**556,539**	615,115
3 to 6 months	**232,704**	84,186
6 months to 1 year	**30,695**	138,701
1 to 2 years	**2,340**	4,047
2 to 3 years	**2,365**	747
More than 3 years	**99**	–
	824,742	842,796

Included in the trade receivables as at 30 June 2013 is a receivable under two service concession arrangements in the amount of RMB50,461,000 (31 December 2012: RMB122,259,000).

12. TRADE AND BILLS RECEIVABLES (continued)

The movements in provision for impairment of trade receivables are as follows:

	Provision for impairment of trade receivables RMB'000
At 1 January 2013 (audited)	**39,825**
Transferred from provision for impairment of other receivables (unaudited)	**4,279**
At 30 June 2013 (unaudited)	**44,104**
At 1 January 2012 (audited)	–
Impairment losses recognised (unaudited)	39,825
At 31 December 2012 (audited)	39,825

Included in the above provision for impairment of trade receivables is a provision for individually impaired trade receivables of RMB44,104,000 (31 December 2012: RMB39,825,000) with an aggregate carrying amount before provision of RMB45,539,000 (31 December 2012: RMB45,847,000).

The individually impaired trade receivables relate to customers that were in default in principal payments or were in financial difficulties and only a portion of the receivables is expected to be recovered.

An aged analysis of the trade and bills receivables, that are neither individually nor collectively considered to be impaired, is as follows:

	As at 30 June 2013 RMB'000 (Unaudited)	As at 31 December 2012 RMB'000 (Audited)
Neither past due nor impaired	**661,200**	821,788
Less than 3 months past due	**130,139**	10,416
3 to 6 months past due	**28,222**	4,265
6 months to 1 year past due	**3,441**	–
1 to 2 years past due	**305**	305
	823,307	836,774

Receivables that were neither past due nor impaired primarily relate to either those long-term customers or various local power grid companies for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the Directors are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

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12. TRADE AND BILLS RECEIVABLES (continued)

The amounts due from fellow subsidiaries included in the trade receivables are as follows:

	As at 30 June 2013 RMB'000 (Unaudited)	As at 31 December 2012 RMB'000 (Audited)
Fellow subsidiaries	**311**	910

The above amounts are unsecured, non-interest-bearing and repayable on similar credit terms to those offered to the major customers of the Group.

13. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

	As at 30 June 2013 RMB'000 (Unaudited)	As at 31 December 2012 RMB'000 (Audited)
Cash and bank balances	**953,702**	614,560
Time deposits	**146,923**	143,264
	1,100,625	757,824
Less: Pledged bank balances for letters of guarantee	**(64)**	(64)
Cash and cash equivalents in the consolidated statements of financial position	**1,100,561**	757,760
Less: Non-pledged time deposits with original maturity of more than three months when acquired	**–**	(143,264)
Cash and cash equivalents in the consolidated statements of cash flows	**1,100,561**	614,496
Cash and bank balances and time deposits denominated in:		
– RMB	**1,088,314**	742,676
– Other currencies	**12,311**	15,148
	1,100,625	757,824

14. TRADE PAYABLES

Trade payables are non-interest-bearing and are normally settled within six months.

	As at 30 June 2013 RMB'000 (Unaudited)	As at 31 December 2012 RMB'000 (Audited)
Trade payables	**196,556**	197,248

An aged analysis of the Group's trade payables, based on the invoice date, as at the reporting date is as follows:

	As at 30 June 2013 RMB'000 (Unaudited)	As at 31 December 2012 RMB'000 (Audited)
Within 6 months	**106,240**	151,704
6 months to 1 year	**61,113**	14,489
1 to 2 years	**19,383**	23,269
2 to 3 years	**6,454**	5,832
More than 3 years	**3,366**	1,954
	196,556	197,248

15. OTHER PAYABLES AND ACCRUALS

	As at 30 June 2013 RMB'000 (Unaudited)	As at 31 December 2012 RMB'000 (Audited)
Retention money payables	**171,619**	210,612
Dividend payable to non-controlling shareholders	**139,857**	2,711
Dividend payable to owners of the Company	**64,769**	–
Wind turbine and related equipment payables	**340,200**	331,458
Advances from customers	**121,896**	114,888
Construction payables	**86,203**	79,326
Accrued salaries, wages and benefits	**10,573**	24,633
Other taxes payable	**38,351**	12,650
Interest payable	**84,049**	73,211
Accrued expense	**40,125**	40,125
Others	**32,644**	38,637
	1,130,286	928,251
Portion classified as non-current liabilities	**(4,712)**	(15,011)
Current portion	**1,125,574**	913,240

For retention money payables in respect of warranties granted by the suppliers, the due dates usually range from one to three years after the completion of the construction work or the preliminary acceptance of equipment.

Except for retention money payables which have fixed repayment terms, the above amounts are unsecured, non-interest-bearing and have no fixed terms of repayment.

The amounts due to related parties included in other payables and accruals are as follows:

	As at 30 June 2013 RMB'000 (Unaudited)	As at 31 December 2012 RMB'000 (Audited)
HECIC	**27,768**	733
Fellow subsidiaries	**7,505**	323
	35,273	1,056

16. INTEREST-BEARING BANK AND OTHER BORROWINGS

	As at 30 June 2013		As at 31 December 2012	
	Maturity	**RMB'000**	Maturity	RMB'000
		(Unaudited)		(Audited)
Current				
Short term bank loans:				
– Unsecured	**2013**	**100,000**	2013	460,000
Short term other borrowings:				
– Unsecured	**2013**	**200,000**	2013	199,600
Current portion of long term bank loans:				
– Unsecured	**2013-2014**	**79,722**	2013	59,597
– Secured	**2013-2014**	**238,850**	2013	252,150
		318,572		311,747
Total current portion		**618,572**		971,347
Non-current				
Long term bank loans:				
– Unsecured	**2014-2027**	**1,070,137**	2013-2024	651,588
– Secured	**2014-2028**	**2,757,019**	2013-2025	2,593,719
		3,827,156		3,245,307
Long term other borrowing:				
– Unsecured	**2017**	**1,295,429**	2017	1,294,857
Corporate bonds:				
– Unsecured	**2017-2018**	**1,990,624**	2017-2018	1,988,460
Total non-current portion		**7,113,209**		6,528,624
		7,731,781		7,499,971

17. OPERATING LEASE ARRANGEMENTS

As lessee

As at 30 June 2013, the Group had the following total future minimum lease payments under non-cancellable operating leases in respect of land and buildings:

	As at 30 June 2013 RMB'000 (Unaudited)	As at 31 December 2012 RMB'000 (Audited)
Within one year	**4,555**	3,116
In the second to fifth years, inclusive	**3,077**	54
Beyond five years	**110**	117
	7,742	3,287

18. COMMITMENTS

In addition to the operating lease commitments details above, the Group had the following capital commitments as at 30 June 2013:

	As at 30 June 2013 RMB'000 (Unaudited)	As at 31 December 2012 RMB'000 (Audited)
Contracted, but not provided for		
– Property, plant and equipment	**2,389,561**	2,547,671
– Capital contributions payable to associates	**320,000**	320,000
	2,709,561	2,867,671
Authorised, but not contracted for		
– Property, plant and equipment	**2,020,775**	2,452,919
– Capital contributions payable to associates	**231,000**	114,000
	2,251,775	2,566,919

19. CONTINGENT LIABILITIES

(a) Pursuant to the reorganisation agreement entered into between HECIC, HECIC Water investment Co., Ltd (河北建投水務投資有限公司, "HECIC Water", a wholly-owned subsidiary of HECIC incorporated in the PRC) and the Company (the "Reorganisation Agreement"), except for liabilities constituting or arising out of or relating to the businesses undertaken by the Company after the Reorganisation, no liabilities were assumed by the Company and the Company is not liable, whether severally, or jointly and severally, for debts and obligations incurred prior to the Reorganisation by HECIC. HECIC has also undertaken to indemnify the Company in respect of any loss or damage incurred relating to the clean energy business operations prior to their transfer by HECIC to the Company in the Reorganisation, and any loss or damage suffered or incurred by the Company as a result of any breach by HECIC of any provision of the Reorganisation Agreement. The Company has also undertaken to indemnify HECIC and HECIC Water in respect of any damage suffered or incurred by HECIC and HECIC Water as a result of any breach by the Company of any provision of the Reorganisation Agreement.

(b) Up to the date of approval of these interim condensed consolidated financial statements, there have been no rules issued on whether CERs are subject to any VAT or business tax. Based on the discussions with local tax authorities, the Directors of the Company are of the opinion that no such taxes will be applicable to CERs. Therefore, the Group has not made any provision on such contingencies.

20. RELATED PARTY TRANSACTIONS

(a) The Group had the following material transactions with related parties during the six-month periods ended 30 June 2013 and 2012:

(i) Transactions with HECIC *

On 31 March 2010, HECIC, China Pacific Asset Management Co., Ltd. (the "Insurance Lender") and HECIC New-energy Co., Ltd. ("HECIC New-energy", a subsidiary of the Company) entered into a secured insurance loan investment agreement pursuant to which the Insurance Lender agreed to syndicate and lend to HECIC New-energy RMB1.3 billion for a term of seven years and HECIC irrevocably agreed to guarantee the payment obligations of HECIC New-energy under the insurance loan investment agreement (the "Insurance Loan Guarantee"). No fee is payable or charged by HECIC in relation to its provision of the Insurance Loan Guarantee to HECIC New-energy. On 18 June 2010, HECIC New-energy fully drew down the syndicated loan of RMB1.3 billion from the Insurance Lender.

On 19 September 2010, the Company entered into an agreement with HECIC which governs the use of trademarks granted by HECIC to the Group.

On 30 August 2011, the Company entered into an agreement with HECIC pursuant to which HECIC agreed to provide a guarantee to the Company for the issuance of domestic corporate bonds with an aggregate nominal value of up to RMB2.0 billion. The guarantee is unconditional and irrevocable with an annual charge of 0.3% of the nominal value of the corporate bonds to the Company by HECIC. On 18 November 2011, the Company issued domestic corporate bonds with an aggregate nominal value of RMB2.0 billion. Guarantee fee of approximately RMB6,000,000 (six-month period ended 30 June 2012: RMB3,000,000) was paid or charged by HECIC for the six-month period ended 30 June 2013.

20. RELATED PARTY TRANSACTIONS (continued)

(a) The Group had the following material transactions with related parties during the six-month periods ended 30 June 2013 and 2012: (continued)

(ii) Transactions with fellow subsidiaries *

	Six-month period ended 30 June	
	2013	2012
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Continuing transactions:		
Sale of natural gas	**55**	72
Rental expenses	**3,380**	3,231

In the opinion of the Directors, the above related party transactions were conducted in the ordinary course of business.

(iii) Transactions with other State-owned Enterprises in the PRC

The Group is indirectly controlled by the PRC government and operates in an economic environment predominated by entities directly or indirectly owned or controlled by the government through its agencies, affiliates or other organisations (collectively "State-owned Enterprises" ("SOEs")). During the period, the Group had transactions with other SOEs other than HECIC and its subsidiaries, including, but not limited to, sales of electricity and natural gas, depositing and borrowing money, purchase of natural gas, materials, receiving construction work services, and entering into service concession arrangement, in the normal course of business at terms comparable to those with other non-SOEs.

The receipt of construction work service from SOEs and the sales of natural gas to SOEs are individually not significant. The individually significant transactions with SOEs are as follows:

	Six-month period ended 30 June	
	2013	2012
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Continuing transactions		
Sales of electricity *		
– Jibei Electric Power Company Limited (note)	**442,707**	413,333
– Hebei Electric Power Corporation (note)	**227,275**	152,567
– Shanxi Electric Power Corporation (note)	**72,437**	17,436
	742,419	583,336
Purchase of natural gas		
– PetroChina Company Limited	**1,221,704**	958,235

Note: These transactions included sales of electricity generated during the construction and testing period. These sales are not included in the revenue of electricity sales, and are offset against the cost of property, plant and equipment.

20. RELATED PARTY TRANSACTIONS (continued)

(a) The Group had the following material transactions with related parties during the six-month period ended 30 June 2013 and 2012: (continued)

(iii) Transactions with other State-owned Enterprises in the PRC (continued)

The Group had certain of its cash and time deposits and outstanding interest-bearing bank borrowings with certain state-owned banks in the PRC as at 30 June 2013 as follows:

	As at 30 June 2013 RMB'000 (Unaudited)	As at 31 December 2012 RMB'000 (Audited)
Cash and cash equivalents	**1,062,068**	623,226
Short-term bank loans	**100,000**	410,000
Current portion of long-term bank loans	**261,420**	270,291
Long-term bank loans	**3,576,923**	2,955,119
	3,938,343	3,635,410

In the opinion of the Directors, the above related party transactions were conducted in the ordinary course of business.

* These related party transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of Listing Rules.

(b) Outstanding balances with related parties

Details of the outstanding balances with related parties are set out in notes 11,12 and 15 to these interim condensed consolidated financial statements.

(c) Compensation of key management personnel of the Group

	Six-month period ended 30 June	
	2013 RMB'000 (Unaudited)	2012 RMB'000 (Unaudited)
Short term employee benefits	**1,072**	2,474
Pension scheme contributions	**68**	81
	1,140	2,555

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21. FAIR VALUE AND FAIR VALUE HIERARCHY

The carrying amounts and fair values of the Group's financial instruments are as follows:

	Carrying amount		Fair value	
	30 June 2013 RMB'000 (Unaudited)	31 December 2012 RMB'000 (Audited)	**30 June 2013 RMB'000 (Unaudited)**	31 December 2012 RMB'000 (Audited)
Financial assets				
Held-to-maturity investments	**7,500**	7,500	**7,500**	7,500
Available-for-sale investments	**645,400**	456,400	**645,400**	456,400
Trade and bills receivables	**824,742**	842,796	**824,742**	842,796
Financial assets included in prepayments, deposits and other receivables	**62,953**	99,202	**62,953**	99,202
Pledged deposits	**64**	64	**64**	64
Cash and cash equivalents	**1,100,561**	757,760	**1,100,561**	757,760
	2,641,220	2,163,722	**2,641,220**	2,163,722
Financial liabilities				
Trade payables	**196,556**	197,248	**196,556**	197,248
Financial liabilities included in other payables and accruals	**959,466**	776,080	**959,118**	774,881
Interest-bearing bank and other borrowings	**7,731,781**	7,499,971	**7,725,328**	7,498,713
	8,887,803	8,473,299	**8,881,002**	8,470,842

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

The fair values of cash and cash equivalents, pledged deposits, trade and bills receivables, financial assets included in prepayments, deposits and other receivables, trade payables, the current portion of interest-bearing bank and other borrowings and the current portion of financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of held-to-maturity investments approximate to their carrying amounts largely due to the insignificant changes of their fair values.

21. FAIR VALUE AND FAIR VALUE HIERARCHY (continued)

The available-for-sale investments include unlisted equity investments and other financial assets. The unlisted equity investments are equity securities issued by private entities established in the PRC. They are measured at cost less impairment at each reporting date because the range of reasonable fair value estimates is so significant that the Directors are of the opinion that their fair values cannot be measured reliably. The Group does not intend to dispose of them in the near future. The other financial assets represented corporate wealth management products purchased by the Company from certain banks. The principals of these products are guaranteed by banks with repayment due date within the term. The aggregate changes of fair value of such financial assets were immaterial since their respective acquisition dates.

The fair values of non-current portion of interest-bearing bank and other borrowings and the non-current portion of financial liabilities included in other payables and accruals have been calculated by discounting the expected future cash flows using rates currently available for instruments on similar terms, credit risk and remaining maturities.

22. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved and authorised for issue by the Directors of the Company on 16 August 2013.

Definitions

"Approved Wind Power Project":	wind power project which has obtained a reply from the National Development and Reform Commission of the PRC or the relevant provincial Development and Reform Commission for their approval of commencing project construction
"availability factor":	the amount of time that a wind turbine or a power plant is able to produce electricity after it starts commercial operations over a certain period divided by the amount of time in such period
"average utilization hours":	the consolidated gross power generation in a specified period (in MWh or GWh) divided by the consolidated installed capacity in the same period (in MW or GW)
"Board":	board of directors of the Company
"CDM":	the Clean Development Mechanism, an arrangement under the Kyoto Protocol allowing industrialized countries to invest in projects that reduce greenhouse gas emissions in developing countries in order to earn emission credits
"Company", "Our Company", "we" or "us":	China Suntien Green Energy Corporation Limited
"consolidated installed capacity" or "consolidated operating capacity":	the aggregate installed capacity or operating capacity (as the case may be) of our project companies that we fully consolidate in our consolidated financial statements. This is calculated by including 100% of the installed capacity or operating capacity of our project companies that we fully consolidate in our consolidated financial statements and are deemed as our subsidiaries. Consolidated installed capacity and consolidated operating capacity do not include the capacity of our associated companies
"consolidated gross power generation" or "consolidated net power delivered to grid":	for a specified period, the aggregate gross power generation or net power delivered to grid (as the case may be) of our project companies that we fully consolidate in our financial statements

Definitions

"Directors":	the directors of the Company
"GWh":	unit of energy, gigawatt-hour. 1 GWh = 1 million kWh. GWh is typically used as a measurement for the annual energy production of large power plants
"gross power generation":	for a specified period, the total amount of electricity produced by a power plant in that period, consisting of net power delivered to grid, auxiliary electricity and electricity generated during the construction and testing period
"Group":	the Company and its subsidiaries
"HECIC":	Hebei Construction & Investment Group Co., Ltd. (河北建設投資集團有限責任公司), a state-owned enterprise established in the PRC and the controlling shareholder of the Company, which invests in the energy and transportation infrastructure industries
"Hong Kong Stock Exchange":	The Stock Exchange of Hong Kong Limited
"installed capacity":	the capacity of the wind turbines that have been completely assembled and erected
"kW":	unit of power, kilowatt, 1 kW=1,000 watts
"kWh":	unit of energy, kilowatt-hour. The standard unit of energy used in the electric power industry. One kilowatt-hour is the amount of energy that would be consumed by a 1 kW electrical appliance one hour
"Listing Rules":	The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
"MW":	unit of power, megawatt. 1MW=1,000 kW. The installed capacity of power plants is generally expressed in MW

Definitions

"net power delivered to grid":	for a specified period, the total amount of electricity sold to the relevant local grid company by a power plant in that period, which equals to gross power generation less auxiliary electricity and the electricity generated during the construction and testing period. Income attributable to the sales of electricity generated during the construction and testing period is not included in the revenue of electricity sales, but is offset against the cost of property, plant and equipment
"operating capacity":	the installed capacity of the wind turbines that have been connected to power grids and started generating electricity
"Period" or "first half of 2013":	the six months ended 30 June 2013
"Preliminary Approved Project":	wind power project which has obtained a reply from the National Development and Reform Commission of the PRC or the relevant provincial Development and Reform Commission for their approval of commencing preliminary preparation for such wind power project
"projects under construction":	projects for which the construction work on the roads, foundations or electrical infrastructure has commenced but not been completed, and the project company has received the project approval from the National Development and Reform Commission of the PRC or the relevant provincial Development and Reform Commission or local Development and Reform Commission and detailed engineering and construction blueprints have been completed
"SFO":	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified for the time being

Corporate Information

REGISTERED NAME

新天綠色能源股份有限公司

NAME IN ENGLISH

China Suntien Green Energy
Corporation Limited

REGISTERED OFFICE AND HEADQUARTER

9th Floor
Block A
Yu Yuan Plaza
No.9 Yuhua West Road
Shijiazhuang City
Hebei Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 2103, 21st Floor
Prudential Tower
The Gateway
Harbour City
Kowloon
Hong Kong

COMPANY'S WEBSITE

www.suntien.com

STOCK CODE

00956

LEGAL REPRESENTATIVE OF THE COMPANY

Dr. Cao Xin

JOINT COMPANY SECRETARIES

Mr. Zhao Hui
Ms. Lam Yuen Ling, Eva

DIRECTORS OF THE COMPANY

Non-executive Directors

Mr. Zhao Hui Ning
Mr. Xiao Gang
Mr. Ma Guo Qing

Executive Directors

Dr. Cao Xin
Mr. Gao Qing Yu
Mr. Wang Hong Jun
Mr. Zhao Hui

Independent non-executive Directors

Mr. Qin Hai Yan
Mr. Ding Jun
Mr. Wang Xiang Jun
Mr. Yue Man Yiu Matthew

Supervisors of the Company

Mr. Yang Hong Chi
Mr. Liu Jin Hai
Mr. Qiao Guo Jie

AUTHORIZED REPRESENTATIVES

Mr. Zhao Hui
Ms. Lam Yuen Ling, Eva

Corporate Information

INDEPENDENT AUDITORS

Ernst & Young
Certified Public Accountants
22/F, CITIC Tower
1 Tim Mei Avenue
Hong Kong
China

LEGAL ADVISERS

As to Hong Kong Law

Latham & Watkins
18th Floor
One Exchange Square
Central
Hong Kong

As to PRC law

Jiayuan Law Firm
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Beijing
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H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
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Wanchai
Hong Kong

PRINCIPAL BANKERS

China Construction Bank
Shijiazhuang Ping'an Street Sub-branch
No.30 Ping'an South Street
Shijiazhuang City, Hebei province
PRC

Bank of China
Shijiazhuang Yuhua Sub-brand
No.168 Yuhua East Road
Shijiazhuang City, Hebei Province
PRC

Agricultural Bank of China
Shijiazhuang Xicheng Sub-branch
No.85 Yuhua West Road
Shijiazhuang City, Hebei Province
PRC

Bank of Communications
Hebei Branch,
Shijiazhuang Yuhua West Sub-branch
2/F, Block A, Yu Yuan Plaza
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