



大唐国际发电股份有限公司

DATANG INTERNATIONAL POWER GENERATION CO., LTD.

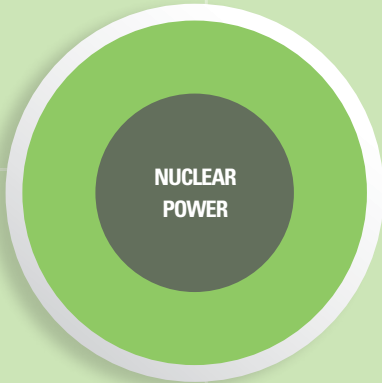
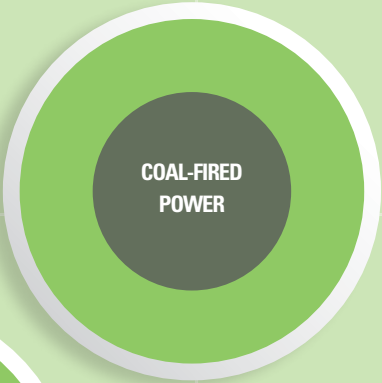
(Stock code: 00991)



OPTIMISING BUSINESS STRUCTURE TO CONSOLIDATE THE STRENGTHS OF POWER GENERATION

2014 INTERIM REPORT





OPTIMISING BUSINESS STRUCTURE TO CONSOLIDATE THE STRENGTHS OF POWER GENERATION



RAILWAY,
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COAL
OPERATIONS

COMPANY RESULTS

OPERATING AND FINANCIAL HIGHLIGHTS:

- Operating revenue amounted to approximately RMB34,843 million, representing a decrease of approximately 5.86% over the first half of 2013.
- Total profit before tax amounted to approximately RMB4,136 million, representing an increase of approximately 3.05% over the first half of 2013.
- Net profit attributable to equity holders of the Company amounted to approximately RMB2,029 million, representing an increase of approximately 0.47% over the first half of 2013.
- Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.1524, representing an increase of RMB0.0007 per share over the first half of 2013.

The board of directors (the "Board") of Datang International Power Generation Co., Ltd. (the "Company") hereby announces the unaudited consolidated operating results of the Company and its subsidiaries (the "Group") prepared in conformity with International Financial Reporting Standards ("IFRS") for the six months ended 30 June 2014 (the "Period"), together with the unaudited consolidated operating results of the first half of 2013 (the "Corresponding Period Last Year") for comparison. Such operating results have been reviewed and confirmed by the Company's audit committee (the "Audit Committee").

Operating revenue of the Group for the Period was approximately RMB34,843 million, representing a decrease of approximately 5.86% as compared to the Corresponding Period Last Year. Total profit before tax amounted to approximately RMB4,136 million, representing an increase of approximately 3.05% over the Corresponding Period Last Year. Net profit attributable to equity holders of the Company was approximately RMB2,029 million, representing an increase of approximately 0.47% as compared to the Corresponding Period Last Year. Basic earnings per share attributable to equity holders of the Company amounted to approximately RMB0.1524, representing an increase of RMB0.0007 per share as compared to the Corresponding Period Last Year.

MANAGEMENT DISCUSSION AND ANALYSIS

The Company is one of the largest independent power generation companies in the People's Republic of China (the "PRC") and primarily engages in power generation businesses with its main focus on coal-fired power generation. In the first half of 2014, the Company firmly adhered to the value-focused and results-oriented principles. With safety and stability as basis and economic effectiveness as core value, the Company put development and implementation as its priority to consolidate its leading position in power generation sector while accelerated the optimisation of its business structure. As the production and operation were excellent in the first half of the year, a sustainable and healthy development was accomplished.

A. REVIEW OF BUSINESSES

1. Power Generation Business

The power generation businesses of the Company and its subsidiaries are primarily distributed across Beijing, Tianjin, Hebei Province, the Inner Mongolia Autonomous Region, Shanxi Province, Liaoning Province, Gansu Province, Jiangsu Province, Zhejiang Province, Yunnan Province, Fujian Province, Guangdong Province, Chongqing, Jiangxi Province, the Ningxia Autonomous Region, Qinghai Province and Sichuan Province.

- (1) Maintenance of safe and stable power production. During the Period, total power generation of the Company and its subsidiaries amounted to 90.9270 billion kWh, representing a year-on-year decrease of approximately 2.08%. The accumulative on-grid power generation amounted to 85.8820 billion kWh, representing a year-on-year decrease of approximately 2.16%. Utilisation hours of generating units accumulated to 2,300 hours, representing a year-on-year decrease of 121 hours. During the Period, no casualties or material damage to the facilities occurred to the Company and its subsidiaries during the course of power production. The equivalent availability coefficient of the operational generating units amounted to 91.81%.
- (2) The power generation structure showed a continuous improvement. Installed capacity increased by 474.7 MW during the Period. As of 30 June 2014, the installed capacity of generating units managed by the Company amounted to approximately 39,661.7

MW, among which coal-fired power accounted for 32,890.8 MW or 82.93%, hydropower accounted for 4,934.8 MW or 12.44%, wind power accounted for 1,676.1 MW or 4.23%, and photovoltaic power accounted for 160 MW or 0.40%. The proportion of clean energy increased by 0.55 percentage point over the end of the previous year.

- (3) Projects have been approved and the economy of scale further enhanced. During the Period, 3 power generation projects of the Company were approved by the State with details below:
 - **Coal-fired power project:** Hebei Wei County 2×600 MW power plant;
 - **Wind power project:** Ningxia Hongsibao phase I 100 MW wind power project;
 - **Hydropower capacity expansion project:** Chongqing Haokou 10 MW hydropower capacity expansion project, proposed capacity after expansion is 135 MW.
- (4) Continuous development in energy conservation and emission reduction. During the Period, total coal consumption of the Company for power supply was 309.95 g/kWh, representing a year-on-year decrease of 3.69 g/kWh. Electricity consumption rate of power plants was 5.59%, representing a year-on-year increase of 0.09 percentage point. The total operation rate of desulfurisation facilities and the total overall desulfurisation efficiency rate amounted to 99.94% and 95.13%, respectively. The emission rate of sulfur dioxide, nitrogen oxides, waste water and smoke ash were 0.28g/kWh, 0.42g/kWh, 21.73 g/kWh and 0.08g/kWh, representing a year-on-year decrease of 24.32%, 56.25%, 56.54% and 27.27%, respectively.
- (5) Profitability of the power generation segment was strong. During the Period, gross profit of electric heating sales of the Group amounted to 31.31%, representing a year-on-year increase of 4.83%. The power generation segment realised a total profit of RMB5,513 million, representing a year-on-year increase of 46.90% and maintaining a good trend of the Company's sustainable profitability.

MANAGEMENT DISCUSSION AND ANALYSIS

2. Coal Chemical and Coal Business

During the Period, the production and development status of the Group's Duolun Coal Chemical Project with an annual output of 460,000 tonnes of polypropylene, the Keqi Coal-based Natural Gas Project with an annual output of 4 billion cubic meters of natural gas, and the Fuxin Coal-based Natural Gas Project with annual production scale of 4 billion cubic metres of natural gas, Datang Hulunbeier Fertiliser Company Limited ("Hulunbeier Fertiliser Company") and Inner Mongolia Datang International Xilinhaote Mining Company Limited ("Xilinhaote Mining Company") were as follows:

- (1) The Duolun Coal Chemical Project: During the Period, 68,200 tonnes of polypropylene were produced.
- (2) The Keqi Coal-based Natural Gas Project: A series of works for the project was still in trial production stage. As at 30 June 2014, 216 million standard cubic metres of natural gas were produced.
- (3) The Fuxin Coal-based Natural Gas Project: The project was approved and commenced construction in 2010. As at 30 June 2014, 90% of the land construction of the Fuxin Coal-based Natural Gas Project was completed, 95% of the equipment installation was completed; and 89% of the pipeline network was installed.
- (4) Hulunbeier Fertiliser Company: The company is mainly engaged in the development, construction and operation of energy and chemical projects such as urea and synthetic ammonia. The project has commenced production on 1 October 2013. During the Period, a total of 132,100 tonnes of urea was produced.
- (5) Xilinhaote Mining Company: The company is mainly engaged in the development, construction and operation of Shengli Open-pit Coal Mine East Unit 2 Project. The coal extracted from the project was mainly used as the raw coal for the chemical projects of the Company. During the Period, a total of 3.4652 million tonnes of coal was produced.

B. MAJOR FINANCIAL INDICATORS AND ANALYSIS

1. Operating Revenue

During the Period, the Group realised an operating revenue of approximately RMB34,843 million, representing a decrease of approximately 5.86% over the Corresponding Period Last Year, among which revenue from electricity sales was approximately RMB30,365 million, decreased by approximately RMB821 million or approximately 2.63% over the Corresponding Period Last Year. The decrease in electricity sales revenue was mainly attributable to year-on-year decrease of on-grid power generation, and such decrease caused the operating revenue to decrease by approximately RMB670 million.

2. Operating Costs

During the Period, total operating costs of the Group amounted to approximately RMB26,786 million, representing a decrease of approximately RMB2,952 million or approximately 9.93% over the Corresponding Period Last Year. Among which, fuel cost accounted for approximately 56.46% of the operating costs, and depreciation cost accounted for approximately 19.70%. Since the unit price of standard coal for power generation decreased by approximately RMB58.26/tonne over the Corresponding Period Last Year, the fuel cost decreased by approximately RMB1,427 million as a result.

3. Net Finance Costs

During the Period, finance costs of the Group amounted to approximately RMB4,233 million, representing an increase of approximately RMB150 million or approximately 3.68% over the Corresponding Period Last Year. The increase in finance costs was mainly due to the expensing of interest costs of newly commenced projects transformation into fixed assets in 2013.

4. Profit and Net Profit

During the Period, total profit before tax of the Group amounted to approximately RMB4,136 million, representing an increase of approximately 3.05% over the Corresponding Period Last Year. Among which, the power generation segment registered an accumulated profit of RMB5,513 million, representing a year-on-year increase of approximately 46.90%. The steady year-on-year increase in the Group's profit of the power generation business was mainly due to the continuous year-on-year decrease in unit price of standard coal. During the Period, net profit attributable to equity holders of the Company amounted to approximately RMB2,029 million, representing an increase of approximately 0.47% over the Corresponding Period Last Year.

5. Financial Position

As at 30 June 2014, total assets of the Group amounted to approximately RMB301,744 million, representing an increase of approximately RMB3,264 million as compared to the end of 2013. The increase in total assets was primarily attributable to the increased investments in projects under construction and fixed assets by the Group.

Total liabilities of the Group amounted to approximately RMB238,329 million, representing an increase of approximately RMB4,392 million over the end of 2013. Of the total liabilities, non-current liabilities decreased by approximately RMB547 million over the end of 2013. The increase in total liabilities was mainly due to the dividend declared by the Group pending for payment as well as the issuance of super short-term debentures by the Company. Equity attributable to equity holders of the Company amounted to approximately RMB44,519 million, representing an increase of approximately RMB351 million over the end of 2013. Net asset value per share attributable to equity holders of the Company amounted to approximately RMB3.34, representing an increase of approximately RMB0.02 per share over the end of 2013.

6. Liquidity

As at 30 June 2014, the assets-to-liabilities ratio of the Group was approximately 78.98%. The net debt-to-equity ratio (i.e. (loans + short-term bonds + long-term bonds – cash and cash equivalents)/total equity) was approximately 291.2%.

As at 30 June 2014, cash and cash equivalents of the Group amounted to approximately RMB7,526 million, among which deposits equivalent to approximately RMB96 million were foreign currency deposits. The Group had no entrusted deposits and overdue fixed deposits during the Period.

As at 30 June 2014, short-term loans of the Group amounted to approximately RMB16,357 million, bearing annual interest rates ranging from 1.71% to 7.00%. Long-term loans (excluding those repayable within one year) amounted to approximately RMB141,681 million and long-term loans repayable within one year amounted to approximately RMB9,319 million. Long-term loans (including those repayable within one year) were at annual interest rates ranging from 1.13% to 6.55%.

Loans equivalent to approximately RMB1,141 million were denominated in US dollar. The Group paid close attention to foreign exchange market fluctuations and cautiously assessed risks.

7. Welfare Policy

As at 30 June 2014, the staff engaged in the major businesses of the Group totalled 22,914. The Group adopted the basic salary system on the basis of position-points salary distribution, and a variety of incentive mechanisms such as granting of allowances to employees working in remote areas with poor working conditions, long-term incentive policies for talented employees, as well as granting of allowances to employees and professionals working in special regions, in order to create a desirable environment that can attract and retain talents. Concerned about personal growth and occupational training as well as led by the strategy of developing a strong corporation with talents, the Group relied on a three-tier management organisational structure and implemented an all-staff training scheme for various levels.

During the Period, 194,762 employees from various tiers attended trainings arranged by the Group, among which 2,803 employees attended professional skill training and on-the-job qualifications and certification training programmes hosted by China Datang Corporation; 1,044 employees attended professional skill training sessions hosted by the Company; and 190,915 employees attended various kinds of training sessions hosted by basic-level enterprises.

MANAGEMENT DISCUSSION AND ANALYSIS

C. OUTLOOK FOR THE SECOND HALF OF 2014

In the second half of 2014, China's economy is expected to maintain steady growth and development momentum, and it is expected that the nationwide power demand and supply would remain in overall balance. With surplus balance in certain regions and a tight balance in others, the electricity consumption would accelerate steadily. The Company will continue to adhere to the value-focused and result-oriented principles; consolidate the basis for safe production; compete in power generation; control its costs strictly; and enhance its profitability, so as to ensure it could accomplish the operation target of the entire year as planned. The Company will also firmly optimise its business structure; enhance internal management; deepen its system reform; and adjust its development strategies, in order to enhance its core competitiveness.

1. Practise safe production – continue to uphold the target of “Prevention of Nine Types of casualties and equipment failures for production safety” targets to facilitate the stability of the Company and boost performance with safe production.
2. Focus on the competition in power generation expansion – continue to put power generation expansion as the priority for operational breakthrough and boosting results; and strive to meet the target that the utilisation hours of power generation units of the Company not less than the higher performance of the comparable units within the same regions.
3. Control operating costs – place emphasis on both exploring revenue sources and saving costs as well as upscale the management on costs and expenses to ensure the achievement of the profit target for the entire year.
4. Optimise business structure – place emphasis on consolidating and enhancing the competitive edges of the electricity segment, accelerate the optimisation and adjustment of business structure, and disposal of lowly efficient and inefficient assets as well as foster the approval of quality power projects.
5. Commence construction of infrastructures – continue to build premium infrastructure projects; intensify the expenses control and target management for key construction projects; implement the accountability for project construction; enhance safety control and management of generating units for which construction has commenced; and improve the Company's portfolio structure of power generation units via optimisation and expansion.
6. Strengthen energy conservation and emission reduction – guarantee that the Company could complete environment protection-related modifications as planned and greatly foster modifications for reduction in energy consumption and energy conservation management, so as to ensure the energy consumption would continuously decline and the discharge of various pollutants could meet requirements.

SHARE CAPITAL AND DIVIDENDS

1. Share Capital

As at 30 June 2014, the total share capital of the Company amounted to 13,310,037,578 shares, divided into 13,310,037,578 shares of a nominal value of RMB1.00 each.

2. Shareholding of Substantial Shareholders

To the best knowledge of the directors of the Company, the persons below held the interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company under section 336 of the Securities and Futures Ordinance (the "SFO") (Chapter 571 of the Laws of Hong Kong) as at 30 June 2014:

Name of Shareholder	Class of Shares	Number of shares held (shares)	Approximate percentage to total issued share capital of the Company (%)	Approximate percentage to total issued A shares of the Company (%)	Approximate percentage to total issued H shares of the Company (%)
China Datang Corporation	A shares	4,138,977,414	31.10	41.41	–
	H shares	480,680,000(L)	3.61(L)	–	14.50(L)
Tianjin Jinneng Investment Company	A shares	1,296,012,600	9.74	12.97	–
Hebei Construction & Investment Group Co., Ltd.	A shares	1,281,872,927	9.63	12.83	–
Beijing Energy Investment (Group) Co., Ltd.	A shares	1,260,988,672	9.47	12.62	–
Guo Guangchang (Note)	H shares	233,308,000(L)	1.75(L)	–	7.04(L)
Fosun Holdings Limited (Note)	H shares	233,308,000(L)	1.75(L)	–	7.04(L)
Fosun International Holdings Limited (Note)	H shares	233,308,000(L)	1.75(L)	–	7.04(L)
Fosun International Limited (Note)	H shares	233,308,000(L)	1.75(L)	–	7.04(L)

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

Note: The 233,308,000 shares represent the same block of shares

SHARE CAPITAL AND DIVIDENDS

3. Dividends

The Board does not recommend the payment of any interim dividend for 2014.

4. Shareholding of the Directors and Supervisors

As at 30 June 2014, Mr. Fang Qinghai, a director of the Company, was interested in 24,000 A shares of the Company, and Mr. Meng Fankui, a vice president of the Company, was interested in 5,000 A shares of the Company. Save as disclosed above, none of the directors, supervisors and chief executives of the Company nor their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporation (as defined in SFO) that were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO, or required to be recorded in the register mentioned in the SFO pursuant to section 352 of the SFO or otherwise required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Rules Governing the Listing of Securities (the "Model Code") on the Hong Kong Stock Exchange (the "Listing Rules").

SIGNIFICANT EVENTS

1. In accordance with the “Resolution on the Adjustments of Directors” which was considered and approved at the 2014 first extraordinary general meeting of the Company convened on 24 January 2014, Mr. Wu Jing holds the office as an executive director of the eighth session of the Board of the Company, and Mr. Cao Jingshan no longer serves as a director of the eighth session of the Board of the Company. In accordance with the “Resolution on the Election of the Vice-Chairperson of the Eighth Session of the Board” which was considered and approved at the seventh meeting of the eighth session of the Board of the Company convened on 24 January 2014, Mr. Wu Jing has been elected as the vice-chairperson of the eighth session of the Board.
2. The Company completed the issuance of “The First Tranche of Datang International Power Generation Co., Ltd.’s Super Short-term Debentures in 2014” (the “First Tranche Super Short-term Debentures”) on 28 February 2014. The issuance amount for the First Tranche Super Short-term Debentures was RMB3 billion with a maturity of 180 days. The unit nominal value is RMB100 and the issuance interest rate is at 5.00%.
3. The Company completed the issuance of “The Second Tranche of Datang International Power Generation Co., Ltd.’s Super Short-term Debentures in 2014” (the “Second Tranche Super Short-term Debentures”) on 10 April 2014. The issuance amount for the Second Tranche Super Short-term Debentures was RMB4 billion with a maturity of 100 days. The unit nominal value is RMB100 and the issuance interest rate is at 4.95%.
4. In accordance with the resolution of the first meeting of the enlarged group leaders of the second meeting of the fifth session of staff representative meeting of the Company held on 3 April 2014, Mr. Guan Zhenquan would cease to serve as the staff representative’s supervisor of the Company due to job reassignment. It was unanimously resolved at the meeting that Ms. Guo Hong would serve as the staff representative’s supervisor of the eighth session of the supervisory committee of the Company.
5. The Company completed the issuance of “The Third Tranche of Datang International Power Generation Co., Ltd.’s Super Short-term Debentures in 2014” (the “Third Tranche Super Short-term Debentures”) on 25 April 2014. The issuance amount for the Third Tranche Super Short-term Debentures was RMB3 billion with a maturity of 180 days. The unit nominal value is RMB100 and the issuance interest rate is at 4.76%.
6. In accordance with the 2013 annual profit distribution plan of the Company which was considered and approved at the 2013 annual general meeting convened on 12 June 2014, the Company completed the payment of dividends for the year of 2013 on 8 August 2014. The cash dividends per share paid was RMB0.12 (including tax), and the cash dividends per 10 shares paid was RMB1.2 (including tax).
7. The Company completed the issuance of “The Fourth Tranche of Datang International Power Generation Co., Ltd.’s Super Short-term Debentures in 2014” (the “Fourth Tranche Super Short-term Debentures”) on 17 July 2014. The issuance amount for the Fourth Tranche Super Short-term Debentures was RMB3 billion with a maturity of 270 days. The unit nominal value is RMB100 and the issuance interest rate is at 4.58%.
8. On 7 July 2014, the Company entered into the Framework Agreement for Reorganisation of Coal-to-chemical Segment and Related Projects (the “Reorganisation Framework Agreement”) with China Reform Holdings Corporation Ltd. (“China Reform Corporation”) for the proposed reorganisation of the Company’s coal-to-chemical business segment and related projects. The scope of the reorganisation includes Datang Inner Mongolia Duolun Coal Chemical Company Limited, Inner Mongolia Datang International Keshiketeng Qi Coal-based Gas Company Limited, Liaoning Datang International Fuxin Coal-to-gas Company Ltd., Hulunbeier Fertiliser Company, Xilinhaote Mining Company and the respective ancillary facilities and affiliated projects. As at the date of this interim report, the reorganisation is in progress in a steady manner.
9. The Company completed the issuance of the First Tranche of Medium-Term Notes of Datang International Power Generation Co., Ltd. (the “First Tranche Medium-Term Notes 2014”) on 22 August 2014. The issuance amount of the First Tranche Medium-Term Notes 2014 was RMB3.5 billion with a maturity of 5 years. The nominal value is RMB100 and the interest rate is at 5.20% per annum.

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

During the Period, the Group did not purchase, sell or redeem any of the listed securities of the Company.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

To the knowledge of the Board, the Company complied with all the code provisions under the Corporate Governance Code (the "Code") as set out in Appendix 14 to the Listing Rules for the Period, with the exception of the following:

During the Period, the legal action which the directors may face is covered in the internal risk management and control of the Company, and therefore insurance arrangements for directors have not been made.

During the Period, the Nomination Committee, the Remuneration and Appraisal Committee, the Audit Committee and the Strategic Development and Risk Control Committee set up by the Company carried out their work in accordance with their respective terms of reference. Their terms of reference have covered the responsibilities to be performed as required by the code provisions A.5.2, B.1.2 and C.3.3 of the Code. Only differences in expressions or sequence exist between such terms of reference and the afore-said code provisions.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted a code of conduct regarding directors' securities transaction on terms no less exacting than the required standard set out in the Model Code.

Upon specific enquiries made to all the directors of the Company and in accordance with the information provided, the Board confirmed that all directors of the Company have complied with the provisions under the Model Code as set out in Appendix 10 to the Listing Rules during the Period.

AUDIT COMMITTEE

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

The Audit Committee considers that the 2014 interim financial report of the Group has complied with the applicable accounting standards, and that the Group has made appropriate disclosures thereof.

By Order of the Board
Chen Jinhang
Chairman

Beijing, the PRC, 27 August 2014

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2014

	Note	Six months ended 30 June	
		2014	2013
		RMB'000 (unaudited)	RMB'000 (unaudited)
Operating revenue	4	34,842,547	37,010,016
Operating costs			
Fuel for power and heat generation		(13,728,261)	(15,774,146)
Fuel for coal sales		(1,395,840)	(2,366,751)
Depreciation		(5,277,807)	(4,882,352)
Repairs and maintenance		(996,675)	(1,025,691)
Salaries and staff welfare		(1,277,592)	(1,593,483)
Local government surcharges		(361,069)	(366,275)
Others		(3,748,593)	(3,729,257)
Total operating costs		(26,785,837)	(29,737,955)
Operating profit		8,056,710	7,272,061
Share of profits of associates		338,811	531,154
Share of (losses)/profits of joint ventures		(154,465)	46,630
Investment income		86,226	223,429
Other losses		–	(16,653)
Interest income		41,855	39,958
Finance costs	6	(4,233,209)	(4,083,093)
Profit before tax		4,135,928	4,013,486
Income tax expense	7	(1,272,833)	(876,890)
Profit for the period	8	2,863,095	3,136,596
Other comprehensive income:			
<i>Items that may be reclassified to profit or loss:</i>			
Fair value loss on available-for-sale investments		(114,022)	(135,011)
Share of other comprehensive income of associates		(895)	970
Exchange differences on translating foreign operations		2,227	(7,677)
Income tax on items that may be reclassified to profit or loss		1,481	7,219
Other comprehensive income for the period, net of tax		(111,209)	(134,499)
Total comprehensive income for the period		2,751,886	3,002,097
Profit for the period attributable to:			
Owners of the Company		2,028,713	2,019,283
Non-controlling interests		834,382	1,117,313
		2,863,095	3,136,596
Total comprehensive income for the period attributable to:			
Owners of the Company		1,917,504	1,884,784
Non-controlling interests		834,382	1,117,313
		2,751,886	3,002,097
		RMB (unaudited)	RMB (unaudited)
Earnings per share			
Basic and diluted	10	0.1524	0.1517

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2014

	Note	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	11	246,667,001	243,436,494
Investment properties		461,812	467,267
Intangible assets		2,860,120	2,882,391
Development costs		11	51
Investments in associates		7,477,416	6,900,077
Investments in joint ventures		5,249,109	5,262,631
Available-for-sale investments		4,157,315	4,267,757
Deferred housing benefits		36,840	49,027
Long-term entrusted loans to an associate		100,171	335,977
Deferred tax assets		1,774,629	1,658,693
Other non-current assets		1,028,485	1,138,301
		269,812,909	266,398,666
Current assets			
Inventories		3,326,814	3,682,099
Accounts and notes receivables	12	9,699,535	10,101,400
Prepayments and other receivables		9,927,513	9,579,892
Short-term entrusted loans to related parties		551,232	616,381
Tax recoverable		30,464	35,330
Current portion of long-term entrusted loans to an associate		335,000	185,000
Cash and cash equivalents		7,525,592	7,880,844
Restricted bank deposits		534,857	–
		31,931,007	32,080,946
TOTAL ASSETS		301,743,916	298,479,612

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2014

	Note	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	13	13,310,038	13,310,038
Reserves		27,298,452	25,768,061
Retained earnings			
Proposed dividends		–	1,597,205
Others		3,910,693	3,492,494
Equity attributable to owners of the Company		44,519,183	44,167,798
Non-controlling interests		18,895,247	20,374,790
Total equity		63,414,430	64,542,588
Non-current liabilities			
Long-term loans		141,681,422	138,054,247
Long-term bonds		9,430,395	14,417,779
Deferred income		1,997,935	1,796,663
Deferred tax liabilities		626,264	622,415
Provisions		40,875	40,875
Other non-current liabilities		9,606,963	8,998,875
		163,383,854	163,930,854
Current liabilities			
Accounts payables and accrued liabilities	14	27,519,780	27,518,624
Taxes payables		1,075,694	1,109,441
Dividends payables		3,303,767	147,273
Short-term loans		16,357,242	18,239,234
Short-term bonds		10,400,000	5,700,000
Current portion of non-current liabilities		16,289,149	17,291,598
		74,945,632	70,006,170
Total liabilities		238,329,486	233,937,024
TOTAL EQUITY AND LIABILITIES		301,743,916	298,479,612
Net current liabilities		(43,014,625)	(37,925,224)
Total assets less current liabilities		226,798,284	228,473,442

Approved by the Board of Directors on 27 August 2014

Wu Jing
Director

Zhou Gang
Director

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2014

	Attributable to owners of the Company											
	Share capital	Capital reserve	Statutory surplus reserve	Discretionary surplus reserve	Restricted reserve	Foreign currency translation reserve	Available-for-sale investment revaluation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)
At 1 January 2013, as restated	13,310,038	9,910,838	3,873,008	10,270,129	89,947	54,147	(23,952)	320,577	3,785,208	41,589,940	14,982,758	56,572,698
Total comprehensive income for the period	-	-	-	-	-	(7,677)	(126,822)	-	2,019,283	1,884,784	1,117,313	3,002,097
Capital injections from non-controlling interests	-	-	-	-	-	-	-	-	-	-	132,000	132,000
Acquisition of non-controlling interests	-	-	-	-	-	-	-	(133,589)	-	(133,589)	133,589	-
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	(135,848)	(135,848)
Others	-	-	-	-	-	-	-	(1,208)	-	(1,208)	34,741	33,533
Transfer to restricted reserve	-	-	-	-	6,643	-	-	-	(6,643)	-	-	-
Transfer to surplus reserves	-	-	-	572,591	-	-	-	-	(572,591)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(1,331,004)	(1,331,004)	(801,237)	(2,132,241)
Changes in equity for the period	-	-	-	572,591	6,643	(7,677)	(126,822)	(134,797)	109,045	418,983	480,558	899,541
At 30 June 2013, as restated	13,310,038	9,910,838	3,873,008	10,842,720	96,590	46,470	(150,774)	185,780	3,894,253	42,008,923	15,463,316	57,472,239
At 1 January 2014	13,310,038	9,910,838	4,195,180	10,842,720	88,471	39,334	(29,070)	720,588	5,089,699	44,167,798	20,374,790	64,542,588
Total comprehensive income for the period	-	-	-	-	-	2,227	(113,436)	-	2,028,713	1,917,504	834,382	2,751,886
Capital injections from non-controlling interests	-	-	-	-	-	-	-	30,740	-	30,740	148,913	179,653
Others	-	-	-	-	-	-	-	346	-	346	510	856
Transfer to restricted reserve	-	-	-	-	20,383	-	-	-	(20,383)	-	-	-
Transfer to surplus reserves	-	-	-	1,590,131	-	-	-	-	(1,590,131)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(1,597,205)	(1,597,205)	(2,463,348)	(4,060,553)
Changes in equity for the period	-	-	-	1,590,131	20,383	2,227	(113,436)	31,086	(1,179,006)	351,385	(1,479,543)	(1,128,158)
At 30 June 2014	13,310,038	9,910,838	4,195,180	12,432,851	108,854	41,561	(142,506)	751,674	3,910,693	44,519,183	18,895,247	63,414,430

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2014

	Six months ended 30 June	
	2014	2013
	RMB'000 (unaudited)	RMB'000 (unaudited)
NET CASH GENERATED FROM OPERATING ACTIVITIES	14,090,344	13,577,913
NET CASH USED IN INVESTING ACTIVITIES	(9,057,218)	(11,302,075)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(5,375,298)	490,785
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(342,172)	2,766,623
CASH AND CASH EQUIVALENTS AT 1 JANUARY	7,880,844	4,612,687
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(13,080)	3,186
CASH AND CASH EQUIVALENTS AT 30 JUNE, REPRESENTED BY	7,525,592	7,382,496
Bank and cash balances	7,525,592	7,382,496

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

1. BASIS OF PREPARATION

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

At 30 June 2014, a significant portion of the funding requirements of the Company and its subsidiaries (collectively referred to as the “Group”) for capital expenditures was satisfied by short-term borrowings. Consequently, at 30 June 2014, the Group had net current liabilities of approximately RMB43.01 billion. The Group had significant undrawn borrowing facilities, subject to certain conditions, amounting to approximately RMB247.88 billion and may refinance and/or restructure certain short-term borrowings into long-term borrowings and will also consider alternative sources of financing, where applicable. The directors of the Company are of the opinion that the Group will be able to meet its liabilities as and when they fall due within the next twelve months and have prepared these financial statements on a going concern basis.

These condensed consolidated financial statements should be read in conjunction with the 2013 annual financial statements. The accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2013.

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

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current period, the Group has adopted all the new and revised International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board that are relevant to its operations and effective for its accounting year beginning on 1 January 2014. IFRSs comprise International Financial Reporting Standards; International Accounting Standards; and Interpretations. The adoption of these new and revised IFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and prior years.

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

3. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the condensed consolidated statement of financial position approximate their respective fair values.

Disclosures of level in fair value hierarchy at 30 June 2014:

Description	Fair value measurements using Level 1:	
	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (unaudited)
Recurring fair value measurements:		
Available-for-sale investments		
Equity securities listed in Hong Kong	276,511	374,262
Equity securities listed outside Hong Kong	75,438	88,129
Total recurring fair value measurements	351,949	462,391

4. OPERATING REVENUE

	Six months ended 30 June	
	2014 RMB'000 (unaudited)	2013 RMB'000 (unaudited)
Sales of electricity	30,364,686	31,186,156
Heat supply	686,620	690,810
Sales of coal	1,445,638	2,496,282
Sales of chemical products	1,403,560	1,788,421
Others	942,043	848,347
	34,842,547	37,010,016

5. SEGMENT INFORMATION

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

Senior Management considers the business from a product perspective. Senior Management primarily assesses the performance of power generation, coal and chemical separately. Other operating activities primarily include sales of coal ash, etc., and are included in "other segments".

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

Segment profits or losses do not include dividend income from available-for-sale investments and gain or loss on disposals of available-for-sale investments. Segment assets exclude deferred tax assets and available-for-sale investments. Segment liabilities exclude the current tax liabilities and deferred tax liabilities. Sales between operating segments are marked to market or contracted close to market price and have been eliminated at consolidation level. Unless otherwise noted below, all such financial information in the segment tables below is prepared under PRC GAAP.

	Power generation segment	Coal segment	Chemical segment	Other segments	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Six months ended 30 June 2014					
Revenue from external customers	31,231,502	1,451,423	1,409,422	750,200	34,842,547
Intersegment revenue	504,538	10,401,319	6,575	54,053	10,966,485
Segment profit/(loss)	5,513,299	110,133	(1,367,420)	(158,195)	4,097,817
At 30 June 2014					
Segment assets	203,222,903	27,584,838	75,125,283	11,049,836	316,982,860
Segment liabilities	167,637,130	20,083,476	63,620,990	1,779,489	253,121,085
Six months ended 30 June 2013					
Revenue from external customers	32,198,456	2,437,295	1,790,382	583,883	37,010,016
Intersegment revenue	389,091	9,723,034	81,312	77,979	10,271,416
Segment profit/(loss)	3,773,923	492,666	(519,031)	202,958	3,950,516
	(audited)	(audited)	(audited)	(audited)	(audited)
At 31 December 2013					
Segment assets	197,049,059	29,266,061	73,422,380	10,459,325	310,196,825
Segment liabilities	163,790,164	20,049,043	59,735,252	1,648,032	245,222,491

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

5. SEGMENT INFORMATION (Continued)

	Six months ended 30 June	
	2014	2013
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Reconciliations of segment profit or loss:		
Total profit or loss of reportable segments	4,097,817	3,950,516
Dividend income from available-for-sale investments	–	22,539
Elimination of intersegment profits	(17,125)	(87,594)
IFRS adjustment on amortisation of monetary housing benefits	(12,187)	(12,486)
IFRS adjustment on reversal of general provision on mining funds	67,423	140,511
Consolidated profit before tax	4,135,928	4,013,486

	Six months ended 30 June	
	2014	2013
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Revenue from major customers:		
Power generation segment		
North China Branch of State Grid Corporation of China	7,908,673	–
North China Grid Company Limited	–	7,935,912
State Grid Zhejiang Electric Power Company	3,058,136	2,426,693
Guangdong Power Grid Corporation	3,018,124	3,124,055
Jibei Electric Power Company Limited	2,866,115	2,680,594
Jiangsu Electric Power Company	2,012,977	3,863,071
State Grid Corporation of China	–	3,089,436

6. FINANCE COSTS

	Six months ended 30 June	
	2014	2013
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest expense	6,036,236	5,812,681
Less: amount capitalised in property, plant and equipment	(1,841,669)	(1,757,976)
	4,194,567	4,054,705
Exchange loss/(gain), net	8,277	(14,021)
Others	30,365	42,409
	4,233,209	4,083,093

7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2014	2013
	RMB'000 (unaudited)	RMB'000 (unaudited)
Current tax	1,385,952	1,100,031
Deferred tax	(113,119)	(223,141)
	1,272,833	876,890

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

The applicable People's Republic of China ("PRC") Enterprise Income Tax rate of the Company and its subsidiaries is 25% (six months ended 30 June 2013: 25%). Certain subsidiaries located in western region in the PRC enjoyed PRC Enterprise Income Tax rate of 15% before 2021 (six months ended 30 June 2013: 2021) when such income tax rate has changed to 25% thereafter.

In addition, certain subsidiaries are exempted from the PRC Enterprise Income Tax for two years starting from the first year of commercial operation followed by a 50% exemption of the applicable tax rate for the next three years.

8. PROFIT FOR THE PERIOD

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

	Six months ended 30 June	
	2014	2013
	RMB'000 (unaudited)	RMB'000 (unaudited)
Interest income	(41,855)	(39,958)
Dividend income	(49,898)	(22,539)
Amortisation of intangible assets	18,009	22,020
Amortisation of deferred housing benefits	12,187	12,486
Depreciation	5,277,807	4,882,352
Directors' emoluments	669	1,216
Loss on disposal of subsidiaries	–	16,653

9. DIVIDENDS

	Six months ended 30 June	
	2014	2013
	RMB'000 (unaudited)	RMB'000 (unaudited)
Final dividend for the year ended 31 December 2013 (six months ended 30 June 2013: 31 December 2012) approved and paid – RMB0.12 (six months ended 30 June 2013: RMB0.10) per share	1,597,205	1,331,004

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

10. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share attributable to owners of the Company is based on the profit for the period attributable to owners of the Company of RMB2,028,713 thousand (six months ended 30 June 2013: RMB2,019,283 thousand) and the weighted average number of ordinary shares of 13,310,038 thousand (six months ended 30 June 2013: 13,310,038 thousand) in issue during the period.

Diluted earnings per share

During the six months ended 30 June 2014 and 2013, the Company did not have any dilutive potential ordinary shares. Therefore, diluted earnings per share is equal to basic earnings per share.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2014, the Group acquired property, plant and equipment of RMB8,942,844 thousand (six months ended 30 June 2013: RMB13,746,703 thousand).

12. ACCOUNTS AND NOTES RECEIVABLES

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

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Within one year	8,760,849	9,809,030
Between one to two years	685,980	86,754
Between two to three years	130,485	180,101
Over three years	122,221	25,515
	9,699,535	10,101,400

13. SHARE CAPITAL

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Registered, issued and fully paid:		
9,994,360,000 (At 31 December 2013: 9,994,360,000) A shares of RMB1 each	9,994,360	9,994,360
3,315,677,578 (At 31 December 2013: 3,315,677,578) H shares of RMB1 each	3,315,678	3,315,678
	13,310,038	13,310,038

14. ACCOUNTS PAYABLES AND ACCRUED LIABILITIES

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Accounts and notes payables	12,919,583	12,105,937
Other payables and accrued liabilities	14,600,197	15,412,687
	27,519,780	27,518,624

The ageing analysis of the accounts and notes payables is as follows:

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Within one year	11,358,996	10,982,287
Between one to two years	1,364,396	557,375
Between two to three years	49,670	240,683
Over three years	146,521	325,592
	12,919,583	12,105,937

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

15. RELATED PARTY TRANSACTIONS

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

	Six months ended 30 June	
	2014 RMB'000 (unaudited)	2013 RMB'000 (unaudited)
China Datang Group		
Receipt of coal ash disposal services	–	43,419
Purchases of fuel	30,710	2,066
Purchases of materials and equipment	381,149	513,600
Operating lease expenses for buildings and facilities	11,114	11,114
Receipt of repairs and maintenance services	6,864	8,587
Receipt of capital injection to a subsidiary	70,000	30,000
Receipt of capital injection to associates	–	83,802
Receipt of capital injection to a joint venture	–	552,460
Receipt of construction tendering agency services	1,200	790
Receipt of desulfurisation services	214,295	234,324
Receipt of denitrification services	60,258	–
Provision of technical support services	–	280
Provision of repairs and maintenance services	16,256	14,743
Receipt of construction supervision services	255	96
Receipt of technical support services	1,619	13,130
Interest income on entrusted loan	–	10,232
Sales of desulfurisation products	26,751	89,890
Disposals of subsidiaries	–	538,589
Receipt of construction consulting services	6,473	–
Alternative power generation income	8,712	–
Interest expense on loans	13,593	–
Associates of the Group		
Interest expense on loans	123,623	117,863
Interest income on deposits	17,933	20,916
Purchases of fuel	–	1,184
Receipt of technical support services	17,689	24,223
Receipt of finance lease services	610,000	1,310,000
Drawdown of loans	4,445,000	6,797,000
Interest income on entrusted loans	19,195	75,396
Increase in entrusted loans	100,000	100,000
Subsidiary of an associate of the Group		
Purchases of fuel	123,574	272,016
Joint ventures of the Group		
Purchases of fuel	201,252	18,025
Interest income on entrusted loans	17,133	15,262
Increase in entrusted loans	182,200	225,700

During the period, the Company injected capital of RMB200,000 thousand to a subsidiary of China Datang Corporation which is also an associate of the Company.

15. RELATED PARTY TRANSACTIONS (Continued)

(b) Financial guarantees and financing facilities with China Datang Group and associates and joint ventures of the Group

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
China Datang Group		
Long-term loans of the Group guaranteed by China Datang Corporation	5,604,190	5,717,096
Long-term bonds of the Group guaranteed by China Datang Corporation	9,000,000	9,000,000
Associates of the Group		
Long-term loans of the associates guaranteed by the Company	949,000	966,000
Integrated credit facilities provided by an associate	24,000,000	18,000,000
Joint ventures of the Group		
Long-term loans of joint ventures guaranteed by the Company	314,758	320,310
Short-term loans of a joint venture guaranteed by the Company	251,500	251,500

(c) Significant transactions with government-related entities

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

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

During the six months ended 30 June 2014 and 2013, the Group sold substantially all of its electricity to local government-related power grid companies. Please refer the details of information of power generation revenue to major power grid companies to note 5 to the condensed consolidated financial statements. The Group maintained most of its bank deposits in government-related financial institutions while lenders of most of the Group's loans are also government-related financial institutions, associated with the respective interest income or interest expense incurred.

During the six months ended 30 June 2014 and 2013, other collectively significant transactions with Government-Related Entities also included purchases of fuel and property, plant and equipment.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

15. RELATED PARTY TRANSACTIONS (Continued)

(d) Compensation to key management personnel of the Group

	Six months ended 30 June	
	2014	2013
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Basic salaries and allowances	1,449	1,361
Bonus	1,727	3,063
Retirement benefits	–	135
Other benefits	504	422
	3,680	4,981

16. CONTINGENT LIABILITIES

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

	At	At
	30 June	31 December
	2014	2013
	RMB'000	RMB'000
	(unaudited)	(audited)
Associates	949,000	966,000
Joint ventures	566,258	571,810
Other equity investee	36,000	36,000
	1,551,258	1,573,810

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

17. CAPITAL COMMITMENTS

The Group's capital commitments at the end of the reporting period are as follows:

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Property, plant and equipment		
Contracted but not provided for	9,779,905	9,928,965
Authorised but not contracted for	8,707,268	8,992,614
Share of capital commitments of joint ventures	2,440,195	1,772,558
	20,927,368	20,694,137

18. LEASE COMMITMENTS

At 30 June 2014 the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Within one year	33,639	45,938
In the second to fifth years inclusive	20,996	26,672
After five years	–	17,100
	54,635	89,710

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

19. EVENTS AFTER THE REPORTING PERIOD

- (a) On 7 July 2014, the Company entered into the Framework Agreement for Reorganisation with China Reform Holdings Corporation Ltd. ("China Reform Corporation") for the proposed reorganisation of the Company's coal-to-chemical business segment and related projects (the "Reorganisation"). The transaction price of the Reorganisation will be negotiated and determined pursuant to the State laws, regulations and the relevant requirements of the relevant government departments and based on the audit and asset evaluation result. China Reform Corporation will, through reorganisation cooperation or acquisition of equity interests, acquire assets or equity interests of the coal-to-chemical business segment and related projects of the Company.
- (b) The Company completed the issuance of "The Fourth Tranche of Datang International Power Generation Co., Ltd.'s Super Short-term Debentures in 2014" (the "Current Tranche Super Short-term Debentures") on 17 July 2014. The issuance amount for the Current Tranche Super Short-term Debentures was RMB3 billion with a maturity of 270 days. The unit nominal value is RMB100 and the issuance interest rate is at 4.58%. Bank of China Limited and Ping An Bank Co., Ltd. act as the joint lead underwriters for the Current Tranche Super Short-term Debentures. The proceeds from the Current Tranche Super Short-term Debentures will be used to replace part of the loans of the Company, adjust its debt structure, lower its financing costs and replenish the working capital of the Company.
- (c) The Company completed the issuance of "The First Tranche of Datang International Power Generation Co., Ltd.'s Medium-term Notes in 2014" (the "Current Tranche Medium-term Notes") on 22 August 2014. The issuance amount for the Current Tranche Medium-term Notes was RMB3.5 billion with a maturity of 5 years. The nominal value is RMB100 and the interest rate is at 5.20% per annum. Agricultural Bank of China Limited which acts as the lead underwriter and bookrunner and China Development Bank Corporation which acts as the joint lead underwriter, make a public offering of the Current Tranche Medium-term Notes in the nationwide interbank bond market by way of book building and centralised placement. The proceeds from the Current Tranche Medium-term Notes will be primarily used to replenish the working capital of the Company and repay the bank loans in order to adjust its debt structure and lower its financing costs.

20. APPROVAL OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated financial statements were approved and authorised for issue by the Board of Directors on 27 August 2014.

DIFFERENCES BETWEEN FINANCIAL STATEMENTS

For the six months ended 30 June 2014

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

		Net assets	
	Note	At 30 June 2014 RMB'000 (unaudited)	At 31 December 2013 RMB'000 (audited)
Net assets attributable to owners of the Company under IFRS		44,519,183	44,167,798
Impact of IFRS adjustments:			
Difference in the commencement of depreciation of property, plant and equipment	(a)	106,466	106,466
Difference in accounting treatment on monetary housing benefits	(b)	(36,840)	(49,027)
Difference in accounting treatment on mining funds	(c)	(300,852)	(300,117)
Applicable deferred tax impact of the above GAAP Differences		6,245	(1,877)
Non-controlling interests' impact of the above GAAP Differences after tax		(22,921)	(2,327)
Net assets attributable to owners of the Company under PRC GAAP		44,271,281	43,920,916

		Net profit	
	Note	2014 RMB'000 (unaudited)	2013 RMB'000 (unaudited)
Profit for the period attributable to owners of the Company under IFRS		2,028,713	2,019,283
Impact of IFRS adjustments:			
Difference in accounting treatment on monetary housing benefits	(b)	12,187	12,486
Difference in accounting treatment on mining funds	(c)	(67,423)	(140,511)
Applicable deferred tax impact of the above GAAP Differences		8,122	2,079
Non-controlling interests' impact of the above GAAP Differences after tax		(6,666)	(4,963)
Net profit for the period attributable to owners of the Company under PRC GAAP		1,974,933	1,888,374

DIFFERENCES BETWEEN FINANCIAL STATEMENTS

For the six months ended 30 June 2014

Notes:

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

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

(b) Difference in accounting treatment on monetary housing benefits

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

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

(c) Difference in accounting treatment on mining funds

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

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