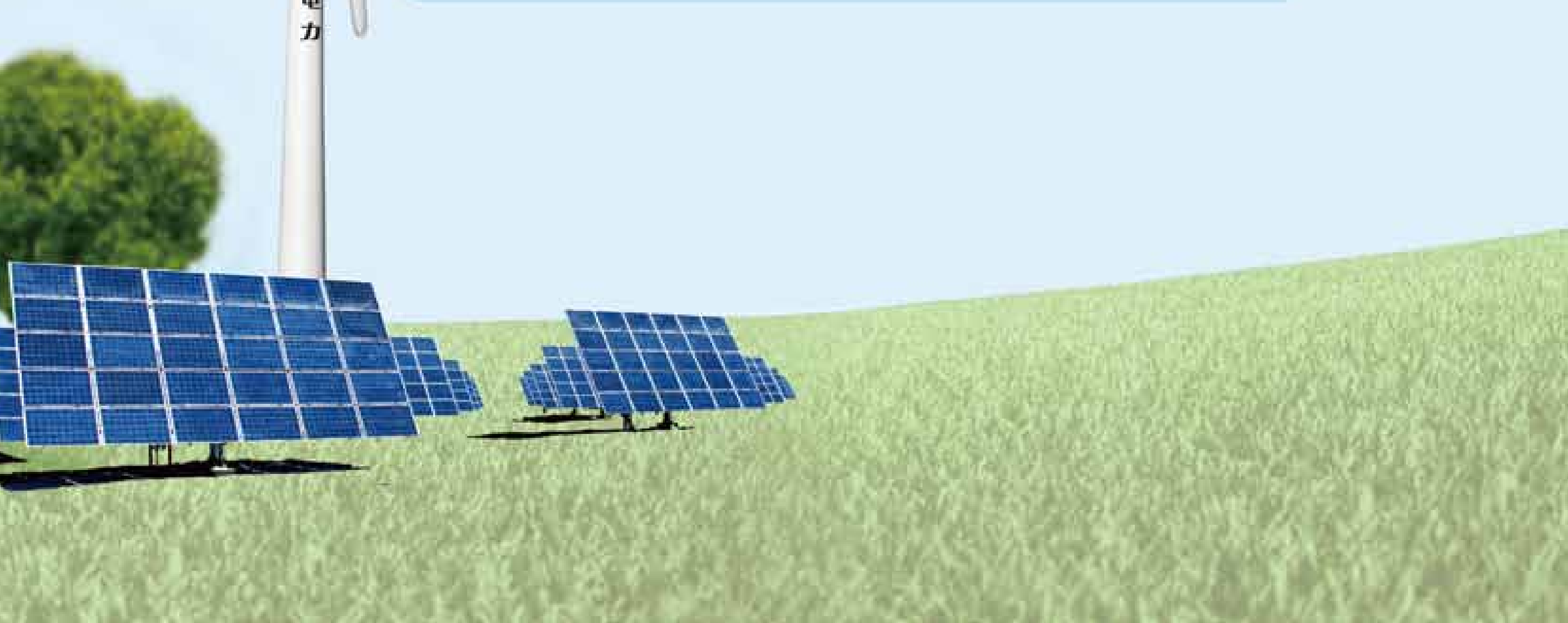
龍源電力集團股份有限公司
China Longyuan Power Group Corporation Limited*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
Stock Code: 00916

2014
Interim Report

*For Identification Purpose Only

CONTENTS

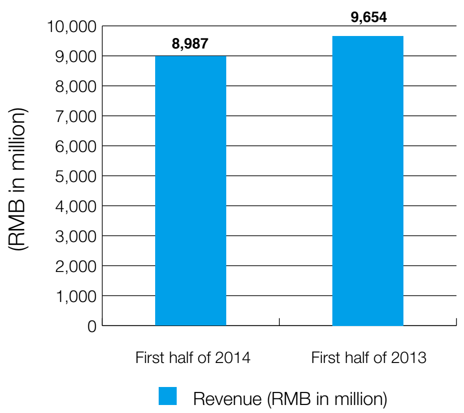


INTERIM RESULTS AND FINANCIAL DATA

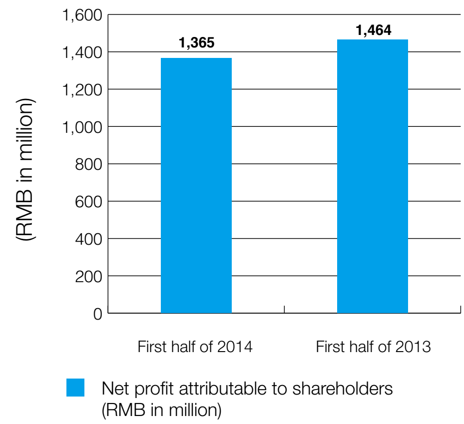
The Board of China Longyuan Power Group Corporation Limited* hereby announced the unaudited operating results for the six months ended 30 June 2014 and a comparison with the operating results for the six months ended 30 June 2013 (the "corresponding period of 2013"). For the six months ended 30 June 2014, the Group recorded consolidated operating revenue of RMB8,987 million, representing a decrease of 6.9% over RMB9,654 million for the corresponding period of 2013. Profit before taxation amounted to RMB2,176 million, representing a decrease of 5.0% over RMB2,290 million for the corresponding period of 2013. Net profit attributable to shareholders of the Company amounted to RMB1,365 million, representing a decrease of 6.8% from RMB1,464 million for the corresponding period of 2013. Basic earnings per share attributable to shareholders of the Company amounted to RMB0.1699, representing a decrease of RMB0.0123 from RMB0.1822 for the corresponding period of 2013. As of 30 June 2014, net assets per share (excluding non-controlling interests) amounted to RMB3.97.

* *For identification purpose only*

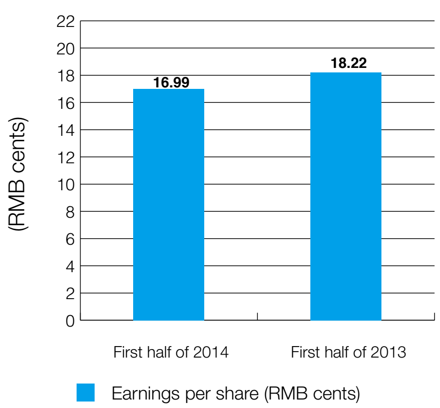
1. Revenue



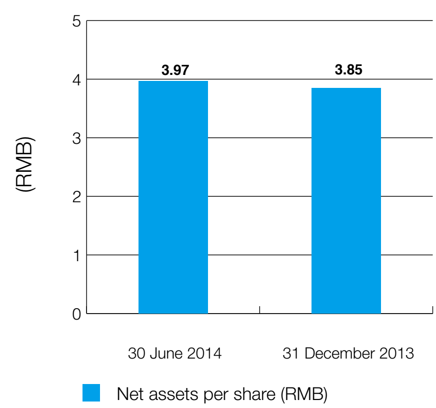
2. Net profit attributable to shareholders



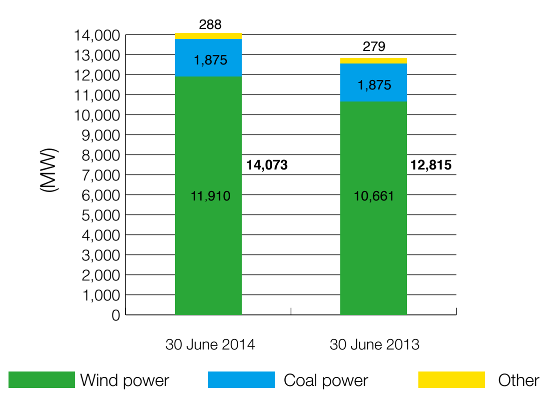
3. Earnings per share



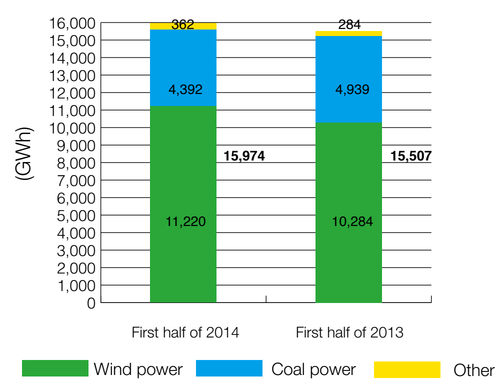
4. Net assets per share



5. Consolidated installed capacity



6. Electricity Sales



	For the six months ended 30 June	
	2014	2013
	RMB'000	*RMB'000*
Revenue	**8,986,569**	9,653,974
Profit before taxation	**2,176,254**	2,289,521
Income tax	**(286,688)**	(362,240)
Profit for the period	**1,889,566**	1,927,281
Attributable to:		
Shareholders of the Company	**1,365,412**	1,464,414
Non-controlling interests	**524,154**	462,867
Total comprehensive income for the period	**1,928,714**	1,863,506
Attributable to:		
Shareholders of the Company	**1,381,080**	1,442,867
Non-controlling interests	**547,634**	420,639
Basic and diluted earnings per share *(RMB cents)*	**16.99**	18.22

	At 30 June 2014 *RMB'000*	At 31 December 2013 *RMB'000*
Total non-current assets	**99,654,859**	96,907,503
Total current assets	**16,390,675**	13,766,271
Total Assets	**116,045,534**	110,673,774
Total current liabilities	**39,458,193**	36,676,231
Total non-current liabilities	**37,398,140**	35,957,174
Total liabilities	**76,856,333**	72,633,405
Net assets	**39,189,201**	38,040,369
Total equity attributable to the shareholders of the Company	**31,907,385**	30,908,033
Non-controlling interests	**7,281,816**	7,132,336
Total equity	**39,189,201**	38,040,369
Net assets per share *(RMB)*	**3.97**	3.85

MANAGEMENT DISCUSSION & ANALYSIS

(The following information disclosure was based on financial information prepared in accordance with IFRS unless otherwise specified)

Facing the complex situation both at home and aboard, the national economy remained stable while the structural adjustment was carried forward steadily with a sound momentum in reform and upgrading in the first half of 2014. The GDP recorded a year-on-year growth of 7.4% in the first half of the year when the national electricity consumption increased moderately. According to the National Electric Power Industry Statistics of June 2014 (《2014年6月全國電力工業統計快報》) issued by the China Electricity Council (the "CEC Statistics"), in the first half of 2014, the total national electricity consumption reached 2,627.6 billion kWh, representing a year-on-year growth of 5.3% while the electricity generated by power stations of nationwide scale amounted to 2,616.3 billion kWh, representing an increase of 5.8% year on year. In terms of production means, power generation of hydropower increased by 9.7% year on year to 371.3 billion kWh, representing 14.2% of the total national power generation; power generation of coal power increased by 4.7% year on year to 2,099.5 billion kWh, making up 80.2% of the total national power generation; power generation of nuclear power increased by 16.9% year on year to 56.6 billion kWh, accounting for 2.2% of the total national power generation; and the power generation of grid-connected wind power increased by 12.0% to 78.5 billion kWh, representing 3.0% of the total national power generation. With the high-speed growth of power generation from renewable energy, energy structure was further improved.

As shown in the CEC Statistics, by the end of June 2014, the installed capacity of power stations of nationwide scale reached 1,251.2 GW with a year-on-year growth of 9.4%. In the first half of the year, the equipment capacity of additional power-generation infrastructure amounted to 36.7 GW in the PRC with 13.0 GW of additional hydropower, 15.0 GW of additional coal power, 3.3 GW of additional nuclear power, 4.4 GW of additional grid-connected wind power and 0.9 GW of additional grid-connected solar power. The national utilisation hours of wind power in the first half of the year reached 986 hours, representing a decrease of 114 hours as compared with the corresponding period of 2013.

In the first half of 2014, the Group, with the strong leadership of the Broad, proactively coped with various difficulties and spared no effort to carried out its work, in a bid to sustain a sound momentum in its operation and development.

I. BUSINESS REVIEW

1. Continued improvement in wind power layout through innovative cooperation and development

In the first half of 2014, adhering to the development strategy of "accomplishing the Five Articles, promoting reform and development and establishing a world-leading new energy listed company", the Group insisted on and laid emphasis on strategic guidance, strengthened and deepened the preliminary work, actively carried out mixed ownership cooperation, implemented innovative management mechanism, improved the measures on quarterly performance appraisal and reinforced the control on investment plan and grid management, so as to rationalise the preliminary work while emphasising effective development. 28 projects of the Group with gross capacity of 1,542.9 MW were included in the Fourth Batch of Wind Power Projects Approved Plan（第四批風電項目核准計劃）released by the National Energy Administration in February 2014, among which, the capacity located in regions not subject to grid curtailment made up over 90%. In the first half of 2014, the Group obtained approvals for 8 wind power projects with total capacity of 527.8 MW, all being located in regions not subject to grid curtailment. As of 30 June 2014, the Group had wind power projects of 5.3 GW capacity which were approved but not yet put into operation as planned and wind power projects of 9.6 GW capacity which were included in the national plan but not yet put into operation, while the total wind power project reserves accumulated to 68.5 GW, demonstrating a vigorous trend in following-up development.

The Group launched the "Third Venture" based on the comprehensive and strategic cooperation since 2014, during which development channels were expanded by introducing a new cooperation pattern. The extensive cooperation with branches (subsidiaries) of Guodian Group as well as the full use of the wind power professional core platform established by Longyuan and the advantages of regional resources of branches (subsidiaries) of Guodian Group enable the Group to achieve win-win cooperation through powerful combination and leveraged development. By leveraging the opportunity brought about by the development of diversified ownership economy implemented by the central government, the Group continued to strengthen the collaboration with renowned local enterprises so as to lower investment risk and further guarantee the returns, while the list of projects under development and construction was being enlarged through the consolidation of projects with profitability and decent earnings by means of such as acquisitions. By the end of June 2014, there were total of 23 additional projects under joint development which covered 7 provinces with gross capacity of 1,874.2 MW.

2. Scale development speeding up with the steady progress in offshore wind power

After four years of exploration and practice, the scale development of offshore wind power of the Group was gradually speeded up. In the first half of 2014, the Group commenced the preliminary work of numerous offshore wind power projects in succession, actively promoted the preliminary work of the expansion project of 200 MW offshore demonstration project in Rudong Jiangsu (planned capacity of 200 MW), constructed the offshore pilot project of large turbines in Rudong Jiangsu (planned capacity of 49 MW), carried out the stepped experimental work of offshore wind power project in Fujian Nanri (planned capacity of 400 MW) and completed the pile foundation construction, and hoisting and commissioning of certain wind turbines. These three offshore wind power projects are expected to be put into operation successively in the future. It is essential for the construction of offshore wind power projects to establish the construction plan in respect of foundation work, hoisting and submarine cable. The delivery and application of the Longyuan Zhenhua No. 2 Offshore Wind Power Workship provided technical support for the Group to carry out offshore wind power construction in an effective and low-cost manner. In the meantime, the Group proactively invited domestic and foreign experts to formulate user manual and provide on-site instruction, in a bid to accelerate the construction progress. With an aim to guaranteeing the project quality, great attention was paid to the development of technical quality standards. Rules of quality and safety assessment were established in respect of foundation construction, wind turbine installation and submarine cable laying while project acceptance procedures were strictly followed. The effective construction period of offshore wind power project is relatively short due to various factors such as tide, typhoon and wave. In order to ensure the construction to be completed as scheduled, the Group prepared the construction plan carefully by scientifically arranging construction sequence and implementing cross operation. As provided in the Notice on Offshore Wind Power Price Policy issued by the National Development and Reform Comission (the "NDRC") (《國家發展改革委關於海上風電上網電價政策的通知》) on 5 June, the feed-in tariff for tidal-flat wind power projects put into operation before 2017 is fixed at RMB750/MWh while that offshore wind power project is fixed at RMB850/MWh. The promulgation of offshore wind power price policy will facilitate the development of offshore wind power industry and further improve the energy structure in the PRC. The development and construction of offshore wind power project of the Group will, by leveraging the favorable opportunity arising from the issue of offshore wind power price policy by the NDRC, be carried forward steadily.

3. Promoting quality project construction by promoting more lean management of the construction period

In order to achieve the production plan for 2014, the Group enhanced the details management at all levels, which effectively assured the quality of materials supplied and the performance of the contracts. The bidding of production project for the year had completed over 95% by the end of June, indicating a significant improvement as compared with last year. The Group continued to enhance the control in key points and rigorously monitor the project progress. In a bid to promote the project construction, the Group specified more than 2,000 key points of construction in details and implemented "weekly plan verification as well as monthly appraisal and supervision" in accordance with the newly modified Measures on Special Appraisal Management of Project Construction (《工程建設專項考核管理辦法》). In the meantime, supply of equipment was coordinated in an effective manner to ensure the smooth connection between the supply of equipment and construction progress.

With an aim to deliver quality projects, the Group continued to improve project quality and establish consciousness for the best through developing and improving the system of quality assurance, control and supervision in terms of four stages comprised of design, bidding, construction and acceptance inspection. The offshore wind power project in Rudong, Jiangsu and the wind power project in Matang, Yunnan developed by the Company were granted "Premium Quality Power Construction in China" (中國電力優質工程獎) while the offshore wind power project in Rudong, Jiangsu was also recommended as a candidate of "National Premium Quality Construction" (國家優質工程獎). As of 30 June 2014, the Group had 15 projects with gross installed capacity of 1,594 MW honored as "Premium Quality Power Construction in China" (中國電力優質工程獎), 4 projects with gross installed capacity of 648 MW honored as "National Premium Quality Construction" and 1 project with gross installed capacity of 150 MW honored as "China Construction and Engineering Luban Award" (中國建設工程魯班獎).

As of 30 June 2014, the consolidated installed capacity of the Group was 14,073 MW, among which the consolidated installed capacity of the wind power business, the consolidated installed capacity of the coal power business and the consolidated installed capacity of other renewable power business were 11,910 MW, 1,875 MW and 288 MW, respectively.

Geographical breakdown of the consolidated installed capacity of the Group's wind farms as of 30 June 2013 and 30 June 2014:

Region	**As of 30 June 2014** ***(MW)***	As of 30 June 2013 *(MW)*	**Percentage of change**
Heilongjiang	**1,136.9**	1,136.9	0.00%
Jilin	**348.9**	348.9	0.00%
Liaoning	**1,003.2**	1,003.2	0.00%
Inner Mongolia	**2,285.1**	2,175.6	5.03%
Jiangsu	**1,056.8**	932.3	13.35%
Zhejiang	**137.6**	137.6	0.00%
Fujian	**506.1**	506.1	0.00%
Hainan	**99.0**	99.0	0.00%
Gansu	**1,039.3**	1,039.3	0.00%
Xinjiang	**1,090.8**	744.3	46.55%
Hebei	**971.1**	971.1	0.00%
Yunnan	**528.0**	346.5	52.38%
Anhui	**396.0**	346.5	14.29%
Shandong	**99.0**	99.0	0.00%
Tianjin	**132.0**	99.0	33.33%
Shanxi	**399.0**	348.0	14.66%
Ningxia	**277.7**	179.0	55.14%
Guizhou	**247.5**	148.5	66.67%
Shaanxi	**148.5**	—	—
Tibet	**7.5**	—	—
Total	**11,910.0**	10,660.8	11.72%

4. Steady electricity generation and the actual realisation in the improvement of power generation

In the first half of 2014, the Group's daily electricity output exceeded 100 million kWh for 8 times, hitting several record highs in history. The Group gave great impetus on equipment optimisation, comprehensively summarised the past experiences and results, formulated Implementation Plan on Performance Optimisation for Equipment for the Year, optimized the operation of equipment in 97 wind farms under 21 regional companies, carried out research on controlling strategies such as adjusting the cut-in and cut-out wind speed and effectively raised the power generation capacity of the generating units, representing an increase in the capacity of 57 million kWh in the first half of the year. The Group strengthened the equipment management, innovated the working mode, integrated both internal and external technological power and various large wind turbines farms, and promoted work on analysis of defect in wind turbines with efforts and centralised governance. It also strengthened the supervision and control on overhaul, implementation status of technological innovation and breakdown period due to malfunction by "tracking by week and notifying by month" so as to enhance the standard of the equipment. Also, it expanded centralised supervision and took the lead in extending the centralizing supervision mode in domestic places at provincial level. Currently, it has established four supervision centres at the provincial level in Jiangsu, Heilongjiang, Liaoning and Anhui, developed upgraded technology on far-end centralised supervision and informatisation in the industry of wind power, boosting the overall operation management and efficiency of electricity generation in power plants. The Group reinforced the benchmarks of power generation, expanded the width and depth of benchmarks, optimised the measures of benchmark value, scientifically defined the range of capacity of benchmark generating units, and carried out the streamlined regional benchmarks in 7 companies in provinces including Hebei, Mengdong and Xinjiang at the provincial level to enhance the comparability, fairness and guidance of benchmarks. Also, it effectively improved staff's subjective initiatives through implementation of comparative benchmarks, highlighting the progress on management. It actively responded to power curtailment with a focus on supervising backward units on the improvement of measures and reinforcement of implementation to further alleviate power curtailment. Assessment on power generation was specified; based on further revised the Methods for the

Assessment of Power Generation (《發電量專項考核管理辦法》), the Methods for the Assessment of Unavailable Time (《不可用時間專項考核辦法》), the Methods for the Assessment of Power Generation in Infrastructure (《基建電量考核辦法》) and the Methods for the Assessment of Operation Optimization (《運行優化專項考核管理辦法》) were maturely formulated, hence the assessment system was refined. Besides, the Group formulated three-tier assessment of power generation covered by regional company, project company and wind power farm, laid a solid foundation on analysis of assessment objective of power plant in different power generation. With strengthened tracking and supervision, it facilitated company to maximize power generation, stimulated the initiative and awareness on work of production staff. Despite adverse circumstances of average lower wind speed as compared with the corresponding period of 2013, the Group effectively counteracted the adverse effect attributed to lower wind resources through strengthening the internal production management and strict external sales.

In the first half of 2014, the Group completed the accumulated power generation of 16,730 million kWh, of which electricity generated from our wind power business accounted for 11,624 million kWh, representing an increase of 4.86% year on year. The average utilisation hours of wind power in the first half of 2014 was 1,036 hours. Although the restriction on power supply was continuously eased, the utilisation hours represented a decrease of 68 hours as compared with the corresponding period of 2013 due to the poor wind resources as a whole as compared with the corresponding period of 2013.

Geographical breakdown of the consolidated gross power generation of the Company's wind farms for the first half of 2013 and the first half of 2014:

Region	**First half of 2014** ***(MWh)***	First half of 2013 *(MWh)*	**Percentage of change**
Heilongjiang	**1,041,608**	1,227,994	–15.18%
Jilin	**221,921**	307,227	–27.77%
Liaoning	**807,672**	803,280	0.55%
Inner Mongolia	**2,312,323**	2,391,092	–3.29%
Jiangsu	**1,341,748**	1,161,407	15.53%
Zhejiang	**107,032**	114,986	–6.92%
Fujian	**684,487**	547,672	24.98%
Hainan	**61,945**	67,693	–8.49%
Gansu	**942,479**	863,061	9.20%
Xinjiang	**919,104**	910,703	0.92%
Hebei	**1,019,104**	1,120,211	–9.03%
Yunnan	**685,211**	463,204	47.93%
Anhui	**426,965**	308,237	38.52%
Shandong	**125,163**	48,528	157.92%
Tianjin	**134,920**	128,791	4.76%
Shanxi	**332,756**	301,232	10.47%
Ningxia	**157,450**	125,289	25.67%
Guizhou	**224,640**	194,736	15.36%
Shaanxi	**69,054**	—	—
Tibet	**8,019**	—	—
Total	**11,623,601**	11,085,343	4.86%

Geographical breakdown of the average utilisation hours/load factor of wind power of the Company's wind farms for the first half of 2013 and the first half of 2014:

Region	**Average utilisation hours of wind power for the first half of 2014** ***(hr)***	**Average load factor of wind power for the first half of 2014**	Average utilisation hours of wind power for the first half of 2013 *(hr)*	Average load factor of wind power for the first half of 2013	**Percentage of change of the average utilisation hours of wind power**
Heilongjiang	**916**	**21%**	1,156	27%	–20.76%
Jilin	**636**	**15%**	881	20%	–27.81%
Liaoning	**807**	**19%**	851	20%	–5.17%
Inner Mongolia	**1,014**	**23%**	1,103	25%	–8.07%
Jiangsu	**1,287**	**30%**	1,257	29%	2.39%
Zhejiang	**785**	**18%**	836	19%	–6.10%
Fujian	**1,352**	**31%**	1,333	31%	1.43%
Hainan	**626**	**14%**	684	16%	–8.48%
Gansu	**903**	**21%**	842	19%	7.24%
Xinjiang	**1,180**	**27%**	1,361	31%	–13.30%
Hebei	**1,048**	**24%**	1,156	27%	–9.34%
Yunnan	**1,660**	**38%**	1,654	38%	0.36%
Anhui	**1,075**	**25%**	1,094	25%	–1.74%
Shandong	**1,264**	**29%**	511	12%	147.36%
Tianjin	**1,086**	**25%**	1,241	29%	–12.49%
Shanxi	**958**	**22%**	1,262	29%	–24.09%
Ningxia	**768**	**18%**	907	21%	–15.33%
Guizhou	**1,230**	**28%**	1,321	30%	–6.89%
Shaanxi	**998**	**23%**	–	–	–
Tibet	**1,069**	**25%**	–	–	–
Total	**1,036**	**24%**	1,104	25%	–6.16%

During the reporting period, the consolidated power generation from the coal power business of the Group decreased by 10.81% to 4,714 million kWh as compared with 5,285 million kWh for the corresponding period of 2013, and this was primarily due to the fact that: (1) generating unit No. 1 of the Nantong Tianshenggang Power Plant of the Company, and generating units No. 3, 4 and 6 of the Jiangyin Sulong Power Plant were environmentally renovated in the first half of 2014; and (2) compensation for power generation for the decommissioning of power generating units of the Nantong Tianshenggang Power Plant expired as compared with the corresponding period of 2013, leading to the fact that there was no such compensation in the first half of 2014. The average utilisation hours of the Group's coal power generating units for the first half of 2014 decreased by 305 hours, from 2,819 hours of the corresponding period of 2013 to 2,514 hours.

5. Maintaining steady in the tariff

The average on-grid tariffs for overall power generation of the Group for the first half of 2014 amounted to RMB550 per MWh (value-added tax ("VAT") inclusive), representing an increase of RMB3 per MWh as compared with the average on-grid tariffs for wind power of RMB547 per MWh (VAT inclusive) for the corresponding period of 2013. The average on-grid tariffs for wind power amounted to RMB583 per MWh (VAT inclusive), generally the same as compared with RMB582 per MWh (VAT inclusive) for the corresponding period of 2013. The average on-grid tariffs for coal power amounted to RMB437 per MWh (VAT inclusive), representing a decrease of RMB17 per MWh as compared with the average on-grid tariffs for coal power of RMB454 per MWh (VAT inclusive) for the corresponding period of 2013. The average on-grid tariffs for the coal power was mainly affected by (1) a reduction of on-grid tariffs of coal power enterprises by RMB25 per MWh (VAT inclusive) by the Price Bureau of Jiangsu Province on 25 September 2013 in accordance with Notice of NDRC on Adjustment of On-grid Tariffs of Power Generation Enterprises (《國家發改委關於調整發電企業上網電價有關事項的通知》); and (2) the increase of 1 percentage point in electricity sales of coal power for peak seasons in the first half of the year, the increase in capacity of the generating units with completed denitrification and dust removal transformation is of RMB10 per MWh (VAT inclusive) and RMB2 per MWh (VAT inclusive) respectively in the subsidies for the price of electricity leading to an increase of RMB8 per MWh (VAT inclusive) in average on-grid tariffs for coal power.

6. Diversified financing and effective control of costs of funds

In the first half of 2014, confronted with the varied currency market at home and aboard, the Group took full advantage of synergy between domestic and foreign business, diversity and flexibility of financing channels, kept a sharp eye on grasping favourable market opportunities to develop various financing activities. The Group successfully issued 3 terms of privately raised corporate bonds of RMB8,000 million in total, all the interests of which were low in the market; Hero Asia Investment Limited, a subsidiary of the Company, obtained over RMB3,000 million low-cost fund in Hong Kong market. The average capital cost ratio in the first half of the year decreased as compared with that of 2013 through the replacement of finance and structural optimisation. In this respect, the Company maintained its leading position in the industry and further illustrated its core competitive strength over capital control.

7. Optimised technical management mechanism, enhance technological strength and consolidate solid technical foundation for the development of wind power business

At the beginning of 2014, an integration of technical businesses was carried out by the Group, which not only strengthened the technical management function of the technical center in the headquarters of the Company but also replenished the companies engaged in technical services with strong research capability. By leveraging the opportunity arising from relocation to Guodian New Energy Technological Research Institute（國電新能源技術研究院）, the Technical Institute for Wind Power Operation（風電運營研究所）and the Research Institute for Marine Geothermal Energy（海洋能地熱研究所）were established as scientific research platforms, which further improved and enhanced the overall research quality and technical service ability. During the reporting period, projects contracted by the Group included 6 "863" and "973" State-level Technological Projects, 5 additional technological projects of Guodian Group and 6 independent technological projects of the Company. In addition, the Company initiated and organised the work of drafting 2 industry standards and completed the approval application for 2 national standards. The "Longyuan Zhenhua No. 2", an 800-tonne jack-up offshore wind farm construction platform, was delivered and put into operation in June. As the first rack-and-pinion offshore wind farm construction vessel, it can resist up to 12 level cyclones without any assistance and is capable to meet the requirements of offshore wind farm development to a depth of 30 meters. Moreover, this vessel is also equipped with piling and hoisting functions, which enable it as the most comprehensive professional offshore wind farm construction platform with best hoisting capacity, widest applicability and most advanced lifting system. In the meantime, the Group possessed both the software and hardware capabilities in respect of offshore anemography, marine environment and marine geology observation, laying a solid technical foundation for the development of offshore wind power business.

8. Overseas business progressed in an orderly manner, "going-global" strategy achieved phased results

In the first half of 2014, the Group steadily carried out its overseas business as scheduled and had achieved phased results. The Canadian Dufferin wind power projects was in smooth progress. Pouring of wind turbine was almost finished; the project of road access, grid, the integrated building and switch station were almost finished; and assembly of wind turbines and the construction of transmission lines were comprehensively commenced, which were expected to be put into production in the second half of 2014. The Group will take Canadian Dufferin wind power projects in production as the opportunity and extend it to America, Mexico and South American countries, so as to soon achieve the breakthrough in the countries and regions above. At present, subsequent work in connection to the wind power project obtained in October 2013 in South Africa is proceeded in accordance to the requirements on bidding documents provided by the government of South Africa. The approval examination on project financing is expected to be completed in the second half of 2014 while the preparation work for construction will be commenced upon the execution of grid connection agreement, electricity purchase and sales agreement and other contracts. The Group will continue to follow the basic principle on overseas investment to develop projects with high returns in key regions to the extent of risks under control.

II. RESULTS OF OPERATIONS AND ANALYSIS THEREOF

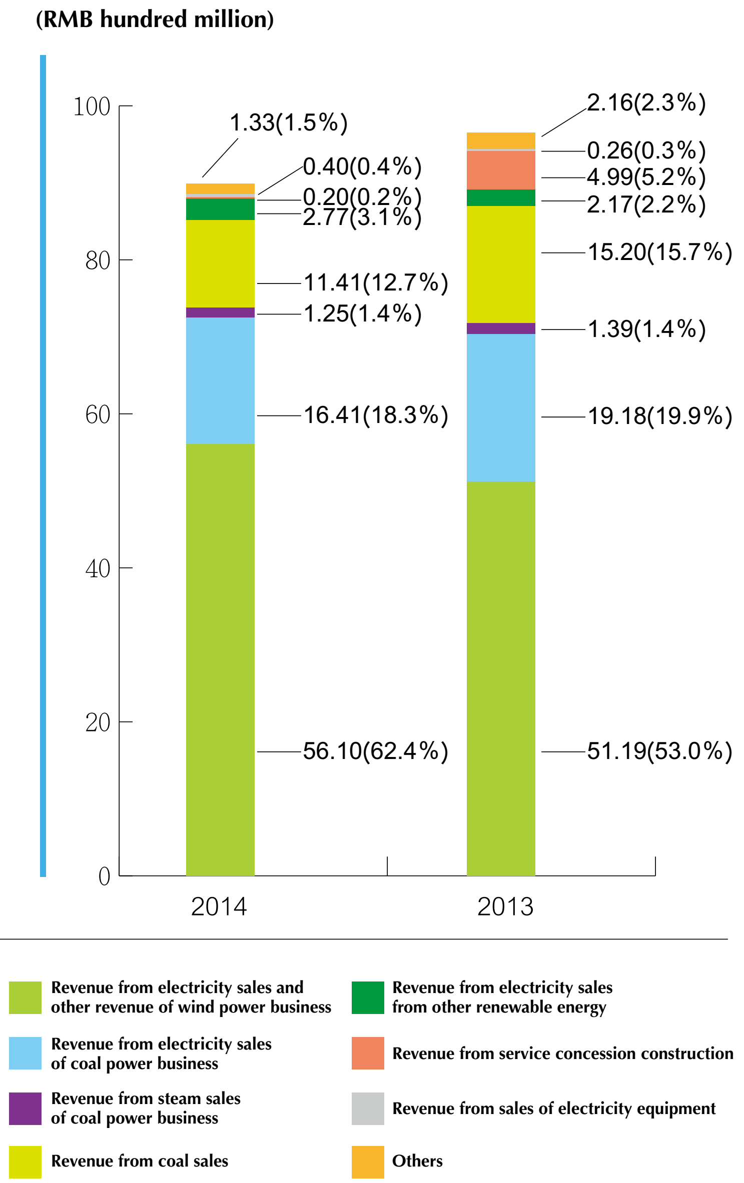
Profit or loss and other comprehensive income

In the first half of 2014, the net profit of the Group amounted to RMB1,890 million, representing a decrease of 1.9% as compared to RMB1,927 million in the corresponding period of 2013. Net profit attributable to shareholders amounted to RMB1,365 million, representing a decrease of 6.8% as compared to RMB1,464 million in the corresponding period of 2013. Earnings per share amounted to RMB16.99 cents, representing a decrease of RMB1.23 cents as compared to RMB18.22 cents in the corresponding period of 2013.

Operating revenue

Operating revenue of the Group amounted to RMB8,987 million in the first half of 2014, representing a decrease of 6.9% as compared to RMB9,654 million in the corresponding period of 2013. Such change in operating revenue was primarily due to: 1) an increase of RMB491 million, or 9.6%, in electricity sales and other revenue of wind power business to RMB5,610 million in the first half of 2014 as compared to RMB5,119 million in the corresponding period of 2013; 2) a decrease of RMB277 million, or 14.4%, in revenue from sales of electricity of coal power business to RMB1,641 million as compared to RMB1,918 million in the corresponding period of 2013, among which, the electricity sales of coal power business decreased by 547 million kWh as compared to that in the corresponding period of 2013, which was primarily attributable to the downward adjustment to the benchmark tariff of electricity generated by desulphurization coal-fired power generating units by the PRC government in September 2013. The non-tax average tariff of coal power electricity decreased by RMB15 per MWh as compared to that in the corresponding period of 2013; 3) a decrease of RMB379 million, or 24.9%, in revenue from coal sales of coal power business to RMB1,141 million as compared to RMB1,520 million in the corresponding period of 2013, which was primarily attributable to the decrease in sales volume and selling price of coal under the downturn of coal market; and 4) a sharp decrease in service concession construction revenue of wind power business to RMB20 million as compared to RMB499 million in the corresponding period of 2013, which was primarily attributable to the decrease in the number of projects under construction and volume of constructions.

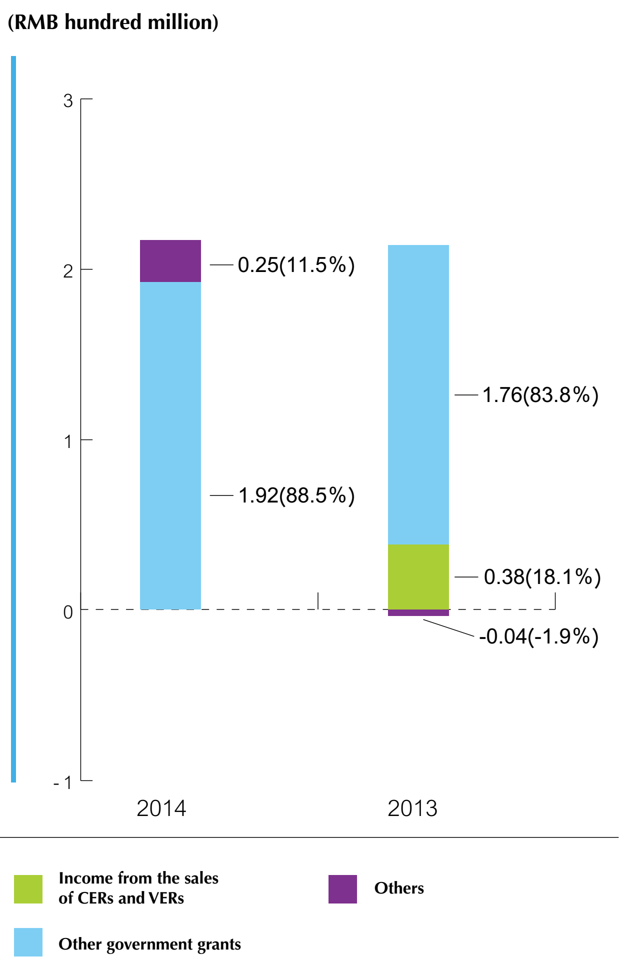
The operating revenue and proportion of each business for the six months ended 30 June is set out as below :



Other net income

Other net income of the Group amounted to RMB217 million in the first half of 2014, which increased by 3.3% as compared to RMB210 million in the corresponding period of 2013 which was mainly caused by following reasons: 1) under the influence of the increase in revenue from electricity sales of wind power business, the return of value-added tax amounted to RMB126 million in the first half of 2014, representing an increase of RMB17 million as compared to that in the corresponding period of 2013; 2) the penalty income from the wind turbine suppliers due to the delay in product delivery increased by RMB9 million as compared with the corresponding period of 2013; 3) the income from the sales of CERs and VERs amounted to RMB38 million in the first half of 2013, while there was no similar income in the first half of 2014; and 4) the net loss from the disposal of fixed assets of the coal power business amounted to approximately RMB16 million in the first half of 2013, while the net gain from the disposal of fixed assets of the coal power business amounted to approximately RMB1 million in the first half of 2014.

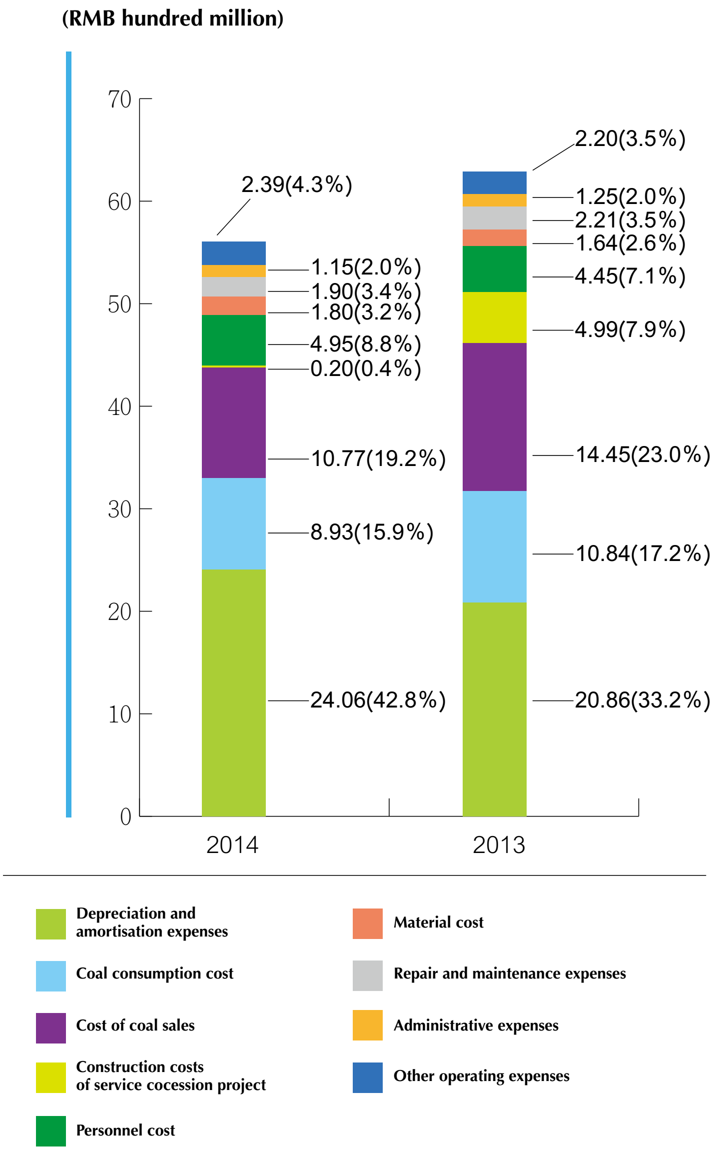
Other net income classification and the proportion for the six months ended 30 June are set out as below:



Operating expenses

Operating expenses of the Group amounted to RMB5,615 million in the first half of 2014, representing a decrease of 10.7% from RMB6,290 million in the corresponding period of 2013, primarily due to the increase in the depreciation and amortisation expenses of the wind power business and the decrease in the coal consumption costs and cost of coal sales in the coal power business. Furthermore, the decrease in the construction costs of the service concession projects also contributed to the decrease.

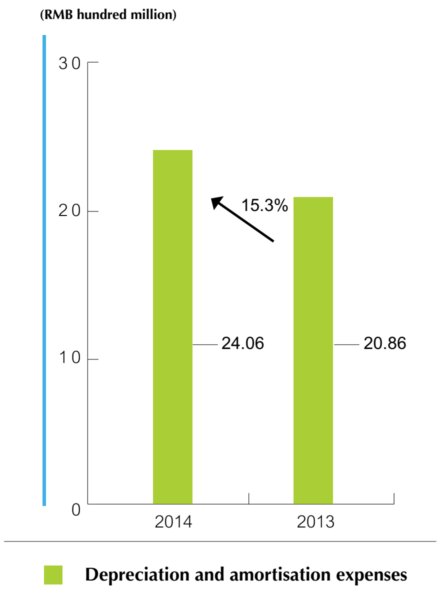
Operating expenses classification and the proportion for the six months ended 30 June are set out as below:



Depreciation and amortisation expenses

Depreciation and amortisation expenses of the Group amounted to RMB2,406 million in the first half of 2014, representing an increase of 15.3% as compared to RMB2,086 million in the corresponding period of 2013, primarily due to an increase of RMB335 million, or 18.9%, in depreciation and amortisation expenses of wind power business over the corresponding period of 2013 as a result of expansion in the installed capacity of wind power projects.

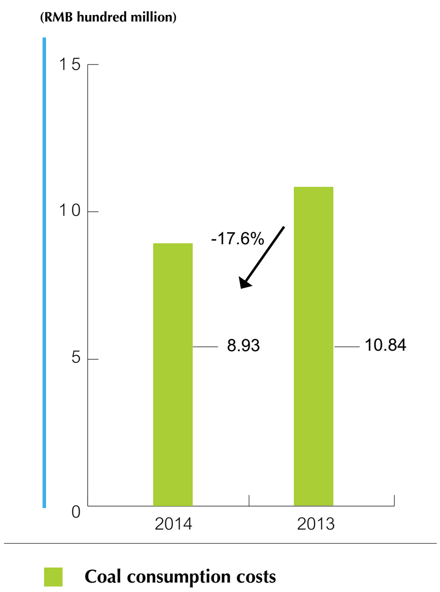
The depreciation and amortisation expenses for the six months ended 30 June are set out as follows:



Coal consumption costs

The coal consumption costs of the Group amounted to RMB893 million in the first half of 2014, representing a decrease of 17.6% as compared to RMB1,084 million in the corresponding period of 2013. The main reasons are as follows: 1) a decrease of approximately 8.1% in the average unit price of standard coal for power and steam generation compared with that of the corresponding period of 2013 as affected by the decrease in the price of coal in the first half of 2014; and 2) a decrease of approximately 10.7% in the coal consumption as a result of the decrease in power generation.

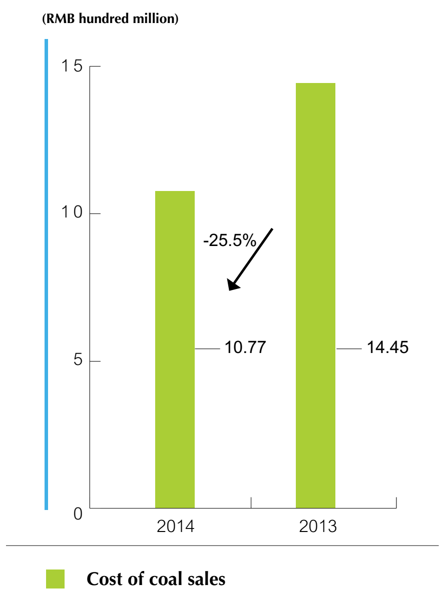
The coal consumption costs for the six months ended 30 June are set out as follows:



Cost of coal sales

The cost of coal sales of the Group in the first half of 2014 amounted to RMB1,077 million, representing a decrease of 25.5% as compared to RMB1,445 million in the corresponding period of 2013. The main reasons are as follows: 1) a decrease of approximately 11.4% in the average procurement price of coal for the first half of 2014 compared with that in the corresponding period of 2013; and 2) a decrease of approximately 15.8% in the sales volume of coal as compared with the corresponding period of 2013.

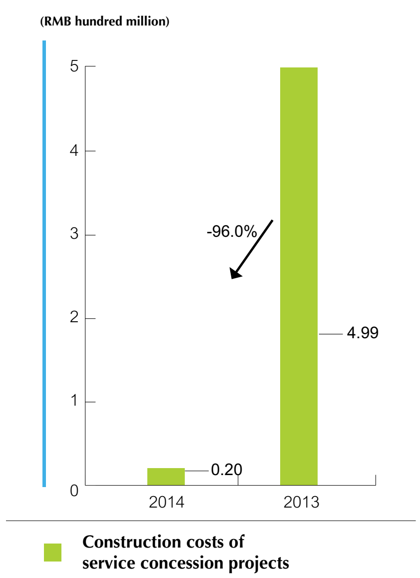
The cost of coal sales for the six months ended 30 June is set out as follows:



Service concession construction costs

The Group's construction costs of service concession projects in the first half of 2014 amounted to RMB20 million, representing a decrease of 96.0% as compared to RMB499 million in the corresponding period of 2013, primarily due to a decrease of construction volume of service concession projects under construction in the first half of 2014 as compared with that in the corresponding period of 2013.

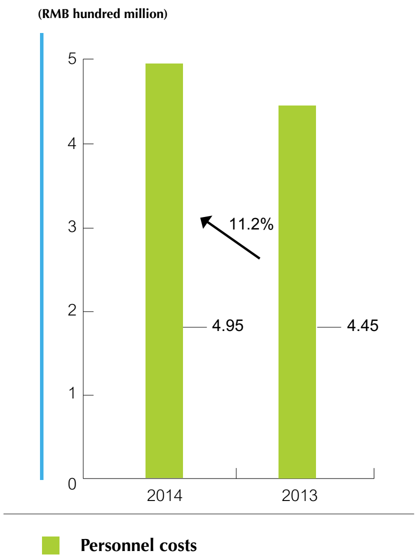
The construction costs of service concession projects for the six months ended 30 June are set out as follows:



Personnel costs

Personnel costs of the Group amounted to RMB495 million in the first half of 2014, representing an increase of 11.2% as compared to RMB445 million in the corresponding period of 2013. The main reasons are as follows: 1) an increase in headcounts as a result of the Group's expansion; and 2) the fact that a portion of the personnel costs were expensed instead of being capitalised as more projects commenced operation.

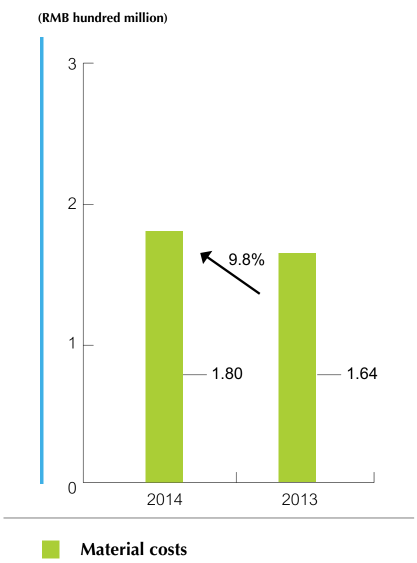
The personnel costs for the six months ended 30 June are set out as follows:



Material costs

Material costs of the Group amounted to RMB180 million in the first half of 2014, representing an increase of 9.8% as compared to RMB164 million in the corresponding period of 2013, primarily due to the increase in material costs caused by the increase in the external sales of products of the Group's subsidiaries, namely Zhongneng Power-Tech Development Company Limited and Longyuan (Beijing) Wind Power Projects Technology Co,. Ltd. in the first half of 2014.

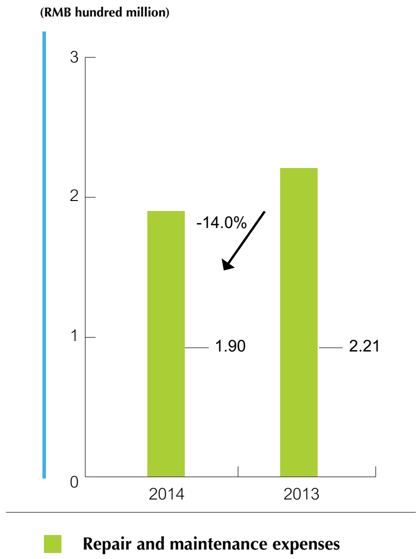
The material costs for the six months ended 30 June are set out as follows:



Repair and maintenance expenses

The repair and maintenance expenses of the Group amounted to RMB190 million in the first half of 2014, representing a decrease of 14.0% as compared to RMB221 million in the corresponding period of 2013. The repair and maintenance expenses of wind power business slightly decreased as compared to the corresponding period of 2013. The coal power business carried out overhauls to certain coal power generating units in the first half of 2013, while in the first half of 2014, it mainly carried out ordinary maintenance and examination, thus the repair and maintenance expenses decreased as compared with the corresponding period of 2013.

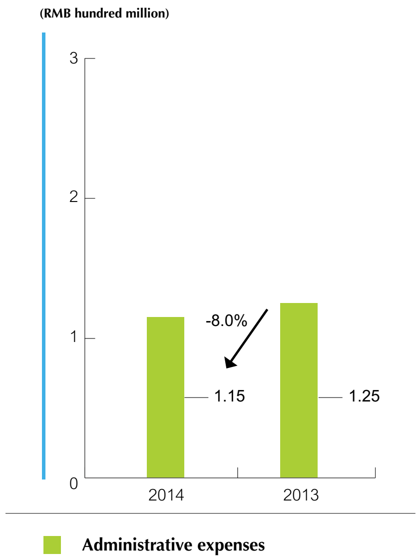
The repair and maintenance expenses for the six months ended 30 June are set out as follows:



Administrative expenses

Administrative expenses of the Group amounted to RMB115 million in the first half of 2014, representing a decrease of 8.0% as compared to RMB125 million in the corresponding period of 2013. Such decrease was primarily due to the continuously effective control on the office and meeting expenses, transportation expenses and other expenses of the Group.

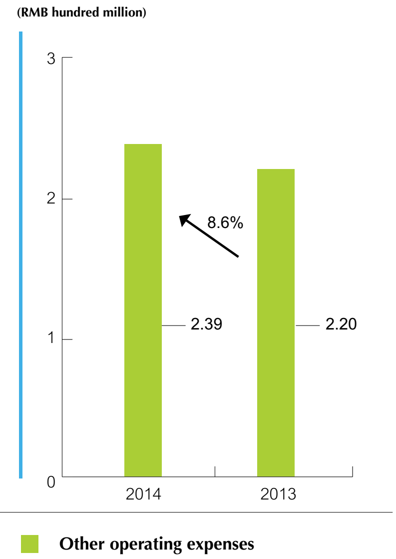
The administrative expenses for the six months ended 30 June are set out as follows:



Other operating expenses

Other operating expenses of the Group amounted to RMB239 million in the first half of 2014, representing an increase of 8.6% as compared to RMB220 million in the corresponding period of 2013, which was mainly due to the increase in operating expenses of insurance fees, water and electricity fees, following the increase in installed capacity as a result of the expansion of the Group's business.

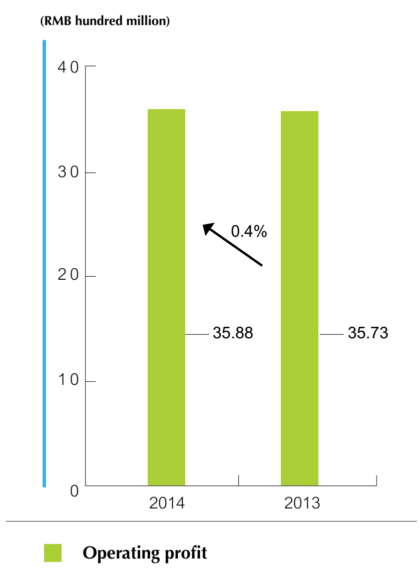
The other operating expenses for the six months ended 30 June are set out as follows:



Operating profit

In the first half of 2014, the operating profit of the Group amounted to RMB3,588 million, representing an increase of 0.4% as compared to RMB3,573 million in the corresponding period of 2013. The main reasons are as follows: 1) the operating profit of the wind power business amounted to RMB3,107 million in the first half of 2014, representing an increase of RMB97 million, or 3.2% from RMB3,010 million in the corresponding period of 2013. It was mainly attributable to the increase of the sales of electricity in wind power business led by the increase of the installed capacity of the wind power business. The increase in operating profit of the wind power business was less than the increase in the revenue of sales of electricity, which was mainly attributable to the fact that the wind resources in the first half of 2014 was not as good as that in the corresponding period of 2013. The utilisation hours of the power generating equipments decreased compared with that of the corresponding period of 2013, which led to more increase in cost of electricity sales than in revenue from electricity sales; 2) the operating profit of the coal power business amounted to RMB416 million in the first half of 2014, representing a decrease of RMB140 million, or 25.2% as compared to RMB556 million in the corresponding period of 2013, which was primarily attributable to the decrease in sales of electricity in coal power business and decrease in the unit price of electricity sales, resulting in a decrease of gross profit of electricity sales compared with the corresponding period of 2013, and the profits from the alternative power generation during the period decreased by RMB84 million compared with that of the corresponding period of 2013; and 3) the operating profit of other business in the first half of 2014 was RMB93 million, increased by RMB4 million, or 4.5% compared with RMB89 million of the corresponding period of 2013, which was primarily attributable to the increase in revenue from sales of electricity and operating profits due to the increase in installed capacity of the solar power business of the Group.

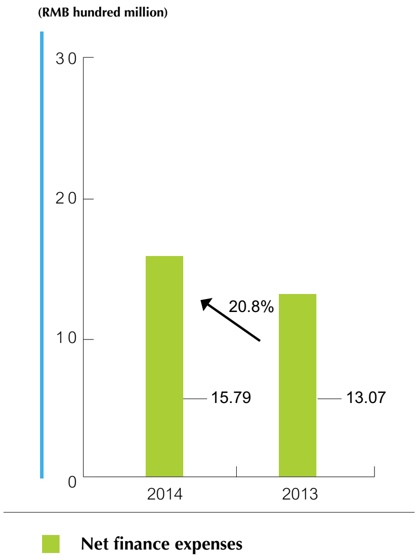
The operating profit for the six months ended 30 June is set out as follows:



Net finance expenses

The net finance expenses of the Group amounted to RMB1,579 million in the first half of 2014, representing an increase of 20.8% as compared to RMB1,307 million in the corresponding period of 2013. The main reasons are as follows: 1) an increase of approximately RMB69 million in the interest expenses as compared with that in the corresponding period of 2013 since more projects under construction commenced operations; 2) provision for impairment losses of RMB144 million were recognised for the CDM receivables with low recoverability based on the Group's assessment in the corresponding period of 2013, while no such expenses were recorded in the first half of 2014; and 3) loss on changes in fair value amounting to approximately RMB86 million from the trading securities of Hero Asia Investment Limited for the first half of 2014, decreased by approximately RMB331 million as compared with RMB245 million of gain on changes in fair value of the corresponding period of 2013.

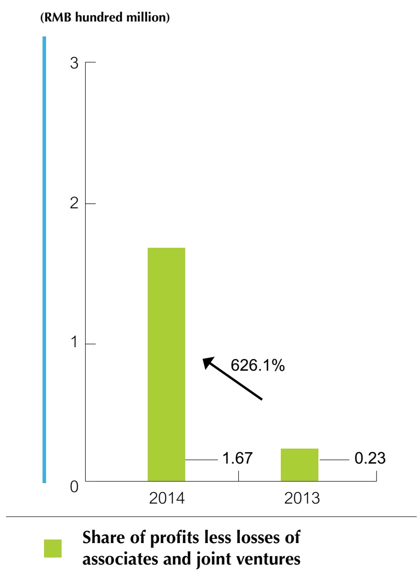
The net finance expenses for the six months ended 30 June are set out as follows:



Share of profits less losses of associates and joint ventures

The Group's share of profits less losses of associates and joint ventures amounted to RMB167 million in the first half of 2014, representing an increase of 626.1% as compared to RMB23 million in the corresponding period of 2013, primarily due to an increase in joint ventures' results of operations in the first half of 2014 as compared to the corresponding period of 2013.

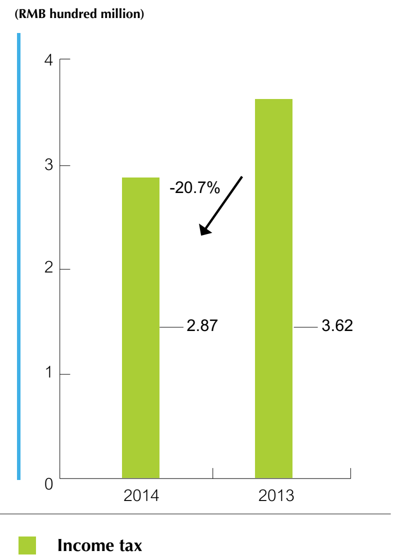
The share of profits less losses of associates and joint ventures for the six months ended 30 June is set out as follows:



Income tax

Income tax of the Group amounted to RMB287 million in the first half of 2014, representing a decrease of 20.7% as compared to RMB362 million in the corresponding period of 2013. The main reasons are as follows: 1) income tax decreased by RMB38 million as compared to the corresponding period of 2013 as share of profit of a joint venture attributable to the coal power business was exempted from income tax; 2) income tax increased by RMB47 million as compared to the corresponding period of 2013 due to the increase in profit before tax of wind power business; and 3) as the changes in fair value of trading securities in the first half of 2014 recorded a net loss of RMB331 million as compared to the corresponding period of 2013, income tax decreased by RMB83 million as compared to the corresponding period of 2013.

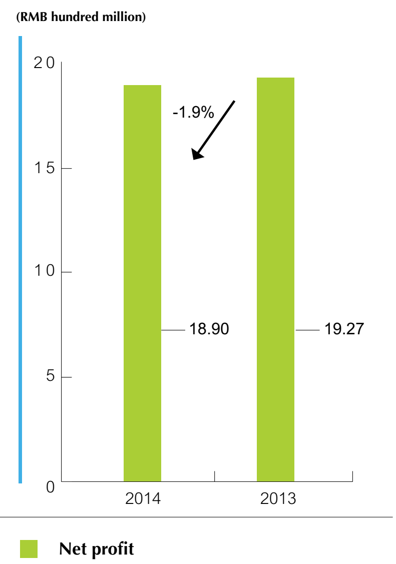
The income tax for the six months ended 30 June is set out as follows:



Net profit

In the first half of 2014, the net profit of the Group amounted to RMB1,890 million, representing a decrease of 1.9% as compared to RMB1,927 million in the corresponding period of 2013, mainly due to the fact that operating profit basically maintained at the same level as that in the corresponding period of 2013 while changes in fair value of trading securities recorded a net loss of RMB331 million as compared to the corresponding period of 2013; provision for impairment losses of RMB144 million recognised for the CDM receivables with low recoverability was recognised in the corresponding period of 2013; and share of profits less losses of associates and joint ventures increased by RMB144 million as compared to the corresponding period of 2013.

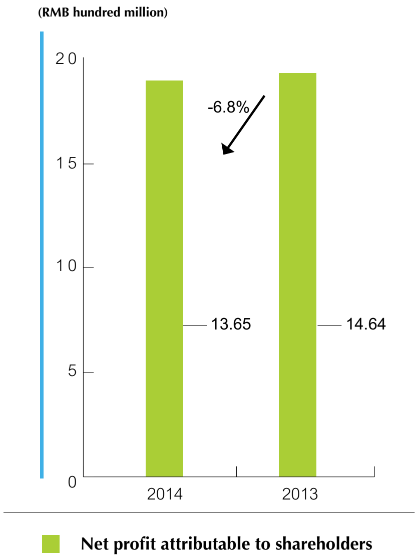
The net profit for the six months ended 30 June is set out as follows:



Net profit attributable to shareholders

In the first half of 2014, net profit attributable to shareholders of the Group amounted to RMB1,365 million, representing a decrease of 6.8% as compared to RMB1,464 million in the corresponding period of 2013, mainly attributable to the decrease in net profit and the increase in net profit from coal power segment, most interests of which were held by minority shareholders.

The net profit attributable to shareholders for the six months ended 30 June is set out as follows:



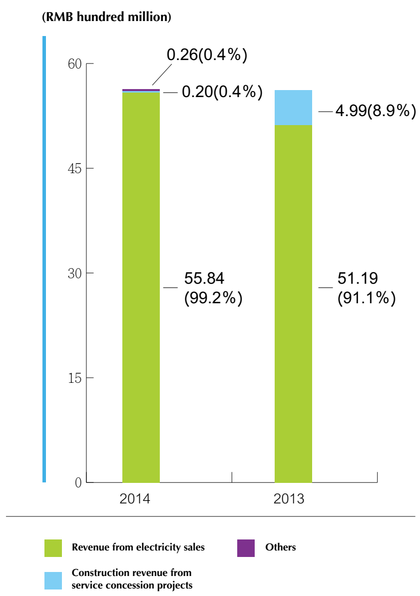
Segment results of operations

Wind power business

Operating revenue

In the first half of 2014, the operating revenue of the wind power business of the Group amounted to RMB5,630 million, representing an increase of 0.2% from RMB5,618 million in the corresponding period of 2013, primarily due to the continuous increase in installed capacity of wind power, the increase in sales volume of wind power, the increase in revenue from sales and the fact that construction revenue from service concession projects decreased significantly resulting from the decrease in construction volumes.

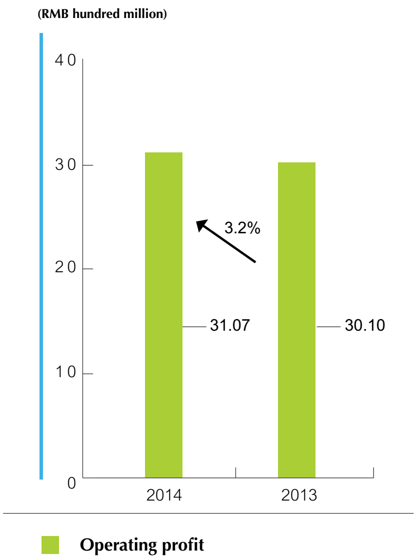
The items and proportions of operating revenue of the wind power business for the six months ended 30 June are set out as follows:



Operating profit

In the first half of 2014, the operating profit of the wind power business of the Group amounted to RMB3,107 million, representing an increase of 3.2% from RMB3,010 million in the corresponding period of 2013, primarily due to the increase in revenue from electricity sales of our wind power business. The increase in operating profit of the wind power business of the Group was less than the increase in operating revenue, which was mainly attributable to the fact that the relatively poor wind resources resulted in a decrease in utilisation hours of power generating equipment in the first half of 2014 as compared to the corresponding period of 2013, coupled with a higher increase in cost of electricity sales than in revenue from electricity sales.

Operating profit of the wind power business for the six months ended 30 June is set out as follows:

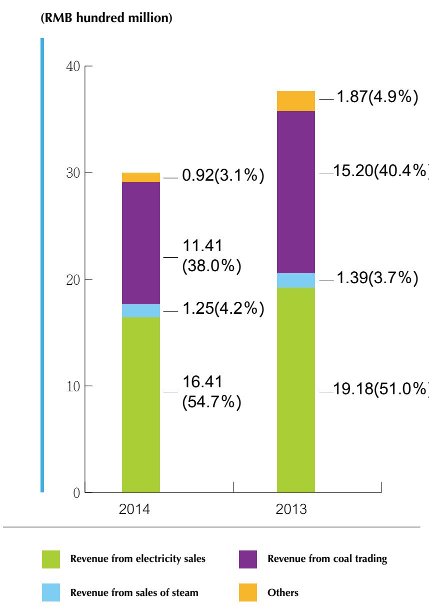


Coal power business

Operating revenue

In the first half of 2014, operating revenue of our coal power business amounted to RMB2,999 million, representing a decrease of 20.3% as compared to RMB3,764 million in the corresponding period of 2013. The main reasons are as follows: 1) in the first half of 2014, power generation decreased as compared to the corresponding period of 2013, sales of electricity decreased by 547 million kWh as compared to the corresponding period of 2013 while revenue from electricity sales decreased by 14.4% due to decline in unit selling price of electricity; and 2) given the downturn in the coal market, both the selling price and sales volume of coal recorded decrease, resulting in a decrease of 24.9% in revenue from sales of coal.

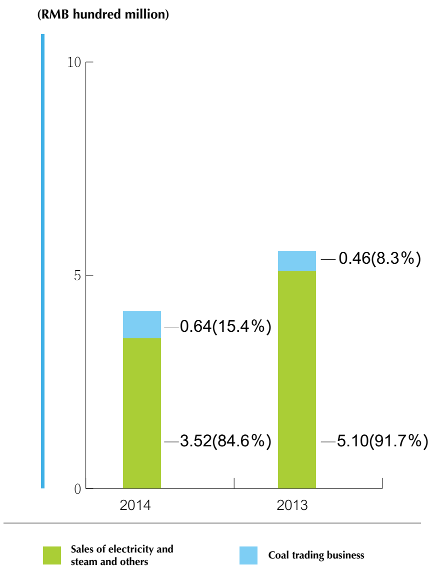
The items and proportions of operating revenue of the coal power business for the six months ended 30 June are set out as follows:



Operating profit

In the first half of 2014, operating profit of our coal power business amounted to RMB416 million, representing a decrease of 25.2% as compared to RMB556 million in the corresponding period of 2013. The main reasons are as follows: 1) in the first half of 2014, the decrease in electricity sales and the decrease in the unit selling price of electricity resulted in a decrease in gross profit of sales of electricity as compared to the corresponding period of 2013; and 2) a decrease of approximately RMB84 million in profit from alternative power generation as compared to the corresponding period of 2013.

The items and proportions of operating profit of the coal power business for the six months ended 30 June are set out as follows:

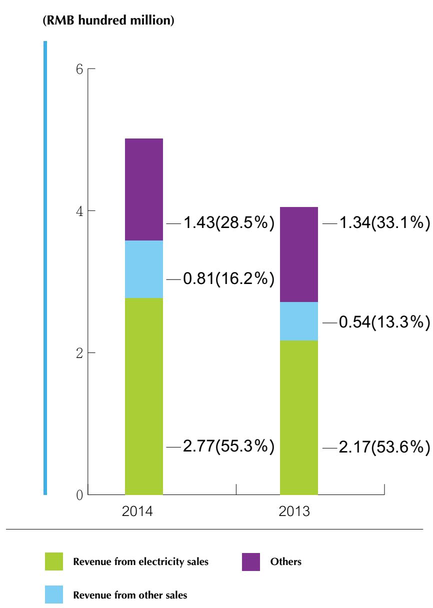


Other segments

Operating revenue

In the first half of 2014, the operating revenue of other segments amounted to RMB501 million, representing an increase of 23.7% as compared to RMB405 million in the corresponding period of 2013. The main reasons are as follows: 1) increase in installed capacity of solar power generation equipments and the improvement in the overall operation of biomass business contributed to the increase in revenue from sales of electricity; and 2) Zhongneng Power-Tech Development Co., Ltd. and Longyuan (Beijing) Wind Power Projects Technology Co., Ltd., both of which are subsidiaries of other segments, recorded increase in sales of arresters and flanges in the first half of 2014, leading to the increase in revenue from sales of goods.

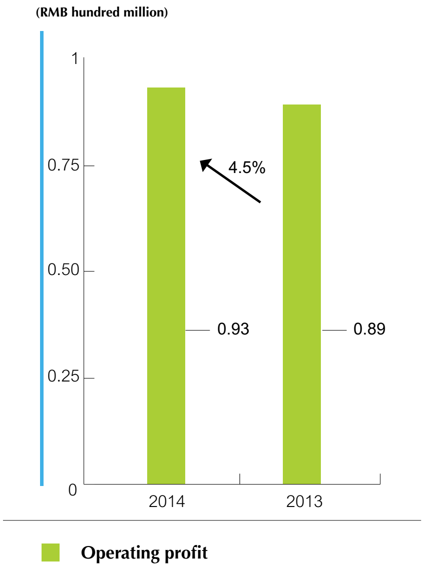
The items and proportions of operating revenue of other segments for the six months ended 30 June are set out as follows:



Operating profit

In the first half of 2014, the operating profit of other segments of the Group amounted to RMB93 million, representing an increase of 4.5% as compared to RMB89 million in the corresponding period of 2013. Such increase was primarily attributable to: increase in operating profit due to increased installed capacity of solar power of the Group in the first half of 2014; and the improvement in the overall operation of biomass business leading to a decrease in operating loss.

Operating profit of other segments for the six months ended 30 June is set out as follows:



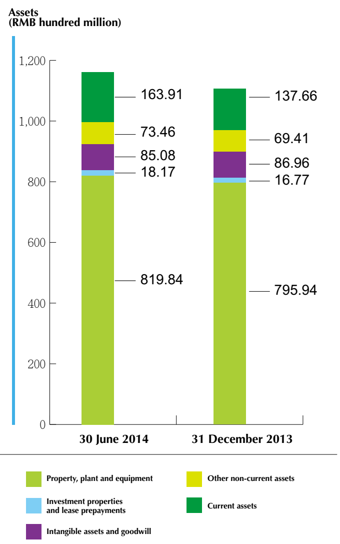
Assets and liabilities

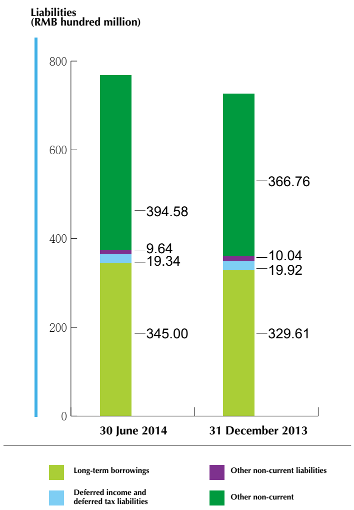
As at 30 June 2014, total assets of the Group amounted to RMB116,046 million, representing an increase of RMB5,372 million as compared with total assets of RMB110,674 million as at 31 December 2013. This was primarily due to: 1) an increase of RMB2,747 million in non-current assets including property, plant and equipment; and 2) an increase of RMB2,625 million in current assets including cash at bank and on hand, receivables and prepayments.

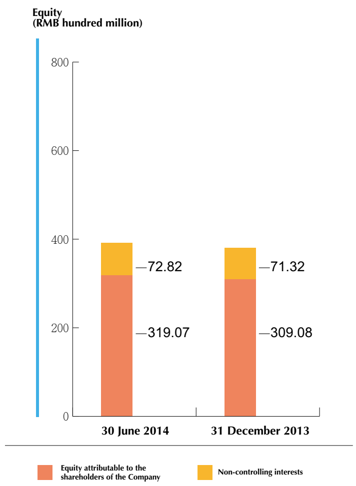
As at 30 June 2014, total liabilities of the Group amounted to RMB76,856 million, representing an increase of RMB4,223 million as compared to total liabilities of RMB72,633 million as at 31 December 2013. This was primarily due to an increase of RMB1,441 million in non-current liabilities including long-term borrowings for project construction and an increase of RMB2,782 million in current liabilities including short-term bank loans.

As at 30 June 2014, equity attributable to the shareholders of the Company amounted to RMB31,907 million, representing an increase of RMB999 million as compared with RMB30,908 million as at 31 December 2013.

Details of assets, liabilities and equity are set out as below:



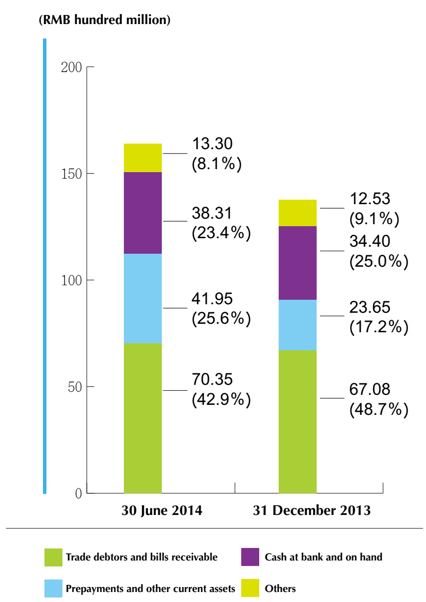




Capital Liquidity

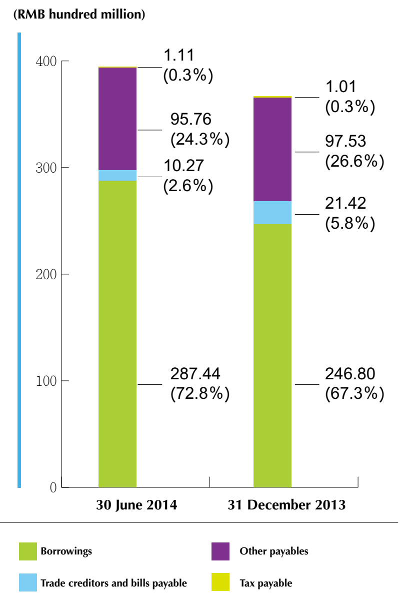
As at 30 June 2014, current assets of the Group amounted to RMB16,391 million, among which, cash at bank and on hand amounted to RMB3,831 million; trade debtors and bills receivable of RMB7,035 million primarily consisted of receivables from sales of electricity; prepayments and other current assets of RMB4,195 million primarily consisted of loans and advances and deductible value-added tax.

The items and proportions of current assets are set out as follows:



As at 30 June 2014, current liabilities of the Group amounted to RMB39,458 million, including trade creditors and bills payable of RMB1,027 million (primarily consisting of payables for purchase of coal fuels and spare parts), other payables of RMB9,576 million (primarily consisting of payables for construction of wind power projects and related retention payables) and short-term borrowings of RMB28,744 million.

The items and proportions of current liabilities are set out as follows:



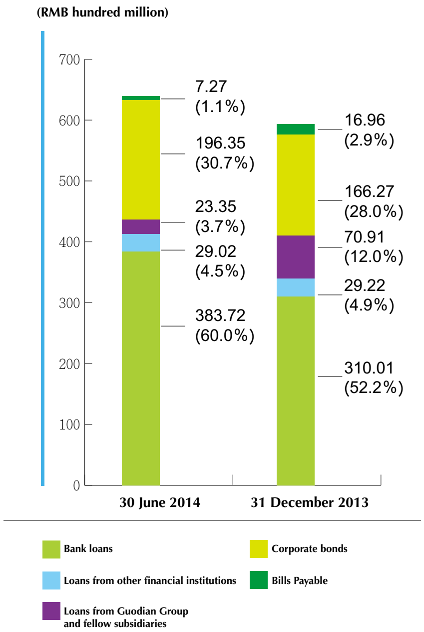
As at 30 June 2014, net current liabilities amounted to RMB23,067 million, representing an increase of RMB157 million as compared with RMB22,910 million as at 31 December 2013. The liquidity ratio was 0.42 as at 30 June 2014, representing a slight increase as compared with the liquidity ratio of 0.38 as at 31 December 2013.

Restricted deposits amounted to RMB240 million, mainly including deposits for bills and issuance of the letter of credit.

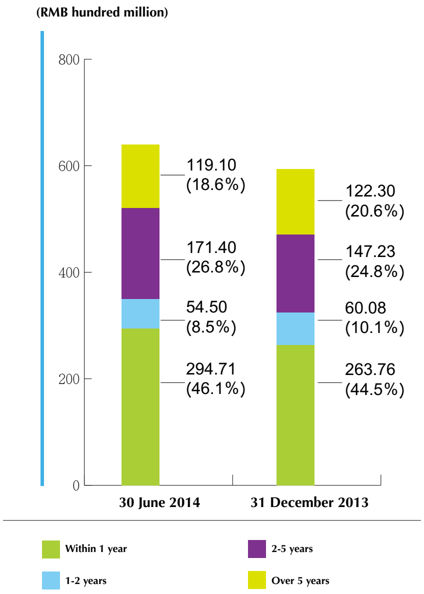
Borrowings and bills payable

As at 30 June 2014, the Group's outstanding borrowings and bills payable amounted to RMB63,971 million, representing an increase of RMB4,634 million as compared with the balance of RMB59,337 million as at 31 December 2013. As at 30 June 2014, the Group's outstanding borrowings and bills included short-term borrowings and bills payable of RMB29,471 million (including long-term borrowings due within one year of RMB4,670 million and bills payable of RMB727 million) and long-term borrowings amounting to RMB34,500 million (including debentures payable of RMB10,400 million). The abovementioned borrowings include borrowings denominated in Renminbi of RMB54,047 million, borrowings denominated in U.S. dollars of RMB7,982 million and borrowings denominated in other foreign currencies of RMB1,215 million. As at 30 June 2014, the long-term liabilities with fixed interest rates of the Group included long-term borrowings with fixed interest rates of RMB4,125 million and corporate bonds with fixed interest rates of RMB10,400 million. As at 30 June 2014, the balance of bills payable issued by the Group amounted to RMB727 million.

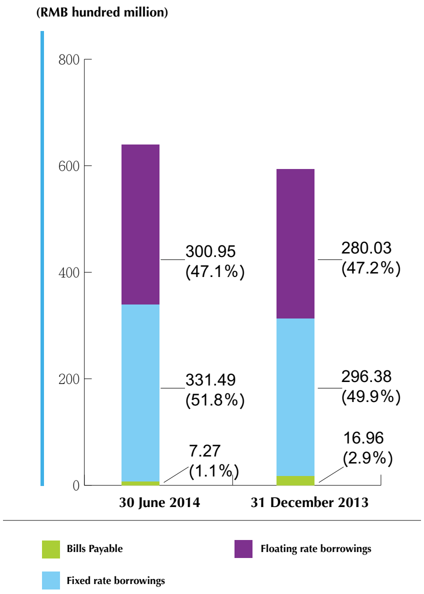
Borrowings and bills payable by category and the proportion are set out as follows:



Borrowings and bills payable by term and the proportion are set out as follows:



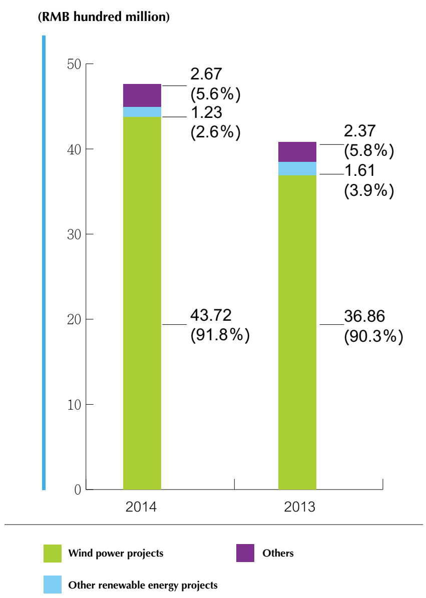
The interest rate structures and the proportion of borrowings and bills payable are set out as follows:



Capital expenditures

In the first half of 2014, the capital expenditures of the Group amounted to RMB4,762 million, representing an increase of 16.6% as compared with RMB4,084 million in the corresponding period of 2013, among which, the expenditures for the construction of wind power projects amounted to RMB4,372 million, and the expenditures for the construction of other renewable energy projects amounted to RMB123 million. The sources of funds mainly included the self-owned capital, borrowings from banks and other financial institutions and the bonds issued.

Capital expenditures classified by use and the proportion for the six months ended 30 June are set out as follows:



Net gearing ratio

As at 30 June 2014, the net gearing ratio of the Group, which is calculated by dividing net debt (total borrowings less cash and cash equivalents) by the sum of net debt and total equity, was 60.35%, representing an increase of 1.27 percentage points from 59.08% as at 31 December 2013. This was primarily due to the increase in net debt resulting from the expansion of scale in operation and projects under construction of the Group.

Major investments

The Group made no major investment in the first half of 2014.

Material acquisitions and disposals

The Group had no material acquisitions and disposals in the first half of 2014.

Pledged assets

The Group has pledged wind turbine equipment to secure certain bank loans. As at 30 June 2014, the aggregate net book value of the pledged assets amounted to RMB240 million, representing a decrease of 3.6% as compared with RMB249 million as at 31 December 2013. This was primarily due to the corresponding decrease in the net book value of pledged assets as a result of the depreciation of wind turbines.

Contingent liabilities/guarantees

As at 30 June 2014, the Group provided a guarantee of RMB59 million for bank loans of an associate, and a counter-guarantee of no more than RMB38 million to the controlling shareholder of an associate. As at 30 June 2014, the bank loan balance for which the Group provided the counter-guarantee amounted to RMB19 million.

Cash flow analysis

As at 30 June 2014, cash at bank and on hand held by the Group amounted to RMB3,591 million, representing an increase of RMB876 million as compared with RMB2,715 million as at 31 December 2013. The principal sources of funds of the Group mainly include cash inflow generated from operating activities, the issuance of corporate bonds and bank loans. The Group mainly used the funds for the construction of projects and repayment of borrowings.

The net cash inflow of the Group's operating activities amounted to RMB6,230 million in the first half of 2014, among which the cash inflow was primarily attributable to revenue from sales of electricity. The cash outflow was mainly attributable to purchase of fuels and spare parts, various taxation payments and expenses of operating cost.

The net cash outflow from investing activities of the Group for the first half of 2014 was RMB8,855 million. The cash outflow for investment activities were mainly used for the construction of wind power projects.

The net cash inflow from financing activities of the Group for the first half of 2014 was RMB3,501 million. The cash inflow for financing activities was generated from the income arising from the issue of corporate bonds by the Company and bank loans. The cash outflow for financing activities was mainly used for the repayment of borrowings and payment of interests of these borrowings during the period.

Risk in currency exchange rate

The business of the Group is mainly situated in mainland China where most of its revenue as well as expenses are denominated in Renminbi. A small portion of the Group's investments are carried out abroad and a small amount of its loans are denominated in foreign currencies, therefore fluctuations in the Renminbi exchange rate will result in foreign exchange losses or gains of the Group in those transactions denominated in foreign currencies. The Group closely monitors and analyses the fluctuations in the foreign exchange rate, reasonably designs approaches to use foreign currencies, reduces cross exchanges transaction and adopts various approaches to improve risk management of the currency exchange rate.

III. PROSPECT IN THE SECOND HALF OF 2014

In the second half of 2014, the general business guidelines of the Group are focusing on conscientiously implementing the spirit of the 2014 interim working conference of the Group and the Company, strictly following the overall scheme prescribed in the strategic system of "One Objective, Five Articles and Five Guodians", insisting on the "Eight Focuses" and pursuing the "Four Excellences" to thoroughly promote the "Third Venture", enhance operation management, deepen the reform and innovation as well as stick out seizing of electricity output, construction period and resources, in a bid to generally improve the comprehensive strength, core competitiveness and risk resisitance capacity of the Group and speed up the progress in establishing a world-leading new energy listed company.

In order to ensure the completion of the annual targets for all the projects, emphasis will be laid on the following aspects in the second half of the year:

1. To enhance the operation of stock assets and improve the corporate profitability

The Group will spare no efforts to carry out the "Two Reductions and Two Improvements", i.e. reducing the costs of materials and maintenance and the power consumption rate of wind farms while improving the performance and the utilisation rate of generator units. Security base will continue to be consolidated by enhancing production management, deepening benchmarking management, strengthening the assessment on power generation and concretely establishing star-level power generation enterprises. Financial management and control as well as capital operation will be reinforced. The Group will make every endeavor to introduce funds with lower cost while strengthening capital management. The construction of IT platform for financial management will be strengthened, with an aim to reduce financial expenses. Various measures will be taken to improve operating efficiency. The Group will study and carry out the "double improvements" regarding wind power business, implement integrating marketing and smart marketing, and standardise the coal power management. Great efforts will be made to maintain sound operation of the two remaining biomass power stations while the operation management in connection to equipment used for other new energies such as photovoltaic, geothermal and tidal power will be enhanced. The Group also will actively develop new business in coal market and improve the "legal risk warning" mechanism to improve corporate profitability.

2. To optimise the development of earned assets and improve the quality of corporate development

The Group will spare no efforts to obtain quality resources and continue to strengthen and deepen the joint development with branches and subsidiaries of Guodian Group, provincial and municipal enterprises as well as well-known local enterprises. The progress of offshore wind farm development will be proactively carried forward through vigorously enlarging development potential. The Group will continue to expand in overseas market while ensuring project earnings, so as to promote diversified development. In order to achieve quality and effective development, the Group will deepen the preliminary work, rigorously follow the approval conditions, precisely establish boundary conditions of projects as well as enhance investment control and strategic guidance. Project progress control, schedule management and process control will be strengthened by stringently performing responsibility. The equipment supply management will be enhanced while the coordination of power transmission projects will be improved. Great efforts will be made to promote the commencement of new projects to make sure that the operation targets can be achieved. With an aim to deliver quality and competitive projects, the Group will improve construction safety management system, enhance the streamline management throughout the construction process of infrastructure and intensified cost control. Overseas projects will be developed in accordance with high standards while the capability of offshore wind farm construction will be improved so as to guarantee relevant projects put into operation with high quality.

3. To deepen the reform of systems and mechanisms and improve business management standard

The Group will pursue innovative management systems and mechanisms while improving design of top-level system with world-leading standard. Continuous efforts will be made to facilitate the innovation and reform of assessment mechanism whilst the new operation and inspection system for wind farms that is of standard and efficiency will be established. It will innovate its selection and appointment mechanism, enhance the guidance on staff career planning and improve remuneration incentive mechanism. Market-oriented reform on labor and employment will be deepened while innovative management pattern regarding overseas personnel will be adopted. The construction of core platform for wind power business will be accelerated. The Group will carefully organise and carry out national, industrial and group company projects at all level and identify the development trend of new energy technology to give play to its dominant and mainstay role in science and technology as a technical services provider.

4. To promote cultural and ideological progress and enhance the soft power of the enterprise

The Group will concretely carry out the practice of mass line education to set up a long-acting mechanism in relation to practice of mass line and changes in working style, and thus facilitate overall improvement by leveraging the new achievement in development of working style. The Party-building work will be carried out comprehensively by fully leveraging party organisation's function as the political core and endeavoring to establish the "Comprehensive Political Work" pattern, during which, establishment of the Party conduct and of an honest and clean government will be further enhanced while efficiency supervision will be reinforced to create strong atmosphere of honesty operation. The Group will make greater effort to build leadership group and management by adhering to correct personnel selection guidance. As a firm facilitator and practitioner of scientific development strategy, the Group will give full play to the spirit of perseverance to bravely face the contradiction and take strong measures to solve tough problems, so as to improve overall executive ability. It will also strive to develop Longyuan into a corporate of happiness. Through systematically promoting development of enterprise culture, deepening democratic management and introducing innovative carrier for activities of Trade Union, the brand building of the Company will be speeded up to create a pleasant atmosphere for the enterprise.

CORPORATE GOVERNANCE

The Company has committed to enhancing corporate governance standard and regarded it as an indispensable part to creating values for shareholders. The Company has established a modern corporate governance structure which comprises a number of independently operated and effectively balanced bodies including general meetings, the Board, the supervisory board and senior management with reference to the code provisions as set out in the Corporate Governance Code and Corporate Governance Report in Appendix 14 to the Listing Rules. The Company has also adopted the Corporate Governance Code as our own corporate governance practices.

COMPLIANCE WITH THE REQUIREMENTS OF APPENDIX 14 OF THE LISTING RULES

On 22 May 2014, the Company held the 2013 annual general meeting. Mr. Lv Congmin, the independent non-executive Director who was incumbent on the date when the annual general meeting was held (already resigned on 22 May 2014), attended the abovementioned annual general meeting. Mr. Qiao Baoping (Chairman of the Board), Mr. Chen Bin (already resigned on 22 May 2014), Mr. Wang Baole and Mr. Luan Baoxing (already resigned on 22 May 2014), non-executive Directors, Mr. Li Enyi and Mr. Huang Qun, executive Directors, Mr. Zhang Songyi and Mr. Meng Yan, independent non-executive Directors, were absent from the abovementioned annual general meeting due to business engagement. Save as disclosed above, from 1 January 2014 to 30 June 2014, the Company had fully complied with the code provisions in the Corporate Governance Code and Corporate Governance Report set out in the Appendix 14 to the Listing Rules, and had complied with most of the recommended best practices set out in the Appendix 14 to the Listing Rules.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as the code of conduct and rules governing dealings by all of our Directors and supervisors in the securities of the Company. Upon specific enquiries to the Directors and supervisors of the Company, all Directors and supervisors have confirmed that they have strictly complied with the required standard set out in the Model Code during the reporting period. The Board will examine the corporate governance and operation of the Company from time to time so as to ensure the compliance with relevant requirements under the Listing Rules and to protect shareholders' interests.

BOARD DIVERSITY POLICY

The Company firmly believes that increasing diversity at the Board level is an essential element in supporting the attainment of its strategic objectives and its sustainable development, thus, the Company developed the Board Diversity Policy in October 2013, to determine the Board's composition, the Company considered board diversity from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. The ultimate decision will be based on the value and contribution the selected candidates would bring to the Board. All Board nominations will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. The nomination committee will report annually, in the Annual Report, on the Board's composition under diversified perspectives, monitor the implementation of the Board Diversity Policy, and review this Policy, as appropriate, to ensure the effectiveness of this Policy. The nomination committee will discuss any revisions of Board Diversity Policy that may be required, and recommend any such revisions to the Board for consideration and approval.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has appointed a sufficient number of independent non-executive Directors with appropriate professional qualifications, or appropriate accounting or relevant financial management expertise in accordance with the requirements of the Listing Rules. The Company appointed a total of three independent non-executive Directors, including Mr. Zhang Songyi, Mr. Meng Yan and Mr. Han Dechang (Mr. Han Dechang was appointed on 22 May 2014. Mr. Lv Congmin, the former independent non-executive Director, resigned on the same day).

AUDIT COMMITTEE

The Company has established the audit committee in accordance with the requirements of the Listing Rules. The primary responsibilities of the audit committee are to review the annual internal audit plan of the Company, oversee the appointment, re-appointment and removal of external auditors, and make recommendations to the Board to approve the remuneration and terms of appointment of external auditors, review and oversee the independence and objectiveness of external auditors and effectiveness of audit procedures, formulate and implement policies in relation to non-audit services provided by external auditors, oversee the quality of internal audit and disclosure of financial information of the Company, review interim and annual financial statements before submission to the Board and oversee the financial reporting system and internal control procedures of the Company, evaluate the effectiveness of the internal control and risk management system to ensure co-ordination between the internal and external auditors and to ensure that the internal audit function is operating with adequate resources in the Company and the relevant staff have been trained with sufficient qualifications and experience and are provided with regular training programmes and other similar arrangement.

The audit committee of the Board consists of three Directors: Mr. Zhang Songyi (independent non-executive Director), Mr. Meng Yan (independent non-executive Director) and Mr. Shao Guoyong (non-executive Director). Mr. Meng Yan serves as the chairman of the audit committee.

On 19 August 2014, the audit committee reviewed and confirmed the announcement of interim results of the Group for the six months ended 30 June 2014, the 2014 interim report and the unaudited interim financial statements for the six months ended 30 June 2014 prepared under International Accounting Standards 34, *Interim financial reporting*.

OTHER INFORMATION

SHARE CAPITAL

As of 30 June 2014, the total share capital of the Company amounted to RMB8,036,389,000 divided into 8,036,389,000 shares of RMB1.00 each. There has been no change in the share capital of the Company during the reporting period.

INTERIM DIVIDEND

The Board has not made any recommendation on the distribution of an interim dividend for the six months ended 30 June 2014.

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 2014.

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND SUPERVISORS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

On 30 June 2014, none of the Directors or supervisors 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 Securities and Futures Ordinance (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.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

On 30 June 2014, so far as known to the Directors, the following persons 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:

Name of Shareholder	**Class of Share**	**Capacity**	**Number of Shares/ Underlying Shares Held** *(Share)*	**Percentage in the Relevant Class of Share Capital** *(Note 1)* *(%)*	**Percentage in the Total Share Capital** *(Note 1)* *(%)*
Guodian Group	Domestic shares	Beneficial owner and interest of corporation controlled by substantial shareholders	4,696,360,000 *(Note 2)* (Long position)	100%	58.44%
JPMorgan Chase & Co.	H shares	Beneficial owner, investment manager and custodian	336,849,214 *(Note 3)* (Long position)	10.09%	4.19%
JPMorgan Chase & Co.	H shares	Custodian	232,315,577 *(Note 4)* (interest in a lending pool)	6.96%	2.89%
JPMorgan Chase & Co.	H shares	Beneficial owner	1,310,558 *(Note 5)* (Short position)	0.04%	0.02%
Wellington Management Company, LLP	H shares	Investment manager	299,477,615 (Long position)	8.97%	3.73%
National Council for Social Security Fund (全國社會保障基金理事會)	H shares	Beneficial owner	233,758,000 (Long position)	7.00%	2.91%
FIL Limited	H shares	Investment manager	231,094,000 (Long position)	6.92%	2.88%
BlackRock, Inc.	H shares	Interest of corporation controlled by substantial shareholders	200,706,691 *(Note 6)* (Long Position)	6.01%	2.50%
BlackRock, Inc.	H shares	Interest of corporation controlled by substantial shareholders	11,419,000 *(Note 7)* (Short Position)	0.34%	0.14%
China Life Insurance (Group) Company	H shares	Beneficial owner and interest of corporation controlled by substantial shareholders	200,678,000 *(Note 8)* (Long position)	6.01%	2.50%
China Life Insurance (Overseas) Company Limited	H shares	Beneficial owner	200,562,000 *(Note 8)* (Long Position)	6.00%	2.50%

Notes:

1. The percentage is based on the issued number of relevant class of shares/total issued shares of the Company as at 30 June 2014.

2. Among these 4,696,360,000 domestic shares, 4,602,432,800 domestic shares were directly held by Guodian Group while the remaining 93,927,200 domestic shares were held by Guodian Northeast Electric Power Co., Ltd., a subsidiary of Guodian Group. Accordingly, Guodian Group was deemed as the holder of the equity interests owned by Guodian Northeast Electric Power Co., Ltd.

3. Among these 336,849,214 H shares, 232,315,577 H shares were held by JPMorgan Chase Bank, N.A., a wholly-owned subsidiary of JPMorgan Chase & Co., 10,202,943 H shares were held by J.P. Morgan Whitefriars Inc., an indirect wholly-owned subsidiary of JPMorgan Chase & Co., 5,090,644 H shares were held by J.P. Morgan Securities plc, an indirect wholly-owned subsidiary of JPMorgan Chase & Co., 68,325,000 H shares were held by JF Asset Management Limited, an indirect wholly-owned subsidiary of JPMorgan Chase & Co., 4,325,000 H shares were held by JPMorgan Asset Management (Taiwan) Limited, an indirect wholly-owned subsidiary of JPMorgan Chase & Co., 3,545,000 H shares were held by JF International Management Inc., an indirect wholly-owned subsidiary of JPMorgan Chase & Co., 3,745,000 H shares were held by JPMorgan Asset Management (Japan) Limited, an indirect wholly-owned subsidiary of JPMorgan Chase & Co., 8,906,000 H shares were held by China International Fund Management Co Ltd, an indirect non-wholly-owned subsidiary of JPMorgan Chase & Co., accordingly, JPMorgan Chase & Co. was deemed as the holder of the H share equity interests owned by its aforesaid subsidiaries.

4. These 232,315,577 H shares in lending pool were held by JPMorgan Chase Bank, N.A., a wholly-owned subsidiary of JPMorgan Chase & Co., accordingly, JPMorgan Chase & Co. was deemed as the holder of H shares in lending pool owned by its aforesaid subsidiary.

5. These 1,310,558 H shares were held by J.P. Morgan Whitefriars Inc., an indirect wholly-owned subsidiary of JPMorgan Chase & Co., accordingly, JPMorgan Chase & Co. was deemed as the holder of short position in H shares owned by its aforesaid subsidiary.

6. Among these 200,706,991 H shares, 1,711,300 H shares were held by BlackRock Investment Management, LLC., an indirect wholly-owned subsidiary of BlackRock, Inc., 41,089,000 H shares were held by BlackRock Institutional Trust Company, N.A., an indirect wholly-owned subsidiary of BlackRock, Inc., 41,629,000 H shares were held by BlackRock Fund Advisors, an indirect wholly-owned subsidiary of BlackRock, Inc., 1,773,000 H shares were held by BlackRock Advisors, LLC, an indirect wholly-owned subsidiary of BlackRock, Inc., 389,000 H shares were held by BlackRock Asset Management Canada Limited, an indirect wholly-owned subsidiary of BlackRock, Inc., 2,493,000 H shares were held by BlackRock Japan Co Ltd, an indirect wholly-owned subsidiary of BlackRock, Inc., 352,000 H shares were held by BlackRock Investment Management (Australia) Limited, an indirect wholly-owned subsidiary of BlackRock, Inc., 9,647,826 H shares were held by BlackRock Asset Management North Asia Limited, an indirect wholly-owned subsidiary of BlackRock, Inc., 297,000 H shares were held by BlackRock (Netherlands) B.V., an indirect wholly-owned subsidiary of BlackRock, Inc., 1,711,000 H shares were held by BlackRock Fund Managers Ltd, an indirect wholly-owned subsidiary of BlackRock, Inc., 37,749,333 H shares were held by BlackRock Advisors (UK) Limited, an indirect wholly-owned subsidiary of BlackRock, Inc., 1,857,200 H shares were held by BlackRock International Limited, an indirect wholly-owned subsidiary of BlackRock, Inc., 33,970,000 H shares were held by BlackRock (Luxembourg) S.A., an indirect wholly-owned subsidiary of BlackRock, Inc., 20,404,032 H shares were held by BlackRock Asset Management Ireland Limited, an indirect wholly-owned subsidiary of BlackRock, Inc., accordingly, BlackRock, Inc. was deemed as the holder of the H share equity interests owned by its aforesaid subsidiaries.

7. Among these 11,419,000 H shares, 7,278,000 H shares were held by BlackRock Institutional Trust Company, N.A., an indirect wholly-owned subsidiary of BlackRock, Inc., 4,028,000 H shares were held by BlackRock Advisors, LLC, an indirect wholly-owned subsidiary of BlackRock, Inc., 113,000 H shares were held by BlackRock (Luxembourg) S.A., an indirect wholly-owned subsidiary of BlackRock, Inc., accordingly, BlackRock, Inc. was deemed as the holder of the H share short positions owned by its aforesaid subsidiaries.

8. Among these 200,678,000 H shares, 116,000 H shares were held by China Life Insurance (Group) Company, 200,562,000 H shares were held by China Life Insurance (Overseas) Company Limited, a wholly-owned subsidiary of China Life Insurance (Group) Company. Accordingly, China Life Insurance (Group) Company was deemed as the holder of the H shares owned by its aforesaid subsidiary.

EMPLOYEES

As at 30 June 2014, the Group had a total of 6,482 employees. The employee remuneration of the Group comprises basic salary and bonus payment, which is made with reference to the operating results of the Group and results of performance assessment on the employees.

MATERIAL LITIGATION

As at 30 June 2014, the Group was not involved in any material litigation or arbitration. So far as known to the Directors, no material litigation or claims are pending or threatened against the Group.

CHANGE OF DIRECTORS

At the 2013 annual general meeting of the Company held on 22 May 2014, resolutions were considered and passed to appoint Mr. Han Dechang as an independent non-executive Director, appoint Mr. Shao Guoyong as a non-executive Director and appoint Mr. Chen Jingdong as a non-executive Director, with effect from 22 May 2014 until the expiration of the term of the current session of the Board. Mr. Han Dechang was also appointed as the member of nomination committee and member of remuneration and assessment committee of the Board, with the same term of office as his term as an independent non-executive Director. Mr. Shao Guoyong was also appointed as the member of audit committee of the Board, with the same term of office as his term as a non-executive Director. Mr. Chen Jingdong was also appointed as a member of strategic committee of the Board, with the same term of office as his term as a non-executive Director. Mr. Lv Congmin has resigned as an independent non-executive Director, member of the nomination committee and remuneration and assessment committee of the Company since 22 May 2014. Mr. Chen Bin has resigned as a non-executive Director and the member of the strategic committee of the Company since 22 May 2014. Mr. Luan Baoxing has resigned as a non-executive Director and member of audit committee of the Company since 22 May 2014.

REVIEW REPORT

Review report to the board of directors
of China Longyuan Power Group Corporation Limited*
(Incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 52 to 91, which comprises the consolidated balance sheet of China Longyuan Power Group Corporation Limited* as at 30 June 2014, the related consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six months then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34, Interim financial reporting, issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standards on Review Engagements 2410, Review of interim financial information performed by the independent auditor of the entity, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2014 is not prepared, in all material respects, in accordance with International Accounting Standard 34, Interim financial reporting.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

19 August 2014

** For identification purpose only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Six Months Ended 30 June 2014 - Unaudited (Expressed in Renminbi unless otherwise stated)

		Six months ended 30 June	
	Note	**2014** *RMB'000*	2013 *RMB'000*
Revenue	5	**8,986,569**	9,653,974
Other net income	6	**217,390**	209,880
Operating expenses			
Depreciation and amortisation		**(2,406,445)**	(2,085,553)
Coal consumption		**(892,660)**	(1,084,300)
Coal sales costs		**(1,076,539)**	(1,445,237)
Service concession construction costs		**(20,461)**	(499,433)
Personnel costs		**(495,349)**	(445,189)
Material costs		**(180,472)**	(164,342)
Repairs and maintenance		**(190,440)**	(221,306)
Administration expenses		**(114,774)**	(125,132)
Other operating expenses		**(238,347)**	(219,914)
		(5,615,487)	(6,290,406)
Operating profit		**3,588,472**	3,573,448
Finance income		**62,999**	332,237
Finance expenses		**(1,642,101)**	(1,639,366)
Net finance expenses	7	**(1,579,102)**	(1,307,129)
Share of profits less losses of associates and joint ventures		**166,884**	23,202
Profit before taxation	8	**2,176,254**	2,289,521
Income tax	9	**(286,688)**	(362,240)
Profit for the period, carried forward		**1,889,566**	1,927,281

The notes on pages 60 to 91 form part of this interim financial report.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Six Months Ended 30 June 2014 - Unaudited (Expressed in Renminbi unless otherwise stated)

	Note	Six months ended 30 June	
		2014	2013
		RMB'000	*RMB'000*
Profit for the period, brought forward		**1,889,566**	1,927,281
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Exchange difference on translation of Senior Perpetual Securities *(note 22)*		**23,480**	(42,228)
Items that may be reclassified subsequently to profit or loss:			
Available-for-sale financial assets: net movement in the fair value reserve		**293**	(983)
Exchange difference on net investment		**15,535**	(8,761)
Exchange difference on translation of financial statements		**(160)**	(11,803)
		15,668	(21,547)
Other comprehensive income for the period, net of tax	10	**39,148**	(63,775)
Total comprehensive income for the period		**1,928,714**	1,863,506
Profit attributable to:			
Shareholders of the Company		**1,365,412**	1,464,414
Non-controlling interests		**524,154**	462,867
Profit for the period		**1,889,566**	1,927,281
Total comprehensive income attributable to:			
Shareholders of the Company		**1,381,080**	1,442,867
Non-controlling interests		**547,634**	420,639
Total comprehensive income for the period		**1,928,714**	1,863,506
Basic and diluted earnings per share *(RMB cents)*	11	**16.99**	18.22

The notes on pages 60 to 91 form part of this interim financial report.

CONSOLIDATED BALANCE SHEET

At 30 June 2014 - Unaudited (Expressed in Renminbi unless otherwise stated)

	Note	At 30 June 2014 RMB'000	At 31 December 2013 RMB'000
Non-current assets			
Property, plant and equipment	12	81,984,448	79,594,134
Investment properties		5,039	19,596
Lease prepayments		1,812,355	1,657,490
Intangible assets	13	8,496,083	8,684,012
Goodwill		11,541	11,541
Investments in associates and joint ventures		3,071,092	2,296,788
Other assets	14	4,095,563	4,481,856
Deferred tax assets		178,738	162,086
Total non-current assets		99,654,859	96,907,503
Current assets			
Inventories		894,506	753,117
Trade debtors and bills receivable	15	7,035,270	6,707,952
Prepayments and other current assets	16	4,195,473	2,365,001
Tax recoverable		196,133	184,102
Trading securities and derivative financial instruments		238,032	315,932
Restricted deposits		240,339	725,425
Cash at bank and on hand	17	3,590,922	2,714,742
Total current assets		16,390,675	13,766,271

The notes on pages 60 to 91 form part of this interim financial report.

	Note	At 30 June 2014 RMB'000	At 31 December 2013 RMB'000
Current liabilities			
Borrowings	18(b)	28,743,884	24,680,237
Trade creditors and bills payable	19	1,027,287	2,142,169
Other payables	20	9,576,028	9,752,710
Tax payable		110,994	101,115
Total current liabilities		39,458,193	36,676,231
Net current liabilities		(23,067,518)	(22,909,960)
Total assets less current liabilities		76,587,341	73,997,543
Non-current liabilities			
Borrowings	18(a)	34,500,337	32,961,219
Deferred income		1,826,271	1,876,106
Deferred tax liabilities		107,452	116,158
Other non-current liabilities		964,080	1,003,691
Total non-current liabilities		37,398,140	35,957,174
NET ASSETS		39,189,201	38,040,369
CAPITAL AND RESERVES			
Share capital	21(b)	8,036,389	8,036,389
Reserves		23,870,996	22,871,644
Total equity attributable to the shareholders of the Company		31,907,385	30,908,033
Non-controlling interests		7,281,816	7,132,336
TOTAL EQUITY		39,189,201	38,040,369

Authorised for issue by the Board on 19 August 2014.

Qiao Baoping	**Li Enyi**
Chairman	*Executive Director*

The notes on pages 60 to 91 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Six Months Ended 30 June 2014 - Unaudited (Expressed in Renminbi unless otherwise stated)

		Attributable to the shareholders of the Company							Non-controlling interests			
	Note	Share capital RMB'000	Capital reserve RMB'000 (note 21 (c)(i))	Statutory surplus reserve RMB'000 (note 21 (c)(ii))	Exchange reserve RMB'000 (note 21 (c)(iii))	Fair value reserve RMB'000 (note 21 (c)(iv))	Retained earnings RMB'000	Subtotal RMB'000	Senior Perpetual Securities RMB'000 (note 22)	Others RMB'000	Subtotal RMB'000	Total equity RMB'000
At 1 January 2014		8,036,389	14,667,546	452,795	(56,559)	(1,021)	7,808,883	30,908,033	2,406,927	4,725,409	7,132,336	38,040,369
Changes in equity:												
Profit for the period		–	–	–	–	–	1,365,412	1,365,412	70,742	453,412	524,154	1,889,566
Other comprehensive income		–	–	–	15,375	293	–	15,668	23,480	–	23,480	39,148
Total comprehensive income		–	–	–	15,375	293	1,365,412	1,381,080	94,222	453,412	547,634	1,928,714
Capital contributions		–	–	–	–	–	–	–	–	62,077	62,077	62,077
Appropriation		–	–	121,627	–	–	(121,627)	–	–	–	–	–
Dividends by subsidiaries to non-controlling equity owners		–	–	–	–	–	–	–	–	(389,489)	(389,489)	(389,489)
Dividends to shareholders of the Company	21(a)	–	–	–	–	–	(381,728)	(381,728)	–	–	–	(381,728)
Interest payment for Senior Perpetual Securities		–	–	–	–	–	–	–	(70,742)	–	(70,742)	(70,742)
At 30 June 2014		8,036,389	14,667,546	574,422	(41,184)	(728)	8,670,940	31,907,385	2,430,407	4,851,409	7,281,816	39,189,201

The notes on pages 60 to 91 form part of this interim financial report.

		Attributable to the shareholders of the Company							Non-controlling interests			
	Note	Share capital RMB'000	Capital reserve RMB'000 (note 21 (c)(i))	Statutory surplus reserve RMB'000 (note 21 (c)(ii))	Exchange reserve RMB'000 (note 21 (c)(iii))	Fair value reserve RMB'000 (note 21 (c)(iv))	Retained earnings RMB'000	Subtotal RMB'000	Senior Perpetual Securities RMB'000 (note 22)	Others RMB'000	Subtotal RMB'000	Total equity RMB'000
At 1 January 2013		8,036,389	14,689,550	275,153	(19,684)	(952)	6,448,978	29,429,434	2,481,594	4,510,898	6,992,492	36,421,926
Changes in equity:												
Profit for the period		–	–	–	–	–	1,464,414	1,464,414	71,948	390,919	462,867	1,927,281
Other comprehensive income		–	–	–	(20,564)	(983)	–	(21,547)	(42,228)	–	(42,228)	(63,775)
Total comprehensive income		–	–	–	(20,564)	(983)	1,464,414	1,442,867	29,720	390,919	420,639	1,863,506
Capital contributions		–	–	–	–	–	–	–	–	20,178	20,178	20,178
Appropriation		–	–	177,642	–	–	(177,642)	–	–	–	–	–
Dividends by subsidiaries to non-controlling equity owners		–	–	–	–	–	–	–	–	(60,604)	(60,604)	(60,604)
Dividends to shareholders of the Company	21(a)	–	–	–	–	–	(511,918)	(511,918)	–	–	–	(511,918)
Acquisition of non-controlling interests		–	(22,004)	–	–	–	–	(22,004)	–	22,004	22,004	–
Interest payment for Senior Perpetual Securities		–	–	–	–	–	–	–	(71,948)	–	(71,948)	(71,948)
At 30 June 2013		8,036,389	14,667,546	452,795	(40,248)	(1,935)	7,223,832	30,338,379	2,439,366	4,883,395	7,322,761	37,661,140

The notes on pages 60 to 91 form part of this interim financial report.

		Attributable to the shareholders of the Company							Non-controlling interests			
	Note	Share capital RMB'000	Capital reserve RMB'000 (note 21 (c)(i))	Statutory surplus reserve RMB'000 (note 21 (c)(ii))	Exchange reserve RMB'000 (note 21 (c)(iii))	Fair value reserve RMB'000 (note 21 (c)(iv))	Retained earnings RMB'000	Subtotal RMB'000	Senior Perpetual Securities RMB'000 (note 22)	Others RMB'000	Subtotal RMB'000	Total equity RMB'000
At 30 June 2013		8,036,389	14,667,546	452,795	(40,248)	(1,935)	7,223,832	30,338,379	2,439,366	4,883,395	7,322,761	37,661,140
Changes in equity:												
Profit for the period		–	–	–	–	–	585,051	585,051	71,069	384,746	455,815	1,040,866
Other comprehensive income		–	–	–	(16,311)	914	–	(15,397)	(32,439)	–	(32,439)	(47,836)
Total comprehensive income		–	–	–	(16,311)	914	585,051	569,654	38,630	384,746	423,376	993,030
Capital contributions		–	–	–	–	–	–	–	–	20,887	20,887	20,887
Dividends by subsidiaries to non-controlling equity owners		–	–	–	–	–	–	–	–	(558,619)	(558,619)	(558,619)
Acquisition of non-controlling interests		–	–	–	–	–	–	–	–	(5,000)	(5,000)	(5,000)
Interest payment for Senior Perpetual Securities		–	–	–	–	–	–	–	(71,069)	–	(71,069)	(71,069)
At 31 December 2013		8,036,389	14,667,546	452,795	(56,559)	(1,021)	7,808,883	30,908,033	2,406,927	4,725,409	7,132,336	38,040,369

The notes on pages 60 to 91 form part of this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Six Months Ended 30 June 2014 - Unaudited (Expressed in Renminbi unless otherwise stated)

	Note	Six months ended 30 June 2014 RMB'000	2013 RMB'000
Operating activities			
Cash generated from operations		**6,543,921**	8,315,029
Tax paid		**(314,295)**	(275,415)
Net cash generated from operating activities		**6,229,626**	8,039,614
Investing activities			
Payments for acquisition of property, plant and equipment, lease prepayments and intangible assets		**(6,393,031)**	(5,245,227)
Loan to an associate		**(2,000,000)**	–
Payments for investments in associates and joint ventures		**(622,487)**	(144,279)
Other cash arising from/(used in) investing activities		**160,250**	(241,423)
Net cash used in investing activities		**(8,855,268)**	(5,630,929)
Financing activities			
Proceeds from borrowings		**23,599,238**	15,925,463
Dividends paid to shareholders of the Company		**–**	(511,918)
Repayment of borrowings		**(18,048,459)**	(17,697,832)
Interest paid for borrowings		**(1,662,148)**	(1,750,470)
Other cash flows used in financing activities		**(387,921)**	(106,666)
Net cash generated from/(used in) financing activities		**3,500,710**	(4,141,423)
Net increase/(decrease) in cash and cash equivalents		**875,068**	(1,732,738)
Cash and cash equivalents at 1 January	17	**2,714,742**	5,080,718
Effect of foreign exchange rate changes		**1,112**	(19,634)
Cash and cash equivalents at 30 June	17	**3,590,922**	3,328,346

The notes on pages 60 to 91 form part of this interim financial report.

1 PRINCIPAL ACTIVITIES

China Longyuan Power Group Corporation Limited* (the "Company") was established in the People's Republic of China (the "PRC") on 9 July 2009 as a joint stock company with limited liability. The Company and its subsidiaries (the "Group") are principally engaged in wind and coal power generation and sale, coal trading and other related business in the PRC.

2 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("IAS") 34, *Interim financial reporting*, issued by the International Accounting Standards Board ("IASB"). It was authorised for issuance on 19 August 2014.

This interim financial report has been prepared assuming the Group will continue as a going concern notwithstanding the net current liabilities of the Group as at 30 June 2014 amounting to RMB23,067,518,000. The Directors are of the opinion that, based on a review of the forecasted cash flows, the unutilised banking facilities and the unutilised credit lines with PRC banks as at 30 June 2014, the Group will have necessary liquid funds to finance its working capital and capital expenditure.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2013 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2014 annual financial statements. Details of these changes in accounting policies are set out in note 3.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2013 annual financial statements. The condensed consolidated interim financial statements and notes thereto do not include all of the information required for a full set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRSs").

* *For identification purpose only*

2 BASIS OF PREPARATION *(CONTINUED)*

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information preformed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. KPMG's independent review report to the Board of Directors is included.

The financial information relating to the financial year ended 31 December 2013 that is included in the interim financial report does not constitute the Company's annual financial statements prepared under IFRSs for that financial year but is derived from those financial statements. The annual financial statements for the year ended 31 December 2013 are available from the Company's registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 17 March 2014.

3 CHANGES IN ACCOUNTING POLICIES

The IASB has issued several amendments to IFRSs and one new Interpretation that are first effective for the current accounting period of the Group and the Company, of these, the following developments are relevant to the Group's consolidated financial statements:

- Amendments to IAS 32, *Offsetting financial assets and financial liabilities*
- Amendments to IAS 36, *Recoverable amount disclosures for non-financial assets*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Amendments to IAS 32, Offsetting financial assets and financial liabilities

The amendments to IAS 32 clarify the offsetting criteria in IAS 32. The amendments do not have an impact on the Group's interim financial report as they are consistent with the policies already adopted by the Group.

Amendments to IAS 36, Recoverable amount disclosures for non-financial assets

The amendments to IAS 36 modify the disclosure requirements for impaired non-financial assets. Among them, the amendments expand the disclosures required for an impaired asset or CGU whose recoverable amount is based on fair value less costs of disposal. The Group early adopted the amendments in the annual financial statements for the year ended 31 December 2013.

4 SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by types of business. Consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments:

— Wind power: this segment constructs, manages and operates wind power plants and generates electric power for sale to external power grid companies.

— Coal power: this segment constructs, manages and operates coal power plants and generates electric power for sale to external power grid companies and coal trading business.

The Group combined other business activities that are not reportable in "All others". Revenue included in this category is mainly from manufacturing and sales of power equipment, biomass and solar power generation, provision of consulting services, and maintenance and training services to wind power plants.

(a) Segment results

In accordance with IFRS 8, segment information disclosed in the interim financial report has been prepared in a manner consistent with the information used by the Group's senior executive management for the purposes of assessing segment performance and allocating resources between segments. In this regard, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Segment revenue and expenses do not include share of profits less losses of associates and joint ventures, net finance expenses, service concession construction revenue and cost and unallocated corporate expenses.

(Expressed in thousands of Renminbi unless otherwise stated)

4 SEGMENT REPORTING *(CONTINUED)*

(a) Segment results *(Continued)*

The measure used for reporting segment profit is the operating profit. Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2014 and 2013 is set out below:

For the six months ended 30 June 2014

	Wind power *RMB'000*	Coal power *RMB'000*	All others *RMB'000*	Total *RMB'000*
Revenue from external customers				
— Sales of electricity	5,584,466	1,641,170	276,568	7,502,204
— Others	25,499	1,357,488	80,917	1,463,904
Subtotal	5,609,965	2,998,658	357,485	8,966,108
Inter-segment revenue	–	–	142,869	142,869
Reportable segment revenue	5,609,965	2,998,658	500,354	9,108,977
Reportable segment profit (operating profit)	3,107,430	415,608	93,222	3,616,260
Depreciation and amortisation before inter-segment elimination	(2,109,777)	(243,990)	(78,896)	(2,432,663)
Reversal of impairment of trade and other receivables	332	–	169	501
Interest income	7,709	11,565	4,725	23,999
Interest expense	(1,303,591)	(44,070)	(118,913)	(1,466,574)
Expenditures for reportable segment non-current assets during the period	4,371,836	267,366	122,644	4,761,846

(Expressed in thousands of Renminbi unless otherwise stated)

4 SEGMENT REPORTING *(CONTINUED)*

(a) Segment results *(Continued)*

For the six months ended 30 June 2013

	Wind power	Coal power	All others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Revenue from external customers				
— Sales of electricity	5,119,042	1,918,282	216,840	7,254,164
— Others	24	1,845,981	54,372	1,900,377
Subtotal	5,119,066	3,764,263	271,212	9,154,541
Inter-segment revenue	—	—	133,721	133,721
Reportable segment revenue	5,119,066	3,764,263	404,933	9,288,262
Reportable segment profit (operating profit)	3,009,771	556,400	88,705	3,654,876
Depreciation and amortisation before inter-segment elimination	(1,774,363)	(246,026)	(79,805)	(2,100,194)
Impairment of trade and other receivables	(156,422)	—	(774)	(157,196)
Inventory write-down and losses net of reversal	—	—	(12,631)	(12,631)
Interest income	6,207	7,393	16,631	30,231
Interest expense	(1,199,345)	(64,256)	(134,395)	(1,397,996)
Expenditures for reportable segment non-current assets during the period	3,685,986	236,861	161,393	4,084,240

(Expressed in thousands of Renminbi unless otherwise stated)

4 SEGMENT REPORTING *(CONTINUED)*

(b) Reconciliations of reportable segment revenues, profit or loss

	Six months ended 30 June	
	2014	2013
	RMB'000	*RMB'000*
Revenue		
Reportable segment revenue	**9,108,977**	9,288,262
Service concession construction revenue	**20,461**	499,433
Elimination of inter-segment revenue	**(142,869)**	(133,721)
Consolidated revenue	**8,986,569**	9,653,974
Profit		
Reportable segment profit	**3,616,260**	3,654,876
Elimination of inter-segment profits	**11,379**	(23,200)
	3,627,639	3,631,676
Share of profits less losses of associates and joint ventures	**166,884**	23,202
Net finance expenses	**(1,579,102)**	(1,307,129)
Unallocated head office and corporate expenses	**(39,167)**	(58,228)
Consolidated profit before taxation	**2,176,254**	2,289,521

(c) Geographical information

As the Group does not have material operations outside the People's Republic of China ("PRC"), no geographic segment reporting is presented.

(d) Seasonality of operations

The Group's wind power business generally generated more revenue in the first and fourth quarters, comparing to the second and third quarters in the year, as the wind speed is more preferential for power generation in Spring and Winter. As a result, the revenue from wind power business fluctuates during the year.

(Expressed in thousands of Renminbi unless otherwise stated)

5 REVENUE

The amount of each significant category of revenue recognised during the period is as follows:

	Six months ended 30 June	
	2014	2013
	RMB'000	*RMB'000*
Sales of electricity	**7,502,204**	7,254,164
Sales of steam	**125,262**	138,897
Service concession construction revenue	**20,461**	499,433
Sales of electricity equipment	**40,209**	26,018
Sales of coal	**1,140,780**	1,519,844
Others	**157,653**	215,618
	8,986,569	9,653,974

6 OTHER NET INCOME

	Six months ended 30 June	
	2014	2013
	RMB'000	*RMB'000*
Government grants		
— Sales of Certified Emission Reductions ("CERs") and Voluntary Emission Reductions ("VERs")	**—**	38,420
— Others	**191,726**	175,728
Rental income from investment properties	**2,744**	2,908
Net gain / (loss) on disposal of property, plant and equipment and lease prepayments	**956**	(15,999)
Penalty income from wind turbine suppliers *(note(i))*	**10,423**	1,718
Gain on disposal of an associate	**—**	4,935
Others	**11,541**	2,170
	217,390	209,880

Note:

(i) Penalty income from wind turbine suppliers mainly represented compensations from third party wind turbine supplier for revenue losses incurred due to the delay on delivery of the wind turbines and certain domestic spare parts of the wind turbines not running stably during the early stage of the operations.

(Expressed in thousands of Renminbi unless otherwise stated)

7 FINANCE INCOME AND EXPENSES

	Six months ended 30 June	
	2014	2013
	RMB'000	*RMB'000*
Interest income on financial assets	**23,999**	30,231
Dividend income from other investments	**–**	208
Net unrealised gains on derivative financial instruments	**14,403**	–
Net unrealised gains on trading securities	**–**	245,064
Foreign exchange gains	**24,597**	56,734
Finance income	**62,999**	332,237
Interest on bank and other borrowings	**1,629,581**	1,617,885
Less: interest expenses capitalised into property, plant and equipment and intangible assets	**(163,007)**	(219,889)
	1,466,574	1,397,996
Foreign exchange losses	**62,598**	45,579
Net realised and unrealised losses on trading securities	**86,233**	–
Net unrealised losses on derivative financial instruments	**–**	10,860
(Reversal)/provision of impairment losses on trade and other receivables	**(501)**	157,196
Bank charges and others	**27,197**	27,735
Finance expenses	**1,642,101**	1,639,366
Net finance expenses recognised in profit or loss	**(1,579,102)**	(1,307,129)

The borrowing costs have been capitalised at rates of 2.52% to 7.15% for the period ended 30 June 2014 (six months ended 30 June 2013: 4.50% to 7.05%).

(Expressed in thousands of Renminbi unless otherwise stated)

8 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

	Six months ended 30 June	
	2014	2013
	RMB'000	*RMB'000*
Amortisation		
— lease prepayments	**29,373**	14,562
— intangible assets	**212,098**	201,155
Depreciation		
— investment properties	**116**	1,426
— property, plant and equipment	**2,164,858**	1,868,410
Operating lease charges		
— hire of plant and machinery	**96**	1,407
— hire of properties	**8,764**	4,501
Cost of inventories	**2,217,732**	2,723,343
Inventory write-down and losses net of reversal	**—**	12,631

9 INCOME TAX

(a) Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 30 June	
	2014	2013
	RMB'000	*RMB'000*
Current tax		
Provision for the period	**278,611**	294,121
Under provision in respect of prior years	**33,533**	19,444
	312,144	313,565
Deferred tax		
Origination and reversal of temporary differences	**(25,456)**	48,675
	286,688	362,240

(Expressed in thousands of Renminbi unless otherwise stated)

9 INCOME TAX *(CONTINUED)*

(b) Reconciliation between tax expense and accounting profit at applicable tax rate:

	Six months ended 30 June	
	2014	2013
	RMB'000	*RMB'000*
Profit before taxation	**2,176,254**	2,289,521
Applicable tax rate	**25%**	25%
Notional tax on profit before taxation	**544,064**	572,380
Tax effect of non-deductible expenses	**11,375**	4,199
Tax effect of share of profits less losses of associates and joint ventures	**(41,721)**	(5,801)
Effect of differential tax rate of certain subsidiaries of the Group *(note (i))*	**(304,971)**	(301,978)
Use of unrecognised tax losses in prior years	**(4,061)**	(1,503)
Tax effect of unused tax losses and timing differences not recognised	**46,568**	77,621
Under provision in respect of prior years	**33,533**	19,444
Others	**1,901**	(2,122)
Income tax	**286,688**	362,240

Note:

(i) The provision for income tax of the Group is calculated based on a statutory rate of 25% of the assessable profit of the Group for the six months ended 30 June 2014 and the six months ended 30 June 2013, as determined in accordance with the relevant PRC income tax rules and regulations except for certain subsidiaries of the Group, which are taxed at preferential rates of 0% to 15% according to relevant tax authorities' approvals.

Pursuant to CaiShui [2008] No. 46 Notice on the Execution of the Catalogue of Public Infrastructure Projects Entitled for Preferential Tax Treatment, certain subsidiaries of the Group, which are set up after 1 January 2008 and are engaged in public infrastructure projects, are each entitled to a tax holiday of a 3-year full exemption followed by a 3-year 50% exemption commencing from their respective first operating income generating year.

(Expressed in thousands of Renminbi unless otherwise stated)

10 OTHER COMPREHENSIVE INCOME

	Six months ended 30 June	
	2014	2013
	RMB'000	*RMB'000*
Items that will not be reclassified to profit or loss:		
Exchange difference on translation of Senior Perpetual Securities	**23,480**	(42,228)
Items that may be reclassified subsequently to profit or loss:		
Available-for-sale financial assets:		
Net movement in fair value reserve		
— Before tax amount		
Change in fair value recognised during the period	**390**	(1,310)
— Tax (expense)/credit	**(97)**	327
Net of tax amount	**293**	(983)
Translation of financial statements		
— Before and net of tax amount	**(160)**	(11,803)
Exchange difference on net investment		
— Before and net of tax amount	**15,535**	(8,761)
	15,668	(21,547)
Other comprehensive income	**39,148**	(63,775)

11 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to shareholders of the Company for the six months ended 30 June 2014 of RMB1,365,412,000 (six months ended 30 June 2013: RMB1,464,414,000) and the number of shares in issue during the six months ended 30 June 2014 of 8,036,389,000 (six months ended 30 June 2013: 8,036,389,000).

There was no difference between the basic and diluted earnings per share as there were no dilutive potential shares outstanding for the periods presented.

12 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2014, the Group acquired items of property, plant and equipment of approximately RMB4,552,783,000 (six months ended 30 June 2013: approximately RMB3,473,162,000). Items of property, plant and equipment with net book value of approximately RMB1,186,000 were disposed of during the six months ended 30 June 2014 (six months ended 30 June 2013: approximately RMB23,462,000), resulting in a loss on disposal of approximately RMB594,000 (six months ended 30 June 2013: loss on disposal of approximately RMB15,999,000).

13 INTANGIBLE ASSETS

Intangible assets mainly represent service concession assets of approximately RMB8,342,832,000 (31 December 2013: approximately RMB8,532,649,000), software and other assets of approximately RMB153,251,000 (31 December 2013: approximately RMB151,363,000).

During the six months ended 30 June 2014, the additions of intangible assets mainly represent service concession assets of approximately RMB20,461,000 (six months ended 30 June 2013: approximately RMB499,433,000).

(Expressed in thousands of Renminbi unless otherwise stated)

14 OTHER ASSETS

	At 30 June 2014 *RMB'000*	At 31 December 2013 *RMB'000*
Other financial assets:		
Available-for-sale investments, measured at fair value	**12,128**	11,738
Unquoted equity investments in non-listed companies, at cost *(note (i))*	**711,024**	711,024
Loans and advances to associates *(note (ii))*	**108,790**	48,580
Subtotal	**831,942**	771,342
Deductible Value-added Tax ("VAT") *(note (iii))*	**3,263,621**	3,710,514
	4,095,563	4,481,856

Notes:

(i) Fair value for the unquoted equity investments has not been disclosed as the fair value cannot be measured reliably due to lack of an active market for those equity investments. As at 30 June 2014, the Group does not plan to dispose any of these equity investments.

(ii) The loans to associates are designated loans and are unsecured, not past due as at balance sheet dates, and bear interest at rates of 4.50% to 5.90% per annum for the period ended 30 June 2014 (31 December 2013: 6.12%). The current portion is recorded in other current assets.

(iii) Deductible VAT mainly represents the input VAT relating to acquisition of property, plant and equipment and intangible assets.

(Expressed in thousands of Renminbi unless otherwise stated)

15 TRADE DEBTORS AND BILLS RECEIVABLE

	At 30 June 2014 RMB'000	At 31 December 2013 RMB'000
Amounts due from third parties	**7,122,631**	6,812,189
Amounts due from fellow subsidiaries	**55,574**	35,888
Amounts due from associates	**4,653**	6,781
	7,182,858	6,854,858
Less: allowance for doubtful debts	**(147,588)**	(146,906)
	7,035,270	6,707,952

The ageing analysis of trade debtors and bills receivable of the Group is as follows:

	At 30 June 2014 RMB'000	At 31 December 2013 RMB'000
Current	**7,171,446**	6,846,025
Past due within 1 year	**4,667**	4,255
Past due between 1 to 2 years	**3,139**	3,186
Past due between 2 to 3 years	**2,214**	1,006
Past due over 3 years	**1,392**	386
	7,182,858	6,854,858
Less: allowance for doubtful debts	**(147,588)**	(146,906)
	7,035,270	6,707,952

(Expressed in thousands of Renminbi unless otherwise stated)

16 PREPAYMENTS AND OTHER CURRENT ASSETS

	At 30 June 2014 *RMB'000*	At 31 December 2013 *RMB'000*
Loans and advances to *(note (i))*:		
— associates and joint ventures	**2,098,943**	151,720
— China Guodian Corporation ("Guodian Group")	**7,280**	7,452
— fellow subsidiaries	**273,811**	455,869
— third parties	**137,701**	129,358
Government grant and CERs receivables	**153,183**	103,828
Dividend receivable from associates	**18,522**	3,455
Deductible VAT	**1,335,952**	1,367,105
Prepayments and others	**224,835**	203,842
	4,250,227	2,422,629
Less: allowance for doubtful debts	**(54,754)**	(57,628)
	4,195,473	2,365,001

Note:

(i) Included in the loans and advances are interest bearing loans to associates amounting to RMB2,008,210,000 with annum interest rates of 4.00%~5.90% as at 30 June 2014 (31 December 2013: RMB275,210,000, 4.98%~6.12%).

17 CASH AT BANK AND ON HAND

	At 30 June 2014 *RMB'000*	At 31 December 2013 *RMB'000*
Cash on hand	**731**	694
Cash at bank and other financial institutions	**3,590,191**	2,714,048
	3,590,922	2,714,742
Representing:		
Cash and cash equivalents	**3,590,922**	2,714,742

(Expressed in thousands of Renminbi unless otherwise stated)

18 BORROWINGS

(a) The long-term interest-bearing borrowings comprise:

	At 30 June 2014 RMB'000	At 31 December 2013 RMB'000
Bank loans		
— Secured	**7,622,054**	7,553,649
— Unsecured	**15,414,529**	13,437,698
Loans from other financial institutions		
— Secured	**2,400,970**	2,400,970
Loans from Guodian Group		
— Unsecured	**1,000,000**	1,000,000
Loans from fellow subsidiaries		
— Unsecured	**1,075,000**	1,090,000
Other borrowings *(note 18(c)(i))*		
— Secured	**6,972,022**	6,968,189
— Unsecured	**4,685,660**	4,662,037
	39,170,235	37,112,543
Less: Current portion of long-term borrowings *(note 18(b))*		
— Bank loans	**(3,411,818)**	(2,895,251)
— Other borrowings	**(1,258,080)**	(1,256,073)
	34,500,337	32,961,219

As at 30 June 2014, the Group's loans and borrowings guaranteed by Guodian Group amounted to RMB9,714,372,000 (31 December 2013: RMB9,723,559,000).

(Expressed in thousands of Renminbi unless otherwise stated)

18 BORROWINGS *(CONTINUED)*

(b) The short-term interest-bearing borrowings comprise:

	At 30 June 2014 *RMB'000*	At 31 December 2013 *RMB'000*
Bank loans		
— Secured	**1,784,228**	2,240,220
— Unsecured	**13,550,008**	7,767,556
Loans from other financial institutions		
— Unsecured	**501,000**	521,000
Loans from Guodian Group		
— Unsecured	**—**	4,500,000
Loans from fellow subsidiaries		
— Secured	**30,000**	—
— Unsecured	**230,000**	501,000
Other borrowings *(note 18(c)(ii))*		
— Unsecured	**7,977,477**	4,997,682
Loan from government		
— Unsecured	**1,273**	1,455
Current portion of long-term borrowings *(note 18(a))*		
— Bank loans	**3,411,818**	2,895,251
— Other borrowings	**1,258,080**	1,256,073
	28,743,884	24,680,237

(Expressed in thousands of Renminbi unless otherwise stated)

18 BORROWINGS *(CONTINUED)*

(c) Significant terms of other borrowings

	At 30 June 2014 *RMB'000*	At 31 December 2013 *RMB'000*
Long-term		
Corporate bonds *(note (i))*	11,657,682	11,630,226
Short-term		
Corporate bonds *(note (ii))*	7,977,477	4,997,682

Notes:

(i) On 9 February 2010, the Company issued unsecured corporate bonds of RMB1,600 million at par with a coupon rate of 4.52% per annum. The effective interest rate is 4.67% per annum. The bonds will be mature in seven years and are redeemable after five years of issuance at the option of the bond holders.

On 10 December 2010, the Company issued a five-year corporate bond of RMB2,000 million at par with a coupon rate of 4.89% per annum and a ten-year corporate bond of RMB2,000 million at par with a coupon rate of 5.05% per annum, which are guaranteed by Guodian Group. The effective interest rates of above bonds are 5.08% and 5.15%, respectively.

On 21 January 2011, the Company issued a five-year corporate bond of RMB1,500 million at par with a coupon rate of 4.89% per annum and a ten-year corporate bond of RMB1,500 million at par with a coupon rate of 5.04% per annum, which are guaranteed by Guodian Group. The effective interest rates of above bonds are 5.08% and 5.14%, respectively.

On 12 December 2011, the Company issued a three-year unsecured corporate bond of RMB1,000 million at par with a coupon rate of 5.72% per annum. The effective interest rate is 6.06% per annum.

On 15 December 2011, a subsidiary of the Company, Hero Asia Investment Limited, issued a three-year unsecured corporate bond of RMB260 million at par with a coupon rate of 4.75% per annum. The effective interest rate is 5.18%.

On 12 August 2013, a subsidiary of the Company, Hero Asia Investment Limited, issued a three-year unsecured corporate bond of USD300 million at par with a coupon rate of 3.25% per annum. The effective interest rate is 3.61%.

(Expressed in thousands of Renminbi unless otherwise stated)

18 BORROWINGS *(CONTINUED)*

(c) Significant terms of other borrowings *(Continued)*

(ii) On 21 April 2014, the Company issued a half-year unsecured corporate bond of RMB3,000 million at par with a coupon rate of 5.40% per annum. The effective interest rate is 5.71% per annum.

On 23 May 2014, the Company issued a one-year unsecured corporate bond of RMB3,000 million at par with a coupon rate of 5.30% per annum. The effective interest rate is 5.72% per annum.

On 19 June 2014, the Company issued a one-year unsecured corporate bond of RMB2,000 million at par with a coupon rate of 5.10% per annum. The effective interest rate is 5.52% per annum.

19 TRADE CREDITORS AND BILLS PAYABLE

	At 30 June 2014 *RMB'000*	At 31 December 2013 *RMB'000*
Bills payable	**654,287**	1,075,268
Creditors and accrued charges	**241,864**	446,084
Amounts due to associates	**66,206**	620,817
Amounts due to fellow subsidiaries	**64,930**	—
	1,027,287	2,142,169

As at 30 June 2014 and 31 December 2013, all trade creditors and bills payable are payable and expected to be settled within one year.

(Expressed in thousands of Renminbi unless otherwise stated)

20 OTHER PAYABLES

	At 30 June 2014 RMB'000	At 31 December 2013 RMB'000
Payables for acquisition of property, plant and equipment	**4,665,577**	5,314,119
Payables for staff related costs	**272,131**	242,148
Payables for other taxes	**99,668**	244,182
Dividends payable	**913,469**	517,080
Receipts in advance	**97,344**	78,405
Amounts due to associates and joint ventures *(note (i))*	**1,981,728**	1,965,138
Amounts due to fellow subsidiaries	**501,335**	404,843
Amounts due to Guodian Group	**38,567**	44,639
Other accruals and payables	**1,006,209**	942,156
	9,576,028	9,752,710

Notes:

(i) The amounts due to associates and joint ventures mainly represent payables to an associate for wind turbines purchased by the Group.

(ii) All other payables are measured at amortised cost and expected to be settled or recognised as income within one year or are repayable on demand.

(Expressed in thousands of Renminbi unless otherwise stated)

21 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

(i) Dividends payable to shareholders attributable to the interim period:

The directors do not recommend the payment of any interim dividend for the six months ended 30 June 2014 (six months ended 30 June 2013: RMB nil).

(ii) Dividends payable to shareholders attributable to the previous financial year, approved and paid during the interim period:

	Six months ended 30 June	
	2014	2013
	RMB'000	*RMB'000*
Final dividend in respect of the financial year ended 31 December 2013, approved during the following interim period, of RMB0.0475 per share (year ended 31 December 2012: RMB0.0637)	**381,728**	511,918

(b) Share capital

	At 30 June 2014	At 31 December 2013
	RMB'000	*RMB'000*
Issued and fully paid:		
4,696,360,000 state-owned domestic shares of RMB1.00 each	**4,696,360**	4,696,360
3,340,029,000 H shares of RMB1.00 each	**3,340,029**	3,340,029
	8,036,389	8,036,389

21 CAPITAL, RESERVES AND DIVIDENDS *(CONTINUED)*

(c) Nature and purpose of reserves

(i) Capital reserve

Capital reserve includes share premium and other capital reserve.

Share premium represents the difference between the total amount of the par value of shares issued and the amount of the net proceeds received from the initial public offering in December 2009 and the share placing in December 2012.

Other capital reserve mainly represents the difference between the total amount of the nominal value of shares issued and the amount of the net assets injected by Guodian Group, the cash injection in excess of the nominal value of shares issued to Guodian Northeast Electric Power Co., Ltd. upon the establishment of the Company, and the capital reserve as a result of acquisition of businesses under common control and acquisition of non-controlling interests.

(ii) Statutory surplus reserve

According to the Company's Article of Association, the Company is required to transfer 10% of its net profit as determined in accordance with the PRC Accounting Rules and Regulations to its statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend to shareholders. This reserve fund can be utilised in setting off accumulated losses or increasing capital of the Company and is non-distributable other than in liquidation.

(iii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations that have functional currency other than the RMB and the foreign exchange difference on the net investment in foreign operations of the Group.

(iv) Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale securities held at the balance sheet date.

22 SENIOR PERPETUAL SECURITIES

On 7 December 2012, a subsidiary of the Company (the "Issuer") issued US$400,000,000 senior perpetual securities at initial interest rate of 5.25% ("Senior Perpetual Securities"). The Senior Perpetual Securities were issued for general corporate funding purposes to develop and expand the Group's investment in new energy businesses and for the Group's working capital needs. Coupon payments of 5.25% per annum on the Senior Perpetual Securities are paid semi-annually in arrears from 7 June 2013 and may be deferred at the discretion of the Group. The Senior Perpetual Securities have no fixed maturity and are callable at the Group's option on or after 7 December 2015 at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. After 7 December 2015, the coupon rate will be reset to a percentage per annum equal to the sum of (a) the initial spread of 4.912 per cent., (b) the U.S. Treasury Rate and (c) a margin of 5.00 per cent. per annum. While any coupon interest payments are unpaid or deferred, the Group cannot declare or pay dividends or make distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank.

The Company and Guodian Group each issued a Company Keepwell Deed and a Company Equity Interest Purchase Undertaking to the trustee of the Senior Perpetual Securities. Under the Company Keepwell Deed, the Company and Guodian Group will undertake to cause the Issuer to have sufficient liquidity to ensure timely payment by the Issuer of any payment in respect of the Senior Perpetual Securities. Under the Company Equity Interest Purchase Undertaking, the Company and Guodian Group agrees that, subject to obtaining all necessary approvals, consents, licenses, orders, permits and any other authorisations from the relevant approval authorities, the Company and Guodian Group will purchase the equity interests in certain of the direct or indirect owned PRC-established subsidiaries of the Issuer upon receiving a purchase notice from the trustee.

(Expressed in thousands of Renminbi unless otherwise stated)

23 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial instruments carried at fair value

(i) Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available

- Level 3 valuations: Fair value measured using significant unobservable inputs

		Fair value measurements as at 30 June 2014 categorised into		
	Fair value at 30 June 2014 RMB'000	Quoted prices in active market for identical assets (Level 1) RMB'000	Significant other observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000
Recurring fair value measurement				
Financial assets:				
Available-for-sale equity securities-listed	12,128	12,128	–	–
Trading securities and derivative financial instruments	238,032	223,629	14,403	–

(Expressed in thousands of Renminbi unless otherwise stated)

23 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS *(CONTINUED)*

(a) Financial instruments carried at fair value *(Continued)*

(i) Fair value hierarchy *(Continued)*

		Fair value measurements as at 31 December 2013 categorised into		
	Fair value at 31 December 2013	Quoted prices in active market for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Recurring fair value measurement				
Financial assets:				
Available-for-sale equity securities-listed	11,738	11,738	–	–
Trading securities	315,932	315,932	–	–

During the six months ended 30 June 2014, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (six months ended 30 June 2013: nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

(ii) Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of forward exchange contract in Level 2 is determined by discounting the difference between the contractual forward price and the current spot rate. The discount rate used is derived from the relevant government yield curve as at the end of the reporting period plus an adequate constant credit spread.

(Expressed in thousands of Renminbi unless otherwise stated)

23 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS *(CONTINUED)*

(b) Fair values of financial instruments carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 30 June 2014 and 31 December 2013 except as follows:

	30 June 2014		31 December 2013	
	Carrying Amount *RMB'000*	Fair value *RMB'000*	Carrying amount *RMB'000*	Fair value *RMB'000*
Corporate bonds	10,399,603	10,476,121	10,374,153	10,424,096
Fixed rate long-term loans	4,125,071	4,023,329	4,154,578	3,949,366
	14,524,674	14,499,450	14,528,731	14,373,462

24 CAPITAL COMMITMENTS

Capital commitments outstanding at the period/year end not provided for in the interim financial report were as follows:

	At 30 June 2014 *RMB'000*	At 31 December 2013 *RMB'000*
Contracted for	15,643,308	15,688,011
Authorised but not contracted for	45,060,827	50,799,732
	60,704,135	66,487,743

(Expressed in thousands of Renminbi unless otherwise stated)

25 CONTINGENT LIABILITIES

(a) Financial guarantees issued

At 30 June 2014, the Group issued the following guarantees:

(i) Guarantees to banks in respect of the bank loans granted to an associate company are set forth below:

	At 30 June 2014 ***RMB'000***	At 31 December 2013 *RMB'000*
Associates and joint ventures	**58,761**	62,232

(ii) The Company issued a counter-guarantee to Hubei Energy Group Co., Ltd. (湖北能源集團股份有限公司), the controlling equity owner of Hubei Jiugongshan Wind Power Co., Ltd. (湖北省九宮山風力發電有限責任公司) which is an associate of the Company, in respect of a guarantee issued by Hubei Energy Group Co., Ltd. (湖北能源集團股份有限公司) for a banking facility granted to the associate. As at 30 June 2014, the balance counter-guaranteed by the Company amounted to RMB19,449,000 (31 December 2013: RMB21,600,000). The directors of the Company are of the opinion that the default of repaying the bank loans by Hubei Jiugongshan Wind Power Co., Ltd. (湖北省九宮山風力發電有限責任公司) is remote.

(b) Contingent liability in respect of taxes on CDM revenue

Up to date, there have been no rules issued on whether the revenue from sales of CERs and VERs is subject to any value-added tax 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 the revenue from sales of CERs and VERs. Therefore, the Group has not made any provision on such contingencies.

(Expressed in thousands of Renminbi unless otherwise stated)

26 MATERIAL RELATED PARTY TRANSACTIONS

(a) Transaction with related parties

The Group is part of a larger group of companies under Guodian Group and has significant transactions and relationships with the subsidiaries of Guodian Group.

The principal transactions which were carried out in the ordinary course of business are as follows:

	Six months ended 30 June	
	2014	2013
	RMB'000	*RMB'000*
Sales of goods and provide service to		
Fellow subsidiaries	**248,595**	213,871
Associates and joint ventures	**2,878**	3,316
Purchase of goods and receive service from		
Fellow subsidiaries	**187,221**	153,816
Associates and joint ventures	**722,117**	96,633
Working capital provided to/(received from)		
Fellow subsidiaries	**73,786**	23,035
Associates and joint ventures	**5,799**	(20,488)
Loan guarantees revoked by		
Guodian Group	**(9,187)**	(6,860)
Loan guarantees revoked to		
Associates and joint ventures	**3,471**	3,471

(Expressed in thousands of Renminbi unless otherwise stated)

26 MATERIAL RELATED PARTY TRANSACTIONS *(CONTINUED)*

(a) Transaction with related parties *(Continued)*

	Six months ended 30 June	
	2014	2013
	RMB'000	*RMB'000*
Loans provided to/(repayment from)		
Fellow subsidiary	**(200,000)**	200,000
Associates and joint ventures	**1,993,210**	(8,053)
Loans repayment to/(received from)		
Guodian Group	**4,500,000**	(1,000,000)
Fellow subsidiaries	**256,000**	252,000
Interest income		
Fellow subsidiaries	**3,760**	1,437
Associates and joint ventures	**10,839**	5,852
Interest expense		
Guodian Group	**47,282**	99,067
Fellow subsidiaries	**33,681**	62,061
Deposits withdraw from/(place with)		
Fellow subsidiaries	**587,341**	(161,891)
Investments in		
Fellow subsidiaries	**—**	144,000
Associates and joint ventures	**622,487**	—

(b) Outstanding balances with related parties

As at 30 June 2014, except for deposits placed with a fellow subsidiary amounting to RMB593,754,000 (31 December 2013: RMB1,181,095,000) and long-term retention payables due to an associate and two fellow subsidiaries amounting to RMB374,256,000 (31 December 2013: RMB334,516,000), details of other material outstanding balances with related parties are set out in notes 14, 15, 16, 18, 19, and 20.

26 MATERIAL RELATED PARTY TRANSACTIONS *(CONTINUED)*

(c) Transactions with other state-controlled entities in the PRC

The Group is a state-controlled entity and operates in an economic regime currently dominated by entities directly or indirectly owned or controlled by the PRC government and numerous government authorities and agencies (collectively referred to as "state-controlled entities").

Apart from transactions mentioned above, the Group conducts a majority of its business activities with state-controlled entities in the ordinary course of business. These transactions are carried out at terms similar to those that would be entered into with non-state-controlled entities. Transactions with other state-controlled entities included but are not limited to the following:

— Sales of electricity;

— Depositing and borrowing money;

— Purchase of materials and receiving construction work services; and

— Service concession arrangements.

The tariff of electricity is regulated by relevant government. The Group prices its other services and products based on the commercial negotiations. The Group has also established its approval process for sales of electricity, purchase of products and services and its financing policy for borrowing. Such approval process and financing policy do not depend on whether the counterparties are state-controlled entities or not.

(Expressed in thousands of Renminbi unless otherwise stated)

26 MATERIAL RELATED PARTY TRANSACTIONS *(CONTINUED)*

(c) Transactions with other state-controlled entities in the PRC *(Continued)*

Having considered the potential for transactions to be impacted by related party relationships, the Group's approval processes and financing policy, and what information would be necessary for an understanding of the potential effect of the relationship on the financial statements, the directors are of the opinion that the following transactions require disclosure as other state-controlled entities transactions:

	Six months ended 30 June	
	2014	2013
	RMB'000	*RMB'000*
Sales of electricity	**7,502,204**	7,499,852
Sales of other products	**90,599**	134,259
Interest income	**19,292**	22,940
Interest expenses	**1,046,588**	1,016,470
Loans increased/(repayment)	**5,914,798**	(1,631,957)
Deposits placed with/(withdrawn from)	**1,119,012**	(1,155,907)
Purchase of materials and receiving construction service	**785,054**	749,303
Service concession construction revenue	**20,461**	499,433

The balances with other state-controlled entities transactions are as follows:

	At 30 June	At 31 December
	2014	2013
	RMB'000	*RMB'000*
Receivables from sales of electricity	**6,542,066**	5,917,369
Receivables from sales of other products	**17,946**	27,926
Bank deposits (including restricted deposits)	**2,432,054**	1,313,042
Borrowings	**42,961,893**	37,047,095
Payable for purchase of materials and receiving construction work service	**1,043,689**	1,288,351

(Expressed in thousands of Renminbi unless otherwise stated)

26 MATERIAL RELATED PARTY TRANSACTIONS *(CONTINUED)*

(d) Key management personnel remuneration

Remuneration for key management personnel is as follows:

	Six months ended 30 June	
	2014	2013
	RMB'000	*RMB'000*
Salaries and other emoluments	**1,102**	1,099
Discretionary bonus	**2,836**	2,101
Retirement scheme contributions	**336**	278
	4,274	3,478

(e) Commitment with related parties

Commitment with related parties is as follows:

	At 30 June 2014	At 31 December 2013
	RMB'000	*RMB'000*
Sales commitment with		
Fellow subsidiaries	**1,600**	1,003
Associates and joint ventures	**4,905**	3,140
Capital commitment with		
Associates and joint ventures	**1,120,950**	754,981

27 SUBSEQUENT EVENTS

On 1 August 2014, the Company entered into an equity transfer agreement with Guodian Liaocheng Power Generation Co., Ltd., a subsidiary of China Guodian Corporation. Pursuant to the equity transfer agreement, the Company will transfer its entire 52% equity interests in Guodian Liaocheng Biomass Power Co., Ltd. at consideration of RMB1.

GLOSSARY OF TERMS

"average utilisation hours"	the consolidated gross power generation in a specified period (in MWh or GWh) divided by the average consolidated installed capacity in the same period (in MW or GW)
"biomass"	plant material, vegetation, or agricultural waste used as a fuel or energy source
"Board"	the board of directors of the Company
"CDM"	the Clean Development Mechanism, an arrangement under the Kyoto Protocol allowing industrialised countries to invest in projects that reduce greenhouse gas emissions in developing countries in order to earn emission credits
"CERs"	certified emission reductions, which are carbon credits issued by CDM EB for emission reductions achieved by CDM projects and verified by a DOE under the Kyoto Protocol
"our Company", "Company"or "we"	龍源電力集團股份有限公司 (China Longyuan Power Group Corporation Limited*)
"consolidated gross power generation" or "consolidated net power generation"	the aggregate gross power generation or net power generation (as the case may be) of our project companies that we fully consolidate in our financial statements for a specified period
"consolidated installed capacity"	the aggregate installed capacity or capacity under construction (as the case may be) of our project companies that we fully consolidated in our consolidated financial statements only. It is calculated by including 100% of the installed capacity or capacity under construction of our project companies that we fully consolidate in our consolidated financial statements and are deemed as our subsidiaries. Both consolidated installed capacity and consolidated capacity under construction do not include the capacity of our associated companies

* *For identification purpose only*

"Director(s)"	the directors of the Company
"electricity sale"	the actual amount of electricity sold by a power plant in a particular period of time, which equals gross power generation less comprehensive auxiliary electricity
"Group"	China Longyuan Power Group Corporation Limited* and its subsidiaries
"Guodian Group"	中國國電集團公司 (China Guodian Corporation)
"GW"	unit of energy, gigawatt. 1GW = 1,000MW
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"kW"	unit of energy, 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 produced by a generator producing one thousand watts for one hour
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"load factor"	the ratio (expressed as a percentage) of the gross amount of electricity generated by a power plant in a given period to the number of hours in the given period multiplied by the plant's installed capacity
"Model Code"	the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix 10 to the Listing Rules
"MW"	unit of energy, megawatt. 1 MW = 1,000 kW. The installed capacity of power plants is generally expressed in MW

"regions not subject to grid curtailment"	Regions excluding Heilongjiang Province, Jilin Province, Liaoning Province, Inner Mongolia Autonomous Region and Gansu Province
"renewable energy sources"	sustainable sources that are regenerative or, for all practical purposes, cannot be depleted, such as wind, water or sunlight
"VERs" or "VER"	Voluntary Emission Reductions that are carbon credits which are not mandated by any law or regulation, but originate from an organisation's desire to take active part in climate change mitigation efforts

CORPORATE INFORMATION

THE COMPANY'S OFFICIAL NAME

龍源電力集團股份有限公司

THE COMPANY'S NAME IN ENGLISH

China Longyuan Power Group Corporation Limited*

REGISTERED OFFICE

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HEAD OFFICE IN THE PRC

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PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Hong Kong

THE BOARD

Non-executive Directors

Mr. Qiao Baoping *(Chairman)*
Mr. Wang Baole
Mr. Shao Guoyong
Mr. Chen Jingdong

Executive Directors

Mr. Li Enyi *(President)*
Mr. Huang Qun

Independent Non-executive Directors

Mr. Zhang Songyi
Mr. Meng Yan
Mr. Han Dechang

THE COMPANY'S LEGAL REPRESENTATIVE

Mr. Qiao Baoping

AUTHORISED REPRESENTATIVES

Mr. Li Enyi
Mr. Jia Nansong
Mr. Zhang Songyi (as Mr. Li Enyi's alternate)
Ms. Soon Yuk Tai (as Mr. Jia Nansong's alternate)

JOINT COMPANY SECRETARIES

Mr. Jia Nansong
Ms. Soon Yuk Tai

* *For identification purpose only*

AUDITORS

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Accountants (special general partner)
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Bank of Communications Co., Ltd.
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STOCK CODE

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龍源電力集團股份有限公司
China Longyuan Power Group Corporation Limited