

HUANENG POWER INTERNATIONAL INC
Form 6-K
August 02, 2012

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of
The Securities Exchange Act of 1934

For the month of August, 2012

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)
Form 20-F Form 40-F _____

(Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)
Yes _____ No

(If "Yes" is marked, indicate below the file number assigned to registrant in connection with Rule 12g3-2(b):
82-_____.)
N/A

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This Form 6-K consists of:

1. an announcement regarding 2012 interim results of Huaneng Power International, Inc. (the “Registrant”); and
2. an announcement on connected transaction regarding Qinling Company;

Each made by the Registrant on August 1, 2012.

Document 1

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(Stock Code: 902)

2012 Interim Results Announcement

Consolidated operating revenue:	RMB67.180 billion
Profit attributable to equity holders of the Company:	RMB2.122 billion
Earnings per share:	RMB0.15

The Board of Directors (the “Board”) of Huaneng Power International, Inc. (the “Company”) announces the unaudited operating results for the six months ended 30 June 2012 and a comparison with the operating results for the same period of last year. For the six months ended 30 June 2012, the Company and its subsidiaries recorded consolidated operating revenue of RMB67.180 billion, representing an increase of 4.88% compared to the same period last year. The profit attributable to equity holders of the Company was RMB2.122 billion, representing an increase of 87.64% compared to the same period last year. The earnings per share were RMB0.15 and net asset value per share (excluding non-controlling interests) was RMB3.71. The increase of the Company’s net profit was mainly attributable to the carry-over effect of the tariff adjustment last year and the Company’s effective cost controls.

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

BUSINESS REVIEW FOR THE FIRST HALF OF THE YEAR

During the first half of 2012, the Company focused on improving economic efficiency, proactively responded to the changing business environment and made significant progress on power generation, cost control, energy conservation and environmental protection, project development and construction.

1. Power Generation

The power plants of the Company within China generated 150.173 billion kWh on consolidated basis for the first half of 2012, representing a decrease of 1.46% from the same period last year, and achieved an aggregate sales volume of 141.637 billion kWh, a decrease of 1.45% from the same period last year. The decrease of the Company's power generation was mainly attributable to the following factors: firstly, the power generation in the regions where the Company's power plants are located experienced negative or low growth during the first half of this year as a result of the distribution of installed capacity of the Company, while hydropower generation in certain provinces had seen significant growth, which sharply reduced the potential of power generation from local thermal power plants; secondly, the installed capacity of the Company grew at an average rate below the national average for the first half of this year; and thirdly, the Company had relatively higher base of power generation for the first six months last year (the Company's power generation in the first half of 2011 increased by 28.25% as compared to the same period of 2010, whilst the corresponding growth rate nationwide was 13.5%, thus the Company's power generation growth rate in the first half of 2011 was 14.75 percentage points higher than the nationwide rate), which correspondingly affected the power generation growth rate of the Company for the first half of 2012.

For the first half of 2012, the aggregate power generation of Singapore Tuas Power Ltd. accounted for a market share of 26.65%, representing a decrease of 0.33 percentage point compared to the same period last year.

2. Cost Controls

Coal supply exceeded demand for the first half of 2012 as a result of slower economic growth in China, causing the coal price on a downward trend and lower than that for the

same period last year. Seizing this opportunity, the Company optimized its procurement structure by further increasing the purchased volume of imported coal capitalizing on the price gap between domestic and international coal markets, secured more favorable coal purchase conditions through negotiations with suppliers, and reduced its average coal purchase price by rationalizing inventory arrangement based on production needs.

3. Energy Conservation and Environmental Protection

The Company attaches great importance to energy conservation and environmental protection. All the coal-fired generating units of the Company are equipped with desulphurization devices, and its coal-fired generating units equipped with denitrification devices account for more than 33% of power generation capacity of the Company. The Company has also strengthened management over the operation and maintenance of environmental protection facilities, which has improved their operating efficiency and in-operation rate.

For the first half of 2012, the Company continued to maintain its leading position in the industry in terms of major technical and economic indicators.

4. Project Development and Construction

For the first half of 2012, the Company obtained approval for the Zhejiang Tongxiang Natural Gas Co-generation Project, the Wind Farm Phase I Project of Jiangsu Rudong Wind Power Co., Ltd., the Yunnan Chuxiong Natural Gas Co-generation New Construction Project, and the Huaneng Coal Transit Base Project at Haimen Port in Shantou.

The following generating units of the Company commenced operation during the first half of 2012: Unit 2 (673 MW) of Shanxi Huaneng Zuoquan Power Plant, in which the Company owns a 60% equity interest; Unit 5 (1,000 MW) of Henan Huaneng Qinbei Power Plant Phase III, in which the Company owns a 60% equity interest; Unit 2 (20 MW) of Hunan Yongzhou Xiangqi Hydropower Station, which is wholly owned by the Company; Unit 2 (12.5 MW) and Unit 3 (12.5 MW) of Liaoning Suzihe Hydropower Station, which is wholly owned by the Company; and the second stage (44 MW) of Jiangsu Qidong Wind Power Plant Phase II, in which the Company owns a 65% equity interest.

Two generation units each with 100 MW generation capacity of Shanxi Huaneng Yushe Power Plant, in which the Company owns a 60% equity interest, have been closed down.

By 31 July 2012, the Company had controlled generating capacity of 60,264 MW and equity-based generation capacity of 55,304 MW.

PROSPECTS FOR THE SECOND HALF OF 2012

Although the overall economy in China is developing steadily, the national economic growth has slowed down and faces downward pressure from a number of factors such as the gloomy global economic outlook. The government is expected to maintain continuity and consistency of macroeconomic policies, further increase the intensity of anticipatory adjustments and fine-tuning measures, continue to adopt active fiscal policies and prudent monetary policies.

Electricity market. Power consumption experienced slower growth for the first half of this year due to insufficient effective power demand nationwide affected by the slowdown of national economic growth. In the second half of 2012, the national economy is expected to improve as the various policies adopted by the Government to maintain steady growth will take effect gradually, and the growth of power consumption is expected to speed up with the coming of summer and winter peaks. In spite of various uncertainties such as operation of new generating units and increased power generation from hydropower facilities, the Company will strive to make the generating hours of its coal-fired generating units exceed local average.

Coal market. Coal price experienced continuous drop within and outside China during the first half of 2012 due to sluggish global economy, slower growth of China's economy, and the reduced energy consumption per GDP unit according to the "Twelfth Five-year Plan". Coal inventories remain at a high level throughout China and coal price is expected to drop further in the second half of this year. The Company will closely monitor market changes, make efforts to expand supply channels, adjust the purchase strategy, optimize the purchase structure and import more coal. The Company will also take advantage of the existing eased-up railway capacity to establish direct railway transportation channels in an effort to control fuel costs.

Capital market. The Chinese government will consistently implement positive fiscal policies and prudent monetary policies, make continued efforts to make these policies more target oriented and flexible, and further increase the intensity of anticipatory adjustments and fine-tuning measures. The People's Bank of China had reduced deposit reserve requirement ratio and lending interest rates both for two times, respectively, in 2012, which has significantly eased the capital pressure and financing costs of the Company.

Major Tasks of the Company for the Second Half of 2012:

1. To enhance safe production management to ensure safe, consistent and economic operation of its generating units;
2. To strengthen power marketing efforts, refine working measures with a view to achieving "increased volume, consistent pricing, and improved efficiency", so as to ensure its overall leading position in terms of generating hours;
3. To enhance cost controls, strive to lower fuel costs, optimize debt structure and strive to reduce financial costs;
4. With the focus on economic efficiency, improve construction project management and ensure the sustainable, stable and sound development of the Company; to promote and facilitate preparatory work of large coal-fired units in developed areas, coastal areas and areas along rivers, coal-electricity integrated projects, cost-efficient wind power projects and gas-fired power plants in the developed areas, so as to lay a sound ground for the sustainable development of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS (PREPARED UNDER IFRS)

I. COMPARISON AND ANALYSIS OF OPERATING RESULTS

Summary

According to the Company's preliminary statistics, for the six month ended 30 June 2012, the Company and its subsidiaries' total power generation within China on consolidated basis amounted to 150.173 billion kWh, representing a decrease of 1.46% over the same period last year; accumulated electricity sold amounted to 141.637 billion kWh, representing a decrease of 1.45% over the same period last year.

The decrease in power generation of the Company was mainly due to the following reasons:

1. The power generation in the regions where the Company's power plants are located experienced negative or low growth during the first half of this year; meanwhile, hydropower generation in certain provinces had seen significant growth, which sharply reduced the potential of power generation from local thermal power plants;
2. The average installed capacity of the Company grew at a rate below the national average for the first half of 2012, which affected the power generation growth rate of the Company; and
3. The growth rate of power generation was affected by the high level of power generation result of the same period of last year (The power generation in same period of last year increased 28.25% compared with the same period of the year before last year, which was 14.75 percentage points higher than national average growth rate of 13.5%).

The power generation and electricity sold by each of the Company's domestic power plants for the first half of 2012 are listed below (in billion kWh):

Domestic Power Plant	Power generation for the first half of 2012	Power generation for the first half of 2011	Change	Electricity sold for the first half of 2012	Electricity sold for the first half of 2011	Change
Liaoning Province Dalian	2.961	3.313	-10.62 %	2.819	3.147	-10.42 %

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Dandong	1.602	1.630	-1.72	%	1.527	1.554	-1.74	%
Yingkou	4.163	4.031	3.27	%	3.900	3.780	3.17	%
Yingkou Co-generation	1.777	1.669	6.47	%	1.666	1.556	7.07	%
Wafangdian Wind Power	0.055	–	–		0.054	–	–	
Suzihe Hydropower	0.001	–	–		0.001	–	–	
Inner Mongolia								
Huade Wind Power	0.110	0.072	52.78	%	0.109	0.071	53.52	%
Hebei Province								
Shang'an	7.345	7.481	-1.82	%	6.834			