

HUANENG POWER INTERNATIONAL INC  
Form 6-K  
March 25, 2010

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 March, 2010

(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:

an announcement on 2009 annual results of Huaneng Power International, Inc. (the “Registrant”), made by the Registrant on March 24, 2010.

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ANNOUNCEMENT OF RESULTS FOR 2009

Power generation by domestic power plants:	203.520 billion kWh
Consolidated operating revenue:	RMB76.863 billion
Profit attributable to equity holders of the Company:	RMB4.930 billion
Earnings per share:	RMB0.41
Final dividend:	RMB0.21 per ordinary share (inclusive of tax)

SUMMARY OF OPERATING RESULTS

The Board of Directors (the "Board") of Huaneng Power International, Inc. (the "Company" or "Huaneng International") hereby announces the audited operating results of the Company and its subsidiaries for the year ended 31 December 2009.

For the twelve months ended 31 December 2009, the Company recorded operating revenue of RMB76.863 billion, representing an increase of 13.31% compared to the same period of the previous year, and profit attributable to equity holders of the Company of RMB4.930 billion, representing an increase of 225.19% as compared with the same period of 2008. Earnings per share amounted to RMB0.41. The Board is satisfied with the Company's performance last year.

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The Board of the Company proposed to declare a cash dividend of RMB0.21 (inclusive of tax) for each ordinary share of the Company held by shareholders.

Details of the operating results are set out in the financial information attached.

## BUSINESS REVIEW OF YEAR 2009

In 2009, in response to the international financial crisis and complicated operating situation, the management and all the staff of the Company worked together closely to overcome difficulties and make progress, achieving the target of turning a loss into a gain and in the meantime fulfilling the responsibility of supplying sufficient, reliable and clean electricity for the society. The Company also achieved new results in all aspects including safe production, operation management, energy saving, environmental protection, project development, capital operation and corporate governance. In Singapore, Tuas Power Ltd. recorded the best annual operating results since its incorporation despite of a complicated market environment, making contribution to the profits growth of the Company.

### 1. OPERATING RESULTS

For the twelve months ended 31 December 2009, the Company recorded a net operating revenue of RMB76.863 billion, representing an increase of 13.31% compared to the same period of 2008. The Company achieved an equity profit of RMB4.930 billion, representing an increase of 225.19% as compared with the same period of last year, with an earnings per share of RMB0.41.

As at the end of 2009, net asset per share amounted to RMB3.49, representing an increase of 14.05% over 2008.

The Audit Committee of the Company convened a meeting on 22 March 2010 and reviewed the 2009 annual results of the Company.

### 2. POWER GENERATION

In 2009, the Company's total domestic power generation from all operating power plants on a consolidated basis amounted to 203.520 billion kWh, representing a 10.23% increase as compared to the same period of the previous year. The increase in the Company's power generation was mainly attributable to the newly acquired power plants and the commencement of new generating units. The annual average utilization hours of the Company's coal-fired generating units reached 5,220 hours, representing 381 hours above

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the average rate of the coal-fired generating units in China.

In 2009, the accumulated power generation of Tuas Power Ltd. in Singapore accounted for a market share of 24.3%, which was similar to the same period of the previous year.

### 3. COST CONTROL

In 2009, the coal supply condition was relatively complicated. The Company had re-inforced the communication and negotiation with its key suppliers, thus maintained an efficient major source of coal supply. At the same time, the Company also kept close track on the international market and increased the procurement of imported coal. The Company actively developed and utilized the available internal resources of China Huaneng Group (Huaneng Group), took full advantage of the economies of scale and management strength and made efforts to reduce the purchase price of fuel, so as to control fuel costs effectively.

The unit fuel cost of the Company's domestic power plants was RMB215.73 per MWh in 2009, representing a decrease of 13.50% from the previous year.

### 4. ENERGY SAVING AND ENVIRONMENTAL PROTECTION

The Company highly values energy saving and environmental protection. All the newly built generating units have been installed with flue-gas desulphurization facilities and at the same time the Company reinforced the environmental protection and enhancement work of the existing units. As at the end of 2009, all of the Company's existing coal-fired generating units have installed with flue-gas desulphurization facilities.

In 2009, the average equivalent availability ratio of the Company's domestic power plants was 91.95%. The average coal consumption rate for the power generated for the whole year of the Company was 301.18 gram/kWh, 5.47 gram/kWh lower than that of the same period of the previous year. The average coal consumption rate for power sold was 320.10 gram/kWh, representing a decrease of 5.84 gram/kWh as compared to the same period last year and 21.9 gram/kWh lower than the average level of the nation. The weighted average house consumption rate was 5.25%. The technical and economic indicators of the Company are maintained at a leading level in the PRC.

### 5. PROJECT DEVELOPMENT

The construction projects of the Company progressed smoothly. Two 1,036MW

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ultra-supercritical coal-fired generating units at Guangdong Haimen Power Plant Phase I (Units 1 and 2), two 660MW coal-fired generating units at Jiangxi Jinggangshan Power Plant Phase II (Units 3 and 4), two 330MW coal-fired generating units at Liaoning Yingkou Co-generation (Units 1 and 2), two 350MW coal-fired generating units at Shandong Jining Co-generation (Units 1 and 2), one 1,030MW coal-fired generating unit at Jinling Power Plant Phase II in Nanjing, Jiangsu (Unit 3) and Inner Mongolia Huade Wind Power (with a total capacity of 49.5MW) have commenced operation in 2009. In addition, two 600MW coal-fired generating units at Gansu Pingliang Power Plant Phase II (Units 5 and 6) have completed the 168-hour trial run in February and March 2010, respectively.

On the other hand, Unit 4 (110MW) at Jining Power Plant in Shandong Province, Unit 2 (220MW) at Huaiyin Power Plant in Jiangsu Province and two 225MW coal-fired generating units at Xindian Power Plant in Shandong Province was closed during the year. The capacity of Unit 1 and Unit 4 of Shanghai Shidongkou I Power Plant has increased from 320 MW and 300 MW to 325 MW and 325MW, respectively. The capacity of each of Units 1, 2 and 3 of Pingliang Power Plant in Gansu Province has increased from 300 MW to 325 MW. The generation capacity of Sichuan Hydropower, in which the Company holds 49% interest, increased by 295MW in 2009.

To date, the Company had an equity-based generation capacity of 45,912MW and a controlling generation capacity of 49,433MW.

The preliminary work of planned projects of the Company also progressed smoothly. The overseas business has been further expanded. Tembusu multi-utilities complex of Tuas Power Ltd. (Singapore) has commenced the construction work.

## 6. CAPITAL OPERATION

- (1) The acquisition of 55% equity interest in Tianjin Huaneng Yangliuqing Co-generation Limited Liability Company and 41% equity interest in Huaneng Beijing Co-generation Limited Liability Company by the Company from Huaneng Group and Huaneng International Power Development Corporation (ÒHIPDCÓ), respectively took effect in September 2009. The controlling generation capacity and the equity-based generation capacity of the Company thus increased by 2,045MW and 1,006MW, respectively.
  - (2) The acquisition through which the Company acquired 65% equity interest in Huaneng Qidong Wind Power Generation Co. Ltd. from Huaneng New Energy
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Industrial Holding Co. Ltd. took effect in September 2009. The controlling generation capacity and the equity-based generation capacity of the Company thus increased by 92MW and 60MW, respectively.

- (3) On 31 December 2009, the Company entered into an Equity Interest Transfer Contract with ShanDong Electric Power Corporation and ShanDong Luneng Development Group Company Limited for acquiring various power plants (together with their ancillary coal mines), marine transportation facilities and port assets owned by ShanDong Electric Power Corporation and ShanDong Luneng Development Group Company Limited. The acquisition is being vetted by the relevant government authorities. The target assets of the acquisition will fully capitalise the advantages of joint operation of coal enterprises and power enterprises, thus providing long-term stable income for the Company. The acquisition also brings about the combined synergy effect from the facilities of coal, power and harbour, which is conducive to cultivate new profit growth points of the Company.

## 7. FUND RAISING

On 15 January 2010, the 8th Meeting of the Sixth Session of the Board of Directors approved in writing the scheme for non-public issue of A Shares and the non-public issue of H Shares. The parties participating in the non-public A Share issue will consist of not more than 10 designated investors including Huaneng Group. The party participating in the non-public H Share issue is China Hua Neng Group Hong Kong Limited (ÒHua Neng HKÓ). All participating parties will subscribe for the shares in cash. The number of A Shares and H Shares to be issued under the non-public issue will not exceed 1,200 million A Shares and 400 million H Shares respectively. The issue price per A Share would be not less than RMB7.13. The final subscription price per A Share will be ascertained on the book-building basis after obtaining the approvals for the new issue. The issue price per H Share is HKD4.97.

At present, the proposed issue has been approved at the general meeting and at the respective class meetings of the Company as well as by the State-owned Assets Supervision and Administration Commission of the PRC State Council (ÒSASACÓ). According to the applicable regulations, the proposed issue is still pending approvals by other competent governmental authorities.

## PROSPECTS FOR 2010

In 2010, the impact of the international financial crisis still remains. The economy of China has

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witnessed relatively strong recovery, but there are still many uncertainties. The Company still faces challenges as well as opportunities in its development.

Regarding the power market, on the basis that the economic conditions of the PRC is further improving, power demand will maintain a trend of gradual growth, bringing about an opportunity for the Company to increase power generation. However, nationwide installed capacity keeps increasing significantly, bringing pressure on the growth of power utilization hours of the Company. In addition, the advancement of power system reform and the implementation of policies such as energy-saving power generation and dispatch will further consolidate the advantage of scale and leading position of the Company and further promote the efficiency and the strength of the Company, but in the meantime, this will bring certain uncertainties to the operations of the Company.

Regarding the coal market, the domestic annual thermal coal contracts signed by the Company provide fundamental protection for the coal supply for the Company. The contract on imported coal signed by the Company will stabilize price as well as ensuring essential resources supplement for coal supply of the Company's power plants located in the coastal regions. However, there may be new problems and challenges in the stability of coal supply and coal price due to the influence of changes in the coal market and the railway transport capacity. The Company faces pressure on cost control as a result.

Regarding the capital market, China will continue to implement positive fiscal policies and moderately relaxed monetary policy, maintain continuity and stability of macro economic policies, and in the meantime make efforts to increase the pertinence and flexibility of policies according to new situations. This poses new requirements on the Company in watching closely the impact of macro economic policies (especially changes in monetary policies) on the Company, adjusting the Company's financing strategy timely, ensuring fund supply and reducing financing costs.

In 2010, on the basis of ensuring safe and stable production and maximizing power generation, the Company will strive to achieve the annual power generation of the Company's domestic power plants to 230 billion kWh, and increase the coal-fired generating unit utilization hours of the Company to 5,100 hours. The Company will actively expand fuel supply channels, enhance fuel cost management and strive to reduce fuel costs; control production costs strictly, consolidate and increase the profitability of the Company; continue its focus on energy saving and environment protection, keep reducing energy consumption levels and keep major technical and economic indicators positive; enhance the management of projects in progress, enhance the operation of new generating units, accelerate project development and increase the ability of the Company in sustainable development. In accordance with the guidance of the government on

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energy policies, the Company will accelerate the construction of highly efficient, environment friendly and large-scale thermal power bases, accelerate the construction of co-generation projects, speed up the development of coal and power integration projects, push forward the development of clean energy, such as natural gas and wind power projects, push forward the development of CDM projects, increase the weighting of clean energy of the Company and improve power generation structure to ensure sustainable development of the Company.

## OPERATING AND FINANCIAL REVIEWS AND PROSPECTS (MANAGEMENT'S DISCUSSION AND ANALYSIS)

(Prepared under International Financial Reporting Standards (IFRS), unless otherwise specified)

### General

The principal activities of the Company are investment, construction, operation and management of power plants. The Company provides stable and reliable electricity supply to customers through grid operators where the operating plants are located. The Company is committed to scientific development, increasing economic efficiency, enhancing returns for shareholders, conserving resources and protecting the environment. The Company also attaches importance to social responsibilities and makes active efforts to build a harmonious society.

Since its incorporation, the Company has continued to expand its operating scale, thus increasing its operating revenue. The Company has also been the industry leader in terms of competitiveness, effectiveness of resources utilization and environmental protection. Currently, the Company is one of the largest listed power producers in China. Its power generation operations are widely located, covering the Northeast China Grid, the Northern China Grid, the Northwest China Grid, the Eastern China Grid, the Central China Grid, the Southern China Grid and Singapore.

Looking back in 2009, the general recovery of China's economy and increase in power demand has improved the Company's operating conditions. With the strong support of the shareholders and concerted efforts of the employees, the Company thoroughly applied the scientific development view, focused on the annual production and operation targets, responded actively to changes in power, coal and capital markets, continued pursuing market expansion, enhanced cost control and capital management with the view to reduce cost and improve efficiency, and achieved the annual target of turning loss into profit. In the meantime, the Company continued to diligently fulfill its social responsibilities to provide sufficient, reliable and clean electric power and achieved new progress in the areas of energy saving, project construction, generating

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units renovation and environmental protection.

## A. OPERATING RESULTS

### 1. 2009 operating results

The Company completed its acquisitions of Huaneng Beijing Co-generation Limited Liability Company, Tianjin Huaneng Yangliuqing Co-generation Limited Liability Company and Huaneng Qidong Wind Power Generation Co., Ltd. in September 2009. The three power generation companies mentioned (newly acquired power plants, hereinafter) are consolidated into the financial statements of the Company there since.

The power generation of the Company's power plants for the year ended 31 December 2009 was listed below (in billion kWh):

Power Plant	Power generation in 2009	Power generation in 2008	Change
Dalian	8.386	9.102	-7.87%
Dandong	4.078	4.209	-3.11%
Yingkou	9.402	10.735	-12.42%
Yingkou Co-generation	0.123	—	N/A
Shang'an	11.824	9.299	27.15%
Pingliang	5.077	7.201	-29.50%
Beijing Co-generation	4.394	4.998*	-12.08%
Yangliuqing Co-generation	6.007	6.793*	-11.57%
Yushe	4.464	4.951	-9.84%
Dezhou	14.910	14.022	6.33%
Jining	2.044	2.290	-10.74%
Xindian	3.345	4.241	-21.13%
Weihai	3.720	4.495	-17.24%
Rizhao Phase II	7.307	—	N/A
Qinbei	12.510	10.514	18.98%
Nantong	7.816	8.329	-6.16%
Nanjing	3.654	3.469	5.33%
Taicang	11.537	10.389	11.05%
Huaiyin	7.293	7.458	-2.21%

Jinling CCGT	2.273	2.204	3.13%
Qidong Wind Power	0.153	—	N/A
Shidongkou I	6.847	6.757	1.33%
Shidongkou II	6.691	7.534	-11.19%
Shanghai CCGT	0.847	0.598	41.64%
Luohuang	10.843	11.506	-5.76%
Changxing	1.585	1.516	4.55%
Yuhuan	19.913	19.442	2.42%
Yueyang	5.225	6.016	-13.15%
Jinggangshan	3.194	3.202	-0.25%
Fuzhou	8.511	8.129	4.70%
Shantou Coal-fired	6.198	7.020	-11.71%
Haimen	3.349	—	N/A
<b>Total</b>	<b>203.520</b>	<b>184.628</b>	<b>10.23%</b>

\* Beijing Co-generation and Yangliuqing Co-generation were newly acquired generation plants by the Company in 2009. The power generation for these two power plants in 2008 included herein is for reference only and is not included in the aggregate power generation of the Company in 2008.

In 2009, the power generated by Tuas Power in Singapore accounted for 24.30% of the total power generated in Singapore, maintaining a similar level from 2008.

In respect of the tariff, the Company's average tariff of coal-fired power plants for the year ended 31 December 2009 was RMB412.28 per MWh, increase of RMB28.16 per MWh from the year ended 2008.

In respect of fuel supply and cost controls, the decrease of coal market price contributed to a decrease in fuel cost of the Company. Compared to last year, the Company's fuel cost per unit of power sold by coal-fired power plants decreased by 13.73% to RMB214.53 per MWh.

Combining the foregoing factors, the operating revenue of the Company and its subsidiaries for the year ended 31 December 2009 increased 13.31% from last year. For the year ended 31 December 2009, the Company and its subsidiaries recorded a

net profit of RMB4.930 billion, increased 225.19% compared to the net loss of RMB3.938 billion for the year ended 31 December 2008. The profit position was primarily due to (i) the new generating units' commencement of operation, (ii) newly acquired power plants in 2009, (iii) the carryover effect of the acquisition of SinoSing Power Pte. Ltd. (SinoSing Power) in 2008, (iv) the carryover effect of the adjustment to power tariffs in the second half of 2008, and (v) the decrease in fuel purchase price which attributed to the decrease in fuel cost.

## 2. Comparative Analysis of Operating results

### 2.1

#### Operating revenue and sale tax

Operating revenue primarily represents power sale revenue. For the year ended 31 December 2009, the consolidated operating revenue of the Company and its subsidiaries amounted to RMB76.863 billion, representing a 13.31%