

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



華能國際電力股份有限公司

HUANENG POWER INTERNATIONAL, INC.

(a Sino-foreign joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 902)

## IMPLEMENTATION STATUS FOR 2017 IN RELATION TO THE PERFORMANCE UNDERTAKING REGARDING CERTAIN ASSETS ACQUIRED BY THE COMPANY IN 2016

References are made to the announcement of Huaneng Power International, Inc. (the “**Company**”) dated 15 October 2016 (the “**Announcement**”) and the circular of the Company dated 15 November 2016 (the “**Circular**”) in relation to the discloseable and connected transaction regarding the Company’s acquisition of the Shandong Power Interests, the Jilin Power Interests, the Heilongjiang Power Interests and the Zhongyuan CCGT Interests. Capitalised terms used herein shall have the same meanings as those defined in the Announcement and the Circular unless otherwise stated.

As disclosed in the Announcement and the Circular, Huaneng Group guaranteed that the audited actual net profit for 2017, 2018 and 2019 for each of Huaneng Laiwu Power Generation Limited, Huaneng Jiaxiang Power Generation Limited, Huaneng Jining Canal Power Generation Limited, Huaneng Liaocheng Thermal Power Limited and Huaneng Yantai Power Generation Limited (being certain subsidiaries of Huaneng Shandong Power Generation Limited as acquired by the Company) (collectively, “**Profit Forecast Companies**”, and individually, “**Each Profit Forecast Company**”) would not be less than the forecasted net profit. For 2017, the forecasted net profit for Each Profit Forecast Company was as follows:

Company name	Direct or indirect interest held by Huaneng Group at time of equity transfer	Forecasted net profit for 2017
		Unit: RMB10,000
Huaneng Laiwu Power Generation Limited	80.00%	69,036.17
Huaneng Jiaxiang Power Generation Limited	50.00%	6,728.82
Huaneng Jining Canal Power Generation Limited	98.35%	15,033.53
Huaneng Liaocheng Thermal Power Limited	75.00%	8,153.75
Huaneng Yantai Power Generation Limited	100.00%	2,941.38

According to the the specific audit report provided by KPMG Huazhen LLP, the aggregate of the differences between actual net profit/(loss) (net of the non-recurring items) and the forecasted net profit for 2017 for the Profit Forecast Companies was RMB991.8311 million. As the Actual Net Profit of Each Profit Forecast Company for 2017 fell short of the forecasted net profit, Huaneng Group should compensate the Company according to the terms and compensation formula set out in the Profit Forecast Compensation Agreement (brief terms of which have also been disclosed in the Circular). Accordingly, the aggregate amount of cash compensation for 2017 for the Profit Forecast Companies is RMB615.0131 million, which shall be payable by way of cash by Huaneng Group to the Company within 20 working days from the date of disclosure of the specific audit report.

The Company will publish a further announcement once the compensation amount aforesaid is paid by Huaneng Group.

By Order of the Board  
**Huaneng Power International, Inc.**  
**Huang Chaoquan**  
*Company Secretary*

As at the date of this announcement, the directors of the Company are:

Cao Peixi (*Executive Director*)

Liu Guoyue (*Executive Director*)

Huang Jian (*Non-executive Director*)

Wang Yongxiang (*Non-executive Director*)

Mi Dabin (*Non-executive Director*)

Guo Hongbo (*Non-executive Director*)

Cheng Heng (*Non-executive Director*)

Lin Chong (*Non-executive Director*)

Yue Heng (*Independent Non-executive Director*)

Xu Mengzhou (*Independent Non-executive Director*)

Liu Jizhen (*Independent Non-executive Director*)

Xu Haifeng (*Independent Non-executive Director*)

Zhang Xianzhi (*Independent Non-executive Director*)

Beijing, the PRC

14 March 2018