



**To: Business Editor**  
**[For Immediate Release]**

**HUANENG POWER INTERNATIONAL, INC.**  
**Announces Results for the First Three Quarters of 2006**

*Net Profit Rises 13.25% to RMB 3.455 billion*

(Beijing, China, October 24, 2006) Huaneng Power International, Inc. (the “Company”) [NYSE: HNP; HKEx: 902; SSE: 600011] today announced its unaudited results for the nine months ended September 30, 2006.

Under the PRC Accounting Standards, for the first three quarters of 2006, the Company realized operating revenues of RMB31.451 billion, representing an increase of 7.98% over the same period last year. Net profit amounted to RMB3.455 billion, representing an increase of 13.25% over the same period last year. The Company’s total power generation on a consolidated basis amounted to 116.847 billion kWh, an increase of 5.31% over the same period last year. The board of directors was satisfied with the Company’s first three quarters production and operation results.

In the first three quarters of 2006, the Company capitalized on the opportunity arising from the rapid growth of the power industry. The power generation capacity of the Company was raised through putting new generating units into commercial operation on schedule. The utilization hours of the Company’s power plants declined slightly as a result of an alleviation of the intense power supply and demand situation, the volume of electricity sold by the Company increased by 5.39%. The commencement of the commercial operation of the new generating units led to an increase of 7.66% in the volume of electricity sold. The decrease in utilization hours of the original generating units caused a 2.27% decrease in the volume of electricity sold.

Electricity tariffs are mainly affected by the tariff adjustments implemented in May 2005 and June 2006 under the policies on the Coal-electricity Price Linkage Mechanism, the average settlement tariff rate increased by RMB8.01 per MWh compared to the same period last year, amounting to RMB333.93 per MWh. During the first three quarters, the tariffs of the generating units which participated in power pooling in Northeast China were calculated based on the provisional tariffs. The relevant authorities of the State are currently formulating the relevant tariff settlement mechanisms. Once effective, the tariff will be tracked back and adjusted.

As regards cost controls, the Company has taken various measures in controlling fuel costs which contributed to a 1.22% decrease in the unit average fuel cost for electricity sold.

Huaneng Power International, Inc. develops, constructs, operates and manages power plants in China nationwide, with a total generation capacity of 25,267MW on an equity basis. The Company wholly owns sixteen operating power plants, and has controlling interests in thirteen operating power companies and minority interests in four operating power companies. Currently, it is the largest listed power producer in China.

Encl: The unaudited summary financial information of the Company for the three months ended September 30, 2006.

(The summary financial information is disclosed under the listing regulations of the China Securities Regulatory Commission. The summary financial information was prepared in accordance with “Accounting System for Business Enterprises” and “Accounting Standards for Business Enterprises” of the People’s Republic of China (“PRC GAAP”), which differs from the International Financial Reporting Standards (“IFRS”) and the accounting principles generally accepted in the United States of America (“US GAAP”). No reconciliation with IFRS or US GAAP has been made in the presentation of the summary financial information.)

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**HUANENG POWER INTERNATIONAL, INC.**  
**UNAUDITED BALANCE SHEETS (PRC GAAP)**  
**AS AT 30TH SEPTEMBER, 2006**

Amounts: In Rmb Yuan

	30th September, 2006 Consolidated	31st December, 2005 Consolidated	30th September, 2006 The Company	31st December, 2005 The Company
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash	3,662,026,072	2,851,592,978	1,942,110,405	889,902,906
Including: Cash and cash equivalents	3,466,360,456	2,647,665,997	1,760,742,084	713,396,158
Short-term investments	-	13,200	-	13,200
Notes receivable	825,556,409	1,117,533,416	331,543,599	622,462,278
Dividend receivable	-	-	15,000,000	-
Interest receivable	946,634	3,086,294	946,634	3,052,633
Accounts receivable	4,936,040,203	4,904,892,612	2,800,391,237	3,180,096,467
Other receivables	232,169,475	597,773,628	190,219,681	420,624,141
Advance to suppliers	308,987,230	268,606,059	141,313,028	148,818,016
Inventories	2,173,092,405	2,311,356,766	1,419,662,444	1,380,845,041
Deferred expenses	41,163,929	8,319,695	26,660,779	7,451,902
<b>Total current assets</b>	<b>12,179,982,357</b>	<b>12,063,174,648</b>	<b>6,867,847,807</b>	<b>6,653,266,584</b>
<b>LONG-TERM INVESTMENTS</b>				
Long-term equity investments	6,856,657,630	6,479,002,579	15,611,611,314	14,454,590,885
Long-term debt investments	53,700	53,700	53,700	53,700
<b>Total long-term investments</b>	<b>6,856,711,330</b>	<b>6,479,056,279</b>	<b>15,611,665,014</b>	<b>14,454,644,585</b>
Including: Consolidated difference in value	1,626,363,194	1,810,484,726	-	-
<b>FIXED ASSETS</b>				
Fixed assets, cost	110,529,277,899	97,895,004,782	58,535,571,577	58,299,821,850
Less: Accumulated depreciation	(46,289,578,732)	(41,694,498,618)	(28,894,453,029)	(25,971,327,299)
Fixed assets, net	64,239,699,167	56,200,506,164	29,641,118,548	32,328,494,551
Less: Provision for impairment of fixed assets	(72,080,000)	(30,080,000)	(72,080,000)	(30,080,000)
Fixed assets, net book value	64,167,619,167	56,170,426,164	29,569,038,548	32,298,414,551
Construction materials	4,632,473,244	6,289,151,847	3,258,283,307	2,841,684,052
Construction-in-progress	16,504,052,695	13,907,010,486	9,140,122,619	3,988,534,167
<b>Total fixed assets</b>	<b>85,304,145,106</b>	<b>76,366,588,497</b>	<b>41,967,444,474</b>	<b>39,128,632,770</b>
<b>INTANGIBLE AND OTHER ASSETS</b>				
Intangible assets	(17,578,941)	(177,780,256)	(205,070,718)	(368,916,945)
Long-term deferred expenses	54,395,685	61,386,622	3,624,311	5,468,353
Share floating right	63,636,790	63,636,790	63,636,790	63,636,790
Other long-term assets	88,620,890	91,875,899	-	-
<b>Total intangible and other assets</b>	<b>189,074,424</b>	<b>39,119,055</b>	<b>(137,809,617)</b>	<b>(299,811,802)</b>
<b>TOTAL ASSETS</b>	<b>104,529,913,217</b>	<b>94,947,938,479</b>	<b>64,309,147,678</b>	<b>59,936,732,137</b>

**HUANENG POWER INTERNATIONAL, INC.**  
**UNAUDITED BALANCE SHEETS (PRC GAAP) (CONTINUED)**  
**AS AT 30TH SEPTEMBER, 2006**

LIABILITIES AND SHAREHOLDERS' EQUITY	Amounts: In Rmb Yuan			
	30th September, 2006 Consolidated	31st December, 2005 Consolidated	30th September, 2006 The Company	31st December, 2005 The Company
<b>CURRENT LIABILITIES</b>				
Short-term loans	8,354,930,000	6,580,869,370	3,858,540,000	2,200,000,000
Notes payable	718,155,130	87,239,523	289,568,000	-
Short-term bonds	5,045,205,480	4,946,814,783	5,045,205,480	4,946,814,783
Accounts payable	1,860,331,461	1,151,850,940	997,557,409	708,685,787
Salary payable	31,144,989	98,338,245	1,729,397	60,992,291
Welfare payable	179,246,644	153,610,803	106,494,776	68,214,318
Interest payable	172,504,424	197,637,488	91,914,959	123,936,169
Dividends payable	10,000,000	138,279,959	-	-
Taxes payable	963,566,358	1,131,284,360	437,521,411	506,983,238
Other levies payable	32,167,541	42,350,052	19,851,670	18,756,496
Other payables	4,805,583,277	4,129,346,099	2,008,655,270	1,609,893,354
Accrued expenses	246,811,387	90,859,085	115,154,137	50,617,043
Current portion of long-term loans	2,672,717,186	3,165,979,238	1,143,136,699	1,005,555,185
Provisions	4,416,482	4,416,482	-	-
<b>Total current liabilities</b>	<b>25,096,780,359</b>	<b>21,918,876,427</b>	<b>14,115,329,208</b>	<b>11,300,448,664</b>
<b>LONG-TERM LIABILITIES</b>				
Long-term loans	34,107,097,344	28,862,263,799	10,475,475,398	9,475,460,000
Specific payables	98,086,934	86,457,662	69,956,934	61,427,662
Other non-current liabilities	56,447,158	64,139,628	-	-
<b>Total long-term liabilities</b>	<b>34,261,631,436</b>	<b>29,012,861,089</b>	<b>10,545,432,332</b>	<b>9,536,887,662</b>
<b>TOTAL LIABILITIES</b>	<b>59,358,411,795</b>	<b>50,931,737,516</b>	<b>24,660,761,540</b>	<b>20,837,336,326</b>
<b>MINORITY INTERESTS</b>	<b>5,577,090,490</b>	<b>4,934,649,003</b>	<b>-</b>	<b>-</b>
<b>SHAREHOLDERS' EQUITY</b>				
Share capital	12,055,383,440	12,055,383,440	12,055,383,440	12,055,383,440
Capital surplus	8,837,362,566	8,765,352,464	8,837,362,566	8,765,352,464
Surplus reserves	4,945,674,209	4,945,674,209	4,945,674,209	4,945,674,209
Including: Statutory public welfare fund	-	2,217,003,964	-	2,217,003,964
Undistributed profits	13,755,990,717	13,315,141,847	13,809,965,923	13,332,985,698
<b>Total shareholders' equity</b>	<b>39,594,410,932</b>	<b>39,081,551,960</b>	<b>39,648,386,138</b>	<b>39,099,395,811</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>104,529,913,217</b>	<b>94,947,938,479</b>	<b>64,309,147,678</b>	<b>59,936,732,137</b>

Legal  
representative:  
Li Xiaopeng

Person in charge of accounting  
function:  
Zhou Hui

Person in charge of accounting  
department:  
Huang Lixin

**HUANENG POWER INTERNATIONAL, INC.**  
**UNAUDITED PROFIT AND LOSS ACCOUNTS (PRC GAAP)**  
**FOR THE THIRD QUARTER ENDED 30TH SEPTEMBER, 2006**

Amounts: In Rmb Yuan

Item	For the third quarter ended 30th September, 2006 Consolidated	For the third quarter ended 30th September, 2006 The Company	For the third quarter ended 30th September, 2005 Consolidated	For the third quarter ended 30th September, 2005 The Company
<b>1. Revenues from principal operations</b>	11,588,633,255	7,162,733,411	10,264,947,517	6,967,583,382
Less: Cost of principal operations	(8,802,475,546)	(5,639,838,259)	(7,906,533,310)	(5,520,126,664)
Tax and levies on principal operations	(43,187,790)	(1,511,535)	(29,713,556)	(1,351,227)
<b>2. Profit from principal operations</b>	2,742,969,919	1,521,383,617	2,328,700,651	1,446,105,491
Add: Profit from other operations	12,548,610	10,528,993	16,194,602	11,249,557
Less: General and administrative expenses	(290,463,315)	(195,442,036)	(182,889,342)	(154,694,935)
Financial expenses, net	(422,317,864)	(133,113,523)	(245,064,876)	(65,707,880)
<b>3. Operating profit</b>	2,042,737,350	1,203,357,051	1,916,941,035	1,236,952,233
Add: Investment income	90,792,902	459,379,072	66,681,900	354,442,158
Subsidy income	800,000	800,000	16,933,538	16,933,538
Non-operating income	1,954,046	29,085,312	3,934,989	908,374
Less: Non-operating expenses	(9,301,081)	(3,487,426)	(9,865,930)	(2,107,876)
<b>4. Profit before taxation and minority interests</b>	2,126,983,217	1,689,134,009	1,994,625,532	1,607,128,427
Less: Income tax	(421,261,333)	(192,775,086)	(350,770,791)	(177,020,018)
Minority interests	(237,277,604)	-	(213,746,332)	-
<b>5. Net profit</b>	<u>1,468,444,280</u>	<u>1,496,358,923</u>	<u>1,430,108,409</u>	<u>1,430,108,409</u>

Legal  
representative:  
**Li Xiaopeng**

Person in charge of accounting  
function:  
**Zhou Hui**

Person in charge of accounting  
department:  
**Huang Lixin**

**HUANENG POWER INTERNATIONAL, INC.**  
**UNAUDITED PROFIT AND LOSS ACCOUNTS (PRC GAAP)**  
**FOR THE NINE MONTHS ENDED 30TH SEPTEMBER, 2006**

Amounts: In Rmb Yuan

Item	For the nine months ended 30th September, 2006 Consolidated	For the nine months ended 30th September, 2006 The Company	For the nine months ended 30th September, 2005 Consolidated	For the nine months ended 30th September, 2005 The Company
<b>1. Revenues from principal operations</b>	31,450,749,315	19,864,002,673	29,125,622,148	19,432,833,149
Less: Cost of principal operations	(24,433,427,929)	(16,063,917,639)	(23,287,828,606)	(16,103,720,747)
Tax and levies on principal operations	(110,511,976)	(4,249,671)	(84,694,084)	(4,745,129)
<b>2. Profit from principal operations</b>	6,906,809,410	3,795,835,363	5,753,099,458	3,324,367,273
Add: Profit from other operations	31,112,867	26,683,612	46,793,227	35,932,321
Less: General and administrative expenses	(780,433,055)	(547,648,275)	(627,786,410)	(446,150,999)
Financial expenses, net	(1,253,939,544)	(401,320,295)	(932,220,309)	(407,871,582)
<b>3. Operating profit</b>	4,903,549,678	2,873,550,405	4,239,885,966	2,506,277,013
Add: Investment income	227,064,666	1,113,598,136	165,354,074	915,170,311
Subsidy income	5,768,900	5,768,900	16,933,538	16,933,538
Non-operating income	10,625,093	34,578,610	17,263,941	13,796,716
Less: Non-operating expenses	(58,551,008)	(50,407,241)	(52,798,175)	(5,763,624)
<b>4. Profit before taxation and minority interests</b>	5,088,457,329	3,977,088,810	4,386,639,344	3,446,413,954
Less: Income tax	(981,612,658)	(486,262,725)	(751,231,119)	(396,017,396)
Minority interests	(652,149,941)	-	(585,011,667)	-
<b>5. Net profit</b>	<u>3,454,694,730</u>	<u>3,490,826,085</u>	<u>3,050,396,558</u>	<u>3,050,396,558</u>

Legal representative:  
Li Xiaopeng

Person in charge of accounting function:  
Zhou Hui

Person in charge of accounting department:  
Huang Lixin