



華能新能源股份有限公司
Huaneng Renewables Corporation Limited

2013

Annual Results Presentation

March 20, 2014





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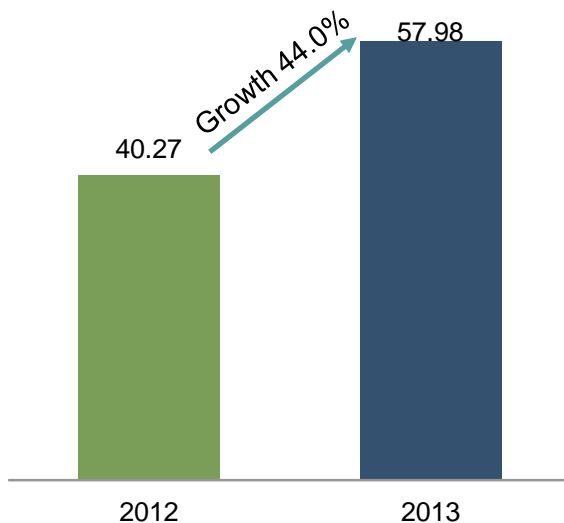
- 1. Results overview**
- 2. 2013 business review**
- 3. 2014 trend and targets**
- 4. Future outlook**



Performance overview in 2013

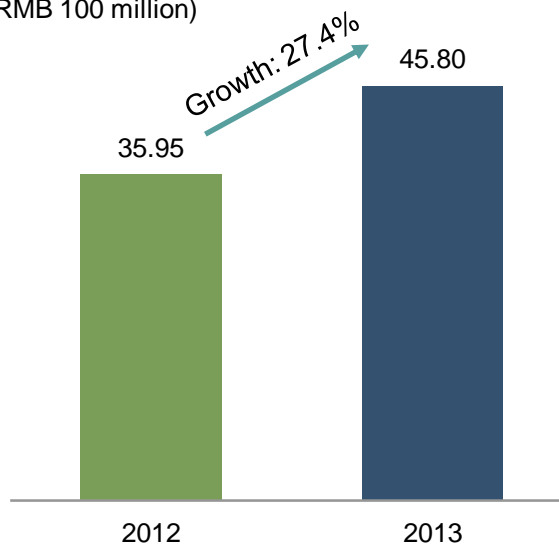
Revenue

(RMB 100 million)



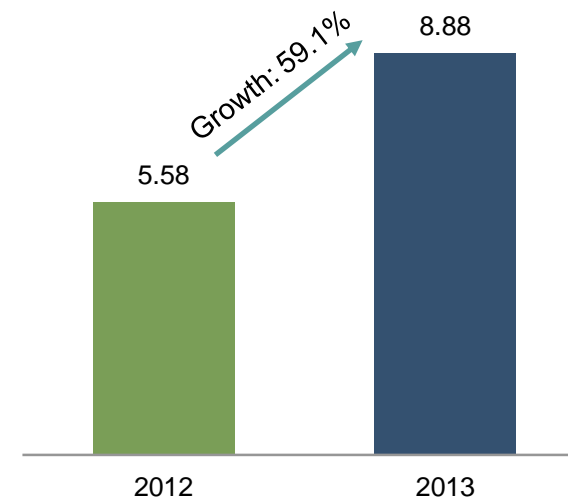
Adjusted EBITDA (1)

(RMB 100 million)



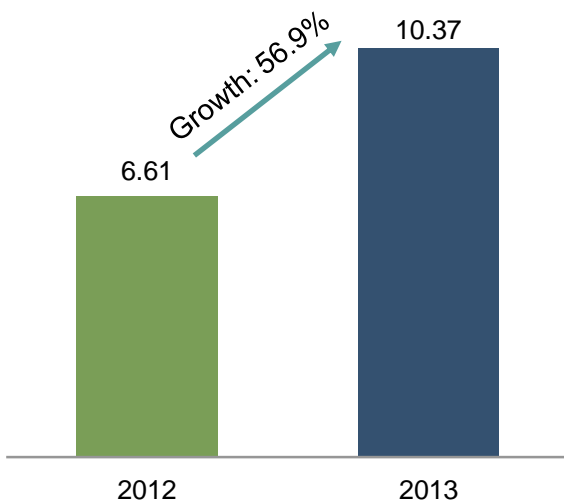
Profit attributable to equity shareholders

(RMB 100 million)



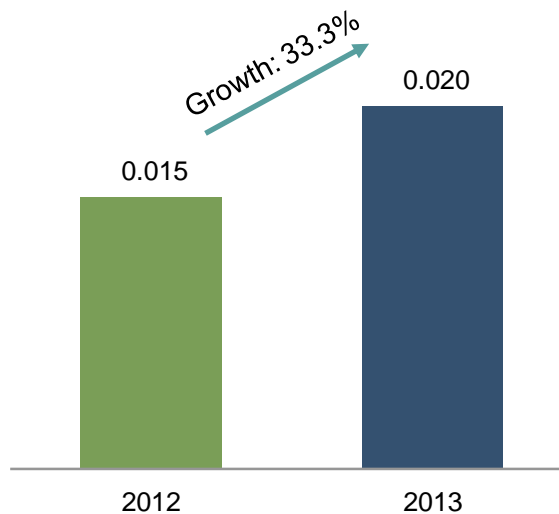
EPS

(RMB cents per share)



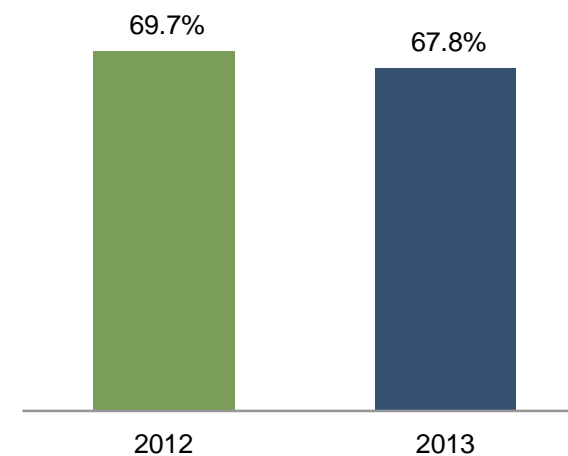
Dividend per share (including tax)

(RMB per share)



Net gearing ratio (2)

(%)



1. Adjusted EBITDA does not include other incomes such as CER income

2. Net gearing ratio = net debt / (net debt + equity), net debt = total interest bearing debts – cash and cash equivalents



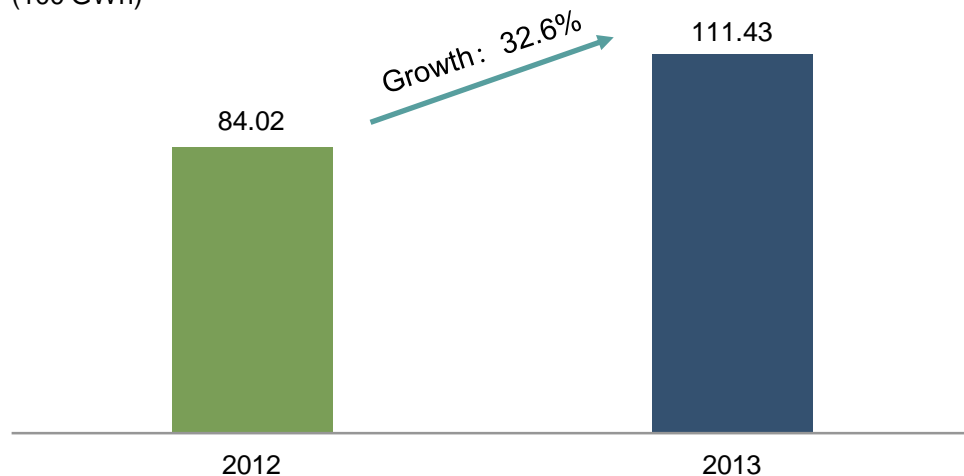
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Stable growth of power generation

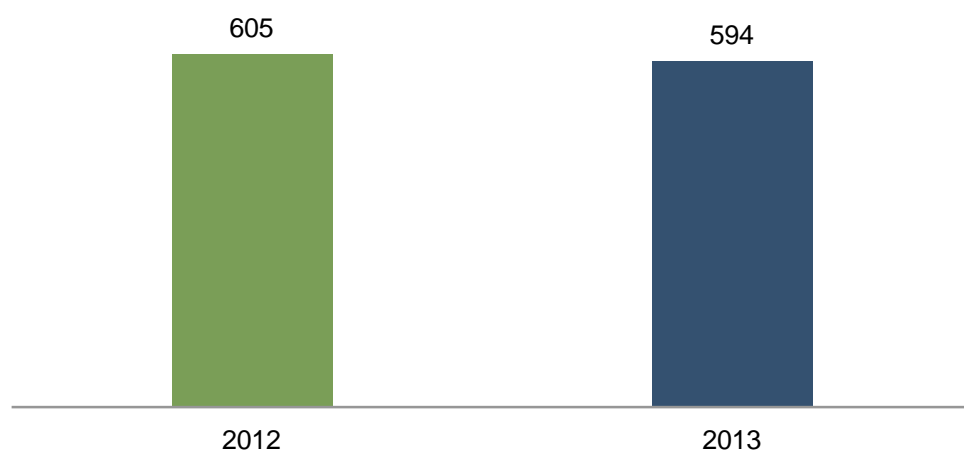
Gross power generation

(100 GWh)



Weighted average on-grid tariff (including tax)

(RMB / MWh)



Geographical breakdown for 2012 and 2013

(GWh)

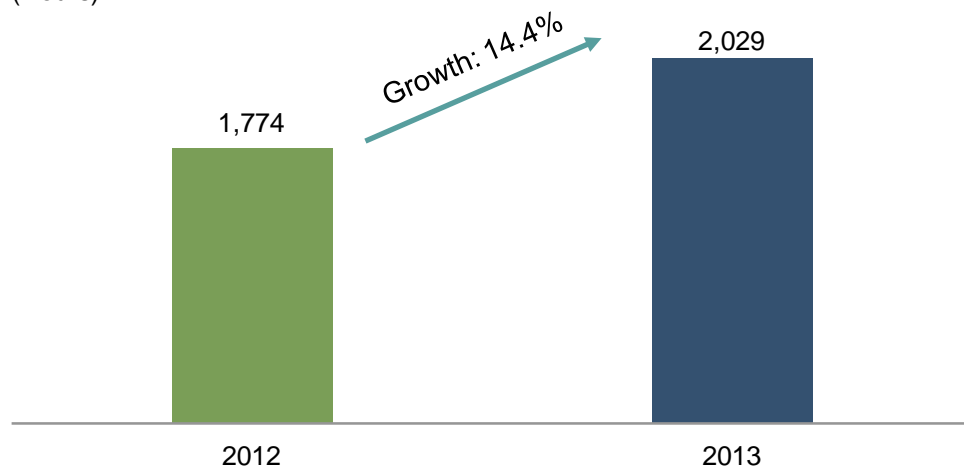
Region	2013	2012	Change (%)
Wind power	11,142	8,402	32.6%
Inner Mongolia	3,097	1,893	63.6%
Liaoning	2,116	1,917	10.4%
Shandong	1,678	1,403	19.6%
Yunnan	1,127	931	21.1%
Shanxi	888	564	57.6%
Guizhou	594	340	74.6%
Hebei	523	400	30.9%
Guangdong	484	390	24.0%
Xinjiang	371	341	8.6%
Shanghai	129	122	5.8%
Jilin	108	90	20.3%
Shaanxi	27	12	120.5%
Solar power	1	-	-
Total	11,143	8,402	32.6%



Significantly improved utilization hours

Weighed average utilization hours (wind power)

(Hours)



Key growth factors

- Significant improvement of the curtailment problems in certain provinces
- Further optimized project layout with newly operational projects mainly in non-curtailing regions
- Improved equipment reliability
- Upgraded administration and management

Geographical breakdown for 2012 and 2013

(Hours)

Region	2013	2012	Change (%)
Xinjiang	3,741	3,447	8.5%
Yunnan	2,655	2,758	(3.7%)
Shanxi	2,252	2,126	5.9%
Jilin	2,190	2,157	1.5%
Shanghai	2,152	2,044	5.3%
Shaanxi	2,099	2,421	(13.3%)
Guizhou	2,092	2,335	(10.4%)
Guangdong	2,085	2,359	(11.6%)
Shandong	1,972	1,936	1.9%
Hebei	1,960	1,952	0.4%
Liaoning	1,908	1,929	(1.1)%
Inner Mongolia	1,810	1,135	59.6%
Total	2,029	1,774	14.4%

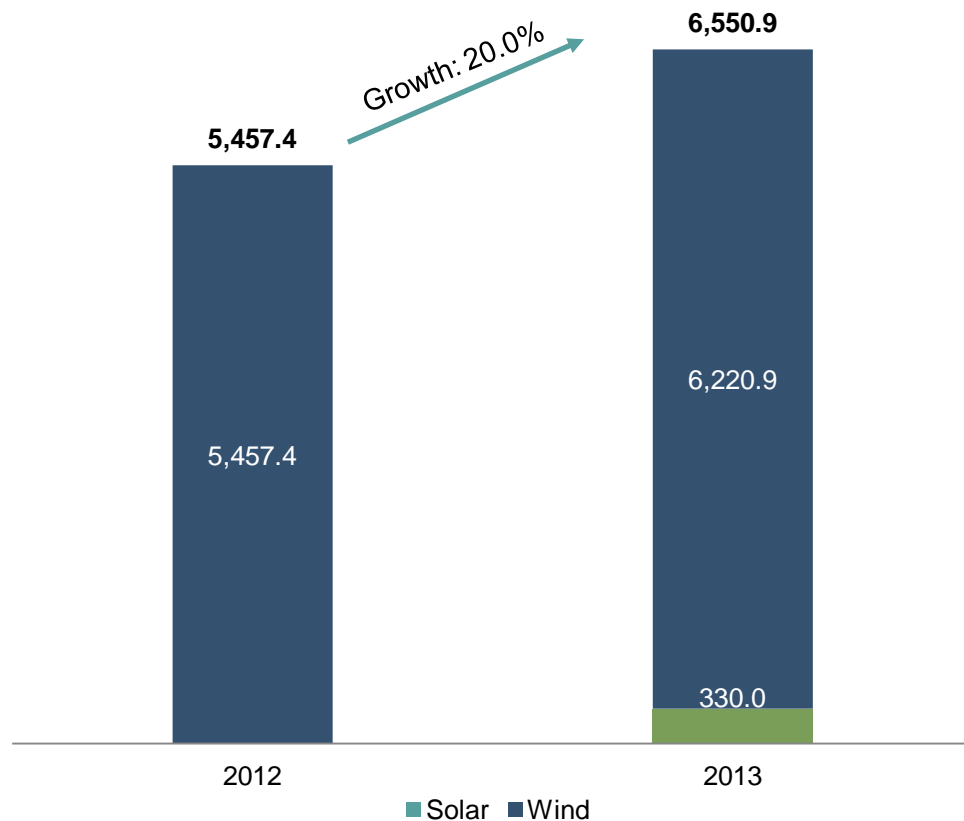


Steady expansion in installed capacity

Total installed capacity

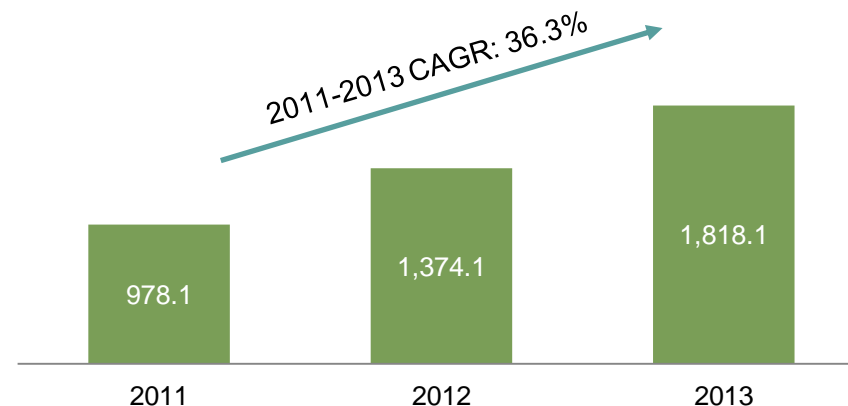
(MW)

■ Newly installed capacity in 2013: 1,093.5MW



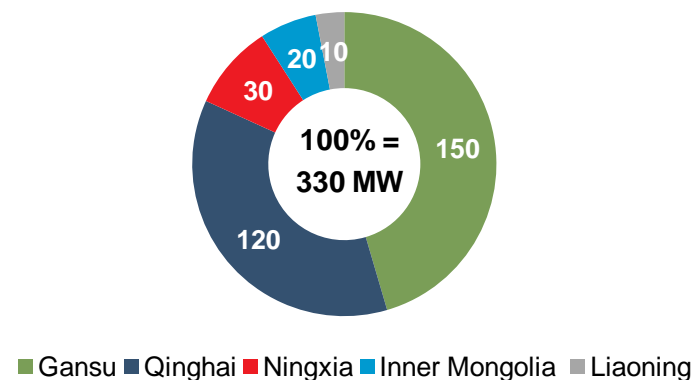
Significant growth of installed capacity in high efficiency regions (1)

(MW)



Geographical breakdown of newly added solar projects in 2013

(MW)



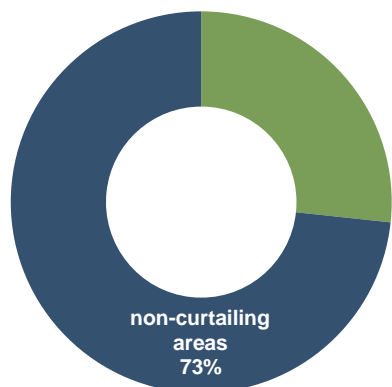
Note:

1. High efficiency regions include Yunan, Guizhou, Guangdong and Shanxi.

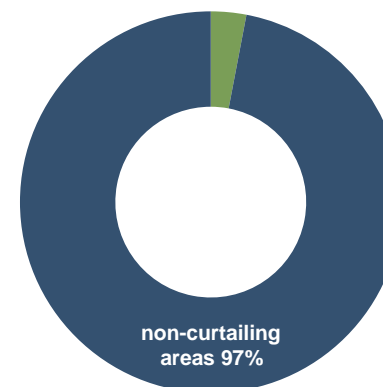


Optimized power mix and asset layout

Total approved projects in 2013 of 1,986.1MW



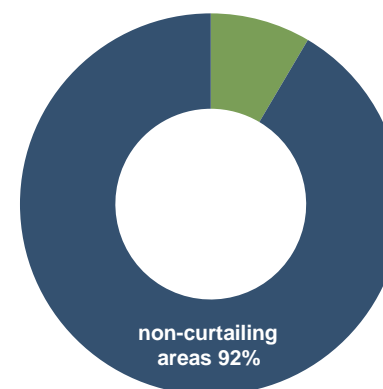
3rd batch of national pre-approved projects of 1,631MW



Distributed projects with strong momentum

- Successfully developed the first distributed wind power project in China - Huaneng Shaanxi Langergou wind farm
- Newly obtained approvals of 57.6MW and 232MW distributed wind power pipeline projects in Shaanxi and Guizhou
- By the end of 2013, the operational distributed wind power projects amounted to 18MW and the distributed projects under construction reached 39.6MW

4th batch of national pre-approved projects of 1,915MW





Milestones in capital operations

H-share private placement under general mandate

Issuer	<ul style="list-style-type: none"> Huaneng Renewables Corporation Limited
Offering type	<ul style="list-style-type: none"> Private placement
Date	<ul style="list-style-type: none"> October 2013
Offering size	<ul style="list-style-type: none"> 582,317,360 H shares (20% of outstanding shares prior to the offering)
Offering price	<ul style="list-style-type: none"> HK\$2.71 per H share
Net proceeds	<ul style="list-style-type: none"> c.HK\$1.55 billion
Use of proceeds	<ul style="list-style-type: none"> General corporate purposes
Ownership structure	<ul style="list-style-type: none"> China Huaneng Group: shareholding dropped from 65.53% to 61.30% post the offering H-share free float: shareholding increased from 34.47% to 38.70% post the offering

Acquisitions in 2013

Target	<ul style="list-style-type: none"> Jinchang Jinchuan Xiehe PV Project (50 MW) Jinchang Yongchang Xiehe PV Project (50 MW)
Date of acquisition	<ul style="list-style-type: none"> September 2013
Target	<ul style="list-style-type: none"> Huaneng Geermu (70MW) PV Project
Date of acquisition	<ul style="list-style-type: none"> December 2013 (not completed yet)
Target	<ul style="list-style-type: none"> 8% shares of Huaneng Shantou Nanao Wind Power Project
Date of acquisition	<ul style="list-style-type: none"> December 2013



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Current trends

Opportunities



- ⊙ The government proposed energy production reform to support the development of energy saving and low-carbon industries as well as the renewable energy
- ⊙ The government enforced the environmental protection policies, to strictly control the pollution emission and coal consumption in Beijing, Tianjin, Hebei and Shandong region, Yangtze River Delta, and Zhujiang River Delta, so as to provide further upside for wind and solar power development
- ⊙ In the National Energy Working Conference, China aimed to install 18 GW of wind power projects in 2014 and targeted 14GW of additional solar capacity in 2014 (60% will be distributed solar projects)

Challenges



- ⊙ The domestic economic growth is still facing pressure and uncertainty
- ⊙ Tightening financing environment leads to higher financing cost
- ⊙ Curtailment still exists in certain regions due to the increased power consumption and new installed capacity in contrast with the grid capacity



Target and focus in 2014

Focus of 2014

- Enhance the quality and efficiency of growth
- Optimized the power mix and asset layout

Target of 2014

- Additional installed capacity: c. 2GW
- Gross power generation: c. 14 TWh
- Weighted average utilization hours: 2,000+ hours



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Company's long-term focus and vision





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Huaneng Renewables Corporation Limited

THANK YOU

