

HUANENG POWER INTERNATIONAL INC

Form 6-K

April 27, 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 April, 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

Huaneng Power International, Inc.

Huaneng Building,

4 Fuxingmennei Street,

Xicheng District,

Beijing, 100031 PRC

This Form 6-K consists of:

A copy of 2011 annual report filed with the Stock Exchange of Hong Kong Limited by Huaneng Power International, Inc. (the “Registrant”).

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Company Profile

Huaneng Power International, Inc. (“the Company”, “Huaneng Power” or “Huaneng International”) and its subsidiaries are mainly engaged in developing, constructing, operating and managing large-scale power plants throughout China. As at 20 March 2012, the Company is one of China’s largest listed power producers with equity-based generation capacity of 55,350 MW and controlling generation capacity of 60,375 MW, and its domestic power plants are located in 19 provinces, municipalities and autonomous regions. The Company also has a wholly-owned power company in Singapore.

The Company was incorporated on 30 June 1994. It completed its initial global public offering of 1,250,000,000 overseas listed foreign shares (“foreign shares”) in October 1994, which were listed on the New York Stock Exchange (NYSE: HNP) in the United States by issuing 31,250,000 American Depositary Shares (“ADS”). In January 1998, the foreign shares of the Company were listed on the Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) by way of introduction (Stock Code: 902). Subsequently, in March 1998, the Company successfully completed a global placement of 250,000,000 foreign shares along with a private placement of 400,000,000 domestic shares. In November 2001, the Company successfully completed the issue of 350,000,000 A Shares in the PRC, of which 250,000,000 shares were domestic public shares. In December 2010, the Company completed the non-public issuance of 1,500,000,000 ordinary shares in RMB (“A Shares”) and 500,000,000 overseas listed ordinary shares (“H Shares”). Currently, the total share capital of the Company amounts to approximately 14.06 billion shares.

The core business of the Company is to develop, construct, and operate large-scale power plants by making use of modern technology and equipment and financial resources available domestically and internationally. As a power generation enterprise, the Company has been insisting on innovations in technologies, structure, management since its incorporation; and on aspects regarding the advancement in power technologies, power plant facilities and mode of management, etc.. The Company has been the pioneer and created various milestones within the domestic industry. The Company was the first to introduce a 600 MW supercritical coal-fired generating unit into China while its Huaneng Dalian Power Plant was the first one to be awarded the honor of “First Class Coal-fired Power Plant” in China. The generating unit 1 at Huaneng Yuhuan Power Plant is the first operating single 1,000 MW ultra-supercritical coal-fired generating unit in China, Huaneng Yuhuan Power Plant was the first domestically built 1,000 MW ultra-supercritical coal-fired power plant in China that was put into commercial operation, Huaneng Jinling Power Plant has constructed the first digitalized 1,000 MW domestic ultra-supercritical coal-fired generating unit, and the generating unit 1 at Huaneng Haimen Power Plant was the first 1,000 MW generating unit in the world using sea water desulphurization facilities. The Company was the first power company in China to get listed in New York, Hong Kong and Shanghai. The overall manpower efficiency of the Company has been remaining at the forefront in China’s power industry. The Company has fastened its pace to transform modes of development and improve quality of the expansion plans. The Company constantly optimizes the power structure and regional distribution, give priority to thermal power development, and constructs efficient, environmentally friendly units and large-scale thermal power base in developed areas. We also strive to promote development of efficient wind power projects and investment in hydropower and nuclear power projects. Meanwhile, the Company actively promoted the industry synergy, increased the investment in coal, port and sea transportation and upgraded the capability in the self-supply of coal, port storage, trans-shipment and the sea transportation. The combined synergy in power, coal, port and transportation is basically formulated.

Throughout the years, with efforts in seeking expansion and operating the business in a prudent manner, the Company has expanded gradually, with steady profit growth and increasing competitive strengths. The success of the Company is attributable to the following competitive advantages: firstly, advanced equipment, highly efficient generating units and stable operation of power plants; secondly, high-quality staff and experienced management; thirdly, a disciplined corporate governance structure and rationalized decision-making mechanisms; fourthly, geographical strategic advantages of the locations of the power plants which present promising prospects in the power market; and fifthly, good credit standing and reputation domestically and internationally and rich experience in the capital markets.

The objectives of the Company are: as a power company, devoted to providing sufficient, reliable and eco-friendly energy to the community; as a listed company, devoted to creating long-term, stable and increasing returns for shareholders; and as a first class power corporation, devoted to becoming a leading power enterprise in China and an advanced enterprise internationally.

Huaneng International Power Development Corporation (“HIPDC”), the Company’s parent company and controlling shareholder, was incorporated as a Sino-foreign joint stock company in 1985. The Company was incorporated by way of joint promotion by HIPDC and local government investment companies in the regions where the power plants are located.

Major Corporate Events in 2011

January

- * The Company announced the acquisition of the entire shareholding in the Liaoning Fushun Suzihe Hydropower Development Company Limited with an aggregate consideration of RMB50 million.
- * Generating unit 5 of Hunan Yueyang Power Plant, the Phase I Project of Hebei Kangbao Wind Power Plant and the first stage of the Phase II Project of Jiangsu Qidong Wind Power Plant have respectively completed the trial run.
- * The Company completed the issue of the first tranche of the short-term notes for 2011 and the total issuing amount was RMB5 billion.
- * The Company announced that its total power generation within China for 2010 rose 26.25% from a year ago.

February

- * The Huaneng Liaoning Changtu Taiping Wind Power Project had been approved.

March

- * The Company announced the operating results for the year ended 2010 in accordance with International Financial Reporting Standards. The Company recorded a net profit attributable to equity holders of RMB3.348 billion, representing a decrease of 32.08% from a year earlier.

April

- * The Company announced the release of the conditions of restricted shares held by China Huaneng Group and HIPDC.
- * The Company announced that for the first quarter in 2011, the Company's total power generation within China recorded a growth of 28.77% from the same period of the previous year.
- * The Company announced that net profit attributable to equity holders for the first quarter of 2011 was RMB226 million under the PRC Accounting Standards, representing a decrease of 76.25% from the same period of last year.

May

- * The Company announced the results of the election of the Seventh session of the Board of Directors, the Supervisory Committee and other committees of the Board.
- * The Company ranked 57th on the "Top 100 Chinese Listed Companies for 2010" list compiled by China Business Top 100.

June

- * The Company announced the adjustments of tariffs of its power plants that the estimated on-grid tariff for the Company's generation units in 2011 would increase by RMB0.93 cent/kWh.
- * The Huaneng Jinling Combined Cycle Cogeneration Project had been approved.
- * The Company announced the transfer of the entire shareholding in Huaneng Jilin Biological Power Generation Limited Company for a consideration of RMB106 million.

July

- * The Company announced that for the first half 2011, the Company's total power generation within China rose 28.25% over the same period in 2010.

- * On the list of “Chinese Fortune 500 companies” compiled by the American magazine “Fortune” in 2011, the Company ranked 29th and was the only listed firm making it to the top 30 in domestic power industry.
- * At the CPEM Annual Conference jointly organized by China Electricity Council and State Grid Corporation of China, the Dalian power plant was awarded the first prize of “Chinese Power Enterprise Standardization Management Award”, while the Taicang power plant won the third prize of the same award.

August

- * The Company announced its interim results in 2011 with RMB1.131 billion of net profit attributable to equity holders under the International Financial Reporting Standards, representing a decrease of 41.48% from the same period of last year.

September

- * The Company completed the issue of the second tranche of the Company’s short-term notes for 2011. The total issuing amount was RMB5 billion.

October

- * The Company announced that its power generation within China in the first three quarters of 2011 increased by 23.85% from a year earlier.
- * The Company announced that for the first three quarters in 2011, net profit attributable to equity holders of the Company was RMB1.41 billion under the PRC accounting standards, representing a decrease of 55.17% over the same period in 2010.
- * The Company announced that it had agreed to make a capital contribution of RMB264 million to Huaneng (Tianjin) Coal Gasification Power Generation Co., Ltd. (“Coal Gasification Co.”) in cash. Upon completion of the capital increase, the Company will hold 35.97% of the total equity interests in Coal Gasification Co.

November

- * The Company completed the issuance of the first tranche of non-public issuance of debt financing instruments of 2011. The issuance amount for the debt financing instruments was RMB5 billion.
- * The Company won the Golden Bauhinia Awards as the most popular listed company among investors in Hong Kong and PRC. The award was jointly organized by Tao Kung Pao, the Hong Kong Chinese Enterprises Association, Chinese Securities Association of Hong Kong, The Hong Kong Institute of Chartered Secretaries, the Listed Companies Association of Beijing and Shanghai Association of Stock System Enterprises.

December

- * The Company announced adjustments on the on-grid electricity tariffs, and the weighted average on-grid electricity tariffs for capacities of the Company’s generating units with tariff adjustments for 2012 would increase by RMB28.8/MWh.
- * The Huaneng Chongqing Liang Jiang Gas-fired Combined Cooling-Heating-Power Project was approved.

A leading power enterprise in China

An advanced enterprise internationally

devoted to providing sufficient, reliable and eco-friendly energy; devoted to creating long-term, stable and increasing returns

the Company will increase its efforts in promoting corporate culture development and personnel management, strive for upgrading the Company's industry standing and its influence to the world, and put itself amongst the world's first-class listed power company by leveraging on its comprehensive and integral capabilities.

Financial Highlights

(Amounts expressed in thousands of RMB, except per share data)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Note 1)

	2007	Year ended 31 December			
		2008	2009	2010	2011
Operating revenue	49,892,049	67,835,114	76,862,896	104,318,120	133,420,769
Profit/(Loss) before income tax (expense)/benefit	7,319,301	(4,791,556)	5,703,976	4,164,090	2,050,367
Income tax (expense)/benefit	(838,270)	239,723	(593,787)	(842,675)	(868,927)
Profit/(Loss) after income tax (expense)/benefit	6,481,031	(4,551,833)	5,110,189	3,321,415	1,181,440
Attributable to:					
– Equity holders of the Company	6,161,127	(3,937,688)	4,929,544	3,347,985	1,180,512
– Minority interests	319,904	(614,145)	180,645	(26,570)	928
Basic earnings/(loss) per share (RMB/share)	0.51	(0.33)	0.41	0.28	0.08
Diluted earnings/(loss) per share (RMB/share)	0.51	(0.33)	0.41	0.28	0.08

CONSOLIDATED BALANCE SHEETS (Note 2)

	2007	2008	As at 31 December		
			2009	2010	2011
Total assets	124,296,129	165,917,758	197,887,179	227,938,213	257,415,874
Total liabilities	(72,216,487)	(123,357,805)	(147,239,059)	(165,512,741)	(197,858,121)
Net assets	52,079,642	42,559,953	50,648,120	62,425,472	59,557,753
Equity holders of the Company	46,928,580	36,829,320	42,124,183	53,789,133	50,882,929
Minority interests	5,151,062	5,730,633	8,523,937	8,636,339	8,674,824

Notes:

1. The results for the years ended 31 December 2007, 2008, 2009 are derived from the historical financial statements of the Company. The results for the years ended 31 December 2010 and 2011 are set out on pages 107 to 108. All such information is extracted from the financial statements prepared under International Financial Reporting Standards (“IFRS”).

2. The consolidated balance sheets as at 31 December 2007, 2008, 2009 are derived from the historical financial statements of the Company. The consolidated balance sheets as at 31 December 2010 and 2011 are set out on pages 109 to 110. All such information is extracted from the financial statements prepared under IFRS.

House
Consumption Rate
5.03%
Performance Values
of Sulphur Dioxide
0.57 g/kWh
Consumption for
Power Supply
for Coal-fired
Generating Units
312.10 g/kWh
Performance Values
of Nitrogen Oxides
1.55 g/kWh

Strictly complied with the country's environmental regulations, actively fulfilled its environmental responsibilities, promoted technological innovations, enhanced resources utilization efficiency and actively established superior energy saving and environmental friendly coal-fired power plants. In 2011, the Company achieved all of its energy saving and environmental protection objectives, and maintained its primary technical and economic indicators at the forefront both at domestic and international levels.

Letter to Shareholders
Dear Shareholders,

The development objectives of Huaneng Power International are: as a power company, devoted to providing sufficient, reliable and eco-friendly energy to the community; as a listed company, devoted to creating long-term, stable and increasing returns for shareholders; and as a first-class power company, devoted to becoming a leading power enterprise in China and an advanced enterprise internationally.

In 2011, we faced an unfavorable situation with continuous rise in fuel prices and increase in funding costs. The management and all the staff of the Company have made every effort to grasp every opportunity, tackled every difficulty with indomitable perseverance and accomplished results with strenuous effort. The Company made steady progress on the development and construction of its projects over the year, and maintained a stable and safe production environment. The Company remained leading positions in terms of main energy consumption index while it took an active role in exploring new financing channels and strived to minimize finance costs. Meanwhile, the operation of overseas assets have generated significant benefits. As the Company's wholly-owned company, Singapore Tuas Power Co. Ltd., recorded a growth of 85.45% year-on-year in net profit attributable to equity holders for the year, bringing considerable contribution to the total profit of the Company. Nevertheless, due to the increase in fuel prices and Renminbi lending rate, the Company recorded a fall of 64.74% year-on-year in net profit attributable to equity holders for 2011.

The Board of Directors of the Company has resolved to propose the following profit distribution plan for 2011: a cash dividend of RMB0.05 (inclusive of tax) for each share to all shareholders of the Company. In the future, the Company will continue to follow a proactive, balanced and stable dividend policy, keep increasing its profitability and achieve continuous growth of return on equity.

In 2011, the Company further secured its market position and was widely recognized by the market. Given its outstanding performance, the Company was awarded the “Most Popular Listed Company Among Investors in China” granted by the 2011 Golden Bauhinia Awards; the Company continued to remain on the list of “Chinese Fortune 500 Companies” compiled by the American magazine “Fortune” and was ranked 29th; besides, the Company was ranked 57th on the “Top 100 Chinese Listed Companies for 2010” list, and was on the list of “Platts Top 250 Global Energy Listed Companies Award” three years in a row and ranked 127th, and ranked 4th in the category of global independent power producers and energy traders.

During the course of the “12th Five-Year Plan” and future development, the Company will endeavor to build up a first-class listed power company with global competitive edge:

- o with an aim to seek for value growth in its power generation operations, focus on enhancing the quality and efficiency of its development and further strengthen and refine its major power generation operations; continue to optimize its investment decisions and strategies, increase the proportion of high efficiency and large capacity generating units, consolidate and enlarge the Company’s market share in the economically developed regions, and upgrade the value creating ability of the Company’s major power generation operations in general;
- o with an aim to pursue excellence, promote lean production management, tighten cost control, optimize utilization rate of power generating equipment, improve operating efficiency, reach the world’s leading standards of operation and management, and provide unwavering support for the sustainable development and expansion of the Company;
- o take an active role in adjusting and optimizing the structure of the power generating assets. While consolidating the Company’s advantages over its coal and power operation, to promote large scale natural gas power generation and effective wind power generation in an active pace, increase efforts in the development the hydropower and other clean energy, and diversify Company’s structure of power generating assets; and
- o strengthen operational risk control, enhance synergy effect and integration of industry chain; build up and enhance the risk control ability towards international operations, upgrade the capability for investment and financial management, further refine corporate governance for listed companies, improve information disclosure and investor relation management, and attain the world’s leading standards of risk management and corporate governance.

In addition, the Company will increase its efforts in promoting corporate culture development and personnel management, strive for upgrading the Company’s industry standing and its influence to the world, and put itself amongst the world’s first-class listed power company by leveraging on its comprehensive and integral capabilities.

Being a responsible enterprise, we insist on supporting the continued enhancement of our corporate competitive edges through a responsible approach; insist to duly perform our economic responsibilities to provide our shareholders with long-term, stable and growing returns; continue to perform our safety responsibilities with people-oriented and safety development to become the safest enterprise; continue to perform our environmental responsibilities by paying heed to people’s livelihood and clean development to ensure utilization of resources in an efficient and energy saving manner, and turn the Company into a “green corporation”; continue to perform our social responsibilities by creating mutual

benefits and win-win scenarios that are conducive to the harmonious development of the Company and its stakeholders, so that the Company may serve as an excellent corporate citizen.

Finally, we would like to extend our sincere gratitude to all our shareholders for their continuous attention and support to the Company's development.

CAO Peixi
Chairman

Beijing, PRC
20 March 2012

Increase Economic Benefits
Maintain Leading Market Position

Actively dealt with the changes in power, coal and capital markets, made focused efforts to generate profit, and implemented innovative initiatives.

Achieved effective market expansions and explorations while actively pursuing policy supports, realized stable fuels supply and further streamlined fuel supply structure. It has completed construction projects as scheduled and made marked progress in utilization of clean energies.

Conserving Resources
Protecting the Environment

Attaches importance to social responsibilities and makes active efforts to build a harmonious society.

The Company capitalized on the leading role in the culture of “three-color” companies, insisted on sustainable development, serving the State, benefitting the community, actively assuming social responsibilities, creating a good internal and external environment, jointly promoting social development with the relevant interested parties and sharing corporate development achievements.

MANAGEMENT’S
DISCUSSION AND ANALYSIS

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 the level of competitiveness, effectiveness of resources utilization and environmental protection. Currently, the Company is one of the largest listed power producers in China.

OPERATING AND FINANCIAL REVIEWS AND PROSPECTS
MANAGEMENT'S DISCUSSION AND ANALYSIS

(Prepared under International Financial Reporting Standards ("IFRS"))

Overview

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 the level 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 the overseas market in Singapore.

Looking back in 2011, with strong support of all shareholders and concerted efforts of the employees, as well as commitment to increasing economic benefits based on scientific and improved development, the Company has actively dealt with the changes in power, coal and capital markets, made focused efforts to generate profit, and implemented innovative initiatives to maintain leading market position. The Company's safely production environment is generally stable and the main technical and economic indicators are maintained as a leader in the industry. The Company achieved effective market expansions and explorations while actively pursuing policy supports, realized stable fuels supply and further streamlined fuel supply structure. It has completed construction projects as scheduled and made marked progress in utilization of clean energies. In the meantime, the Company continued to diligently fulfill its social responsibilities to provide sufficient, reliable and clean electric power and achieved new progress on energy saving, project construction, generating units renovation and environmental protection.

A. Operating Results

1. 2011 operating results

The Company completed acquisitions of Diandong Energy, Diandong Yuwang, Luoyuanwan Harbor, Luoyuanwan Pier, Ludao Pier, Suzihe Hydropower and Enshi Hydropower in 2011. These seven companies are consolidated into the consolidated financial statements for the year ended 31 December 2011 of the Company.

Total Revenue
RMB133.421 billion
increase 27.90%

Total Power Generation
313.6 billion kWh
increase 22%

Total Assets
RMB257.416 billion
increase 12.93%

The power generated of the Company's domestic power plants for the year ended 31 December 2011 was listed below (in billion kWh):

Domestic Power Plant	Power generation of 2011	Power generation of 2010	Change	
Liaoning Province				
Dalian	6.805	7.912	-13.99	%
Dandong	3.204	3.864	-17.08	%
Yingkou	8.678	9.850	-11.90	%
Yingkou Co-generation	3.137	3.669	-14.50	%
Wafangdian Wind Power	0.066	—	—	
Inner Mongolia				
Huade Wind Power	0.136	0.130	4.62	%
Hebei Province				
Shang'an	14.473	14.098	2.66	%
Kangbao Wind Power	0.0003	—	—	
Gansu Province				
Pingliang	12.214	8.945	36.55	%
Beijing				
Beijing Co-generation	4.887	4.704	3.89	%
Beijing Co-generation (Combined Cycle)	0.004	—	—	
Tianjin				
Yangliuqing Co-generation	6.956	6.439	8.03	%
Shanxi Province				
Yushe	4.180	4.889	-14.50	%
Shandong Province				
Dezhou	14.518	16.143	-10.07	%
Jining	4.852	5.271	-7.95	%
Xindian	3.313	3.657	-9.41	%
Weihai	11.128	4.212	164.20	%
Rizhao Phase II	8.173	8.152	0.26	%

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Zhanhua Co-generation1	1.587	0.206	670.39	%
Henan Province				
Qinbei	15.146	13.961	8.49	%

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Domestic Power Plant	Power generation of 2011	Power generation of 2010	Change	
Jiangsu Province				
Nantong	9.086	8.643	5.13	%
Nanjing	3.981	3.759	5.91	%
Taichang	11.373	11.624	-2.16	%
Huaiyin	7.370	8.048	-8.42	%
Jinling (Combined-cycle)	3.740	2.434	53.66	%
Jinling (Coal-fired)	11.884	6.458	84.02	%
Qidong Wind Power	0.286	0.214	33.64	%
Shanghai				
Shidongkou First	7.681	7.566	1.52	%
Shidongkou Second	7.412	6.510	13.86	%
Shanghai Combined-cycle	1.266	1.650	-23.27	%
Shidongkou Power	6.862	5.002	37.19	%
Chongqing				
Luohuang	15.560	12.535	24.13	%
Zhejiang Province				
Changxing2	—	1.077	—	
Yuhuan	26.768	23.440	14.20	%
Hubei Province				
Enshi Hydropower3	0.0001	—	—	
Hunan Province				
Yueyang	10.679	5.786	84.57	%
Jiangxi Province				
Jinggangshan	9.485	8.252	14.94	%
Fujian Province				
Fuzhou	16.905	8.802	92.06	%
Guangdong Province				
Shantou Coal-fired	7.085	7.036	0.70	%
Haimen	15.213	12.012	26.65	%
Yunnan Province				
Diandong Energy4	11.648	10.962	6.26	%
Yuwang Energy4				