



大唐国际发电股份有限公司  
DATANG INTERNATIONAL POWER GENERATION CO., LTD.



# 2016 Annual Results Announcement



Hong Kong

March 2017

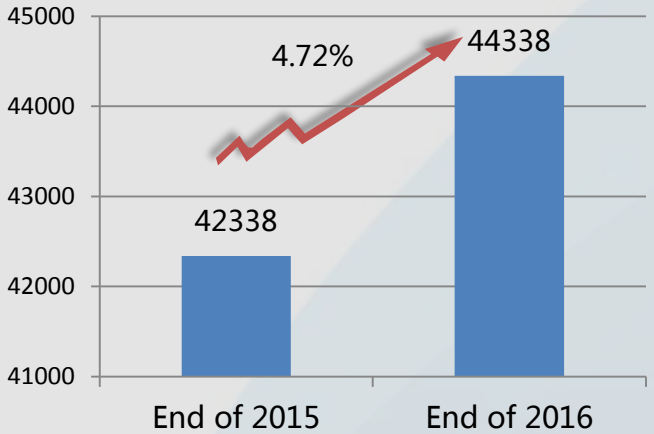


# 1 PART ONE ▶

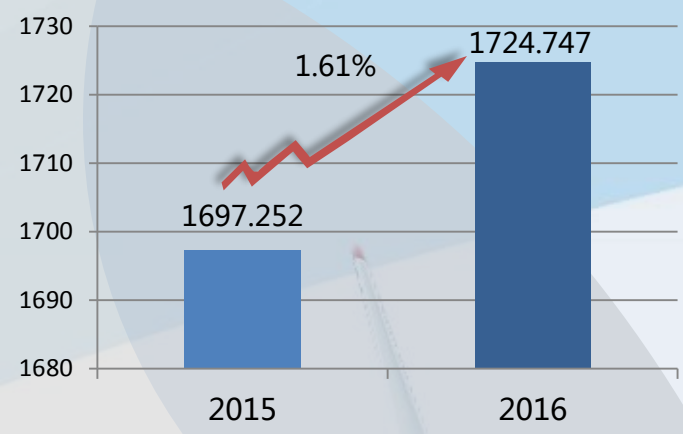
## 2016 Annual Results & Analysis

# Result Summary: 2016 Operation Highlights

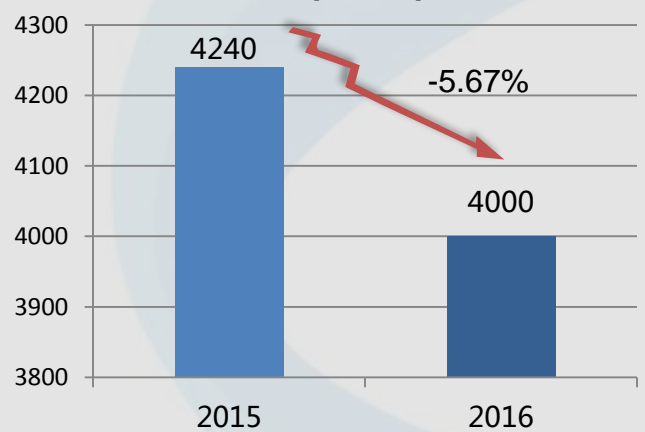
### Installed Capacity (MW)



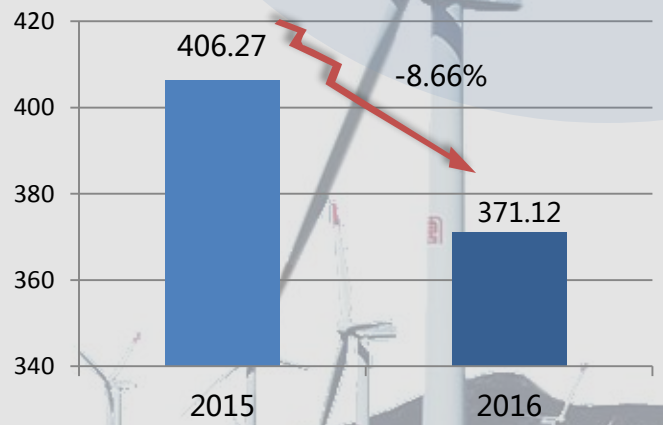
### Gross Power Generation (100 million KWh)



### Average Utilization Hours (Hour)

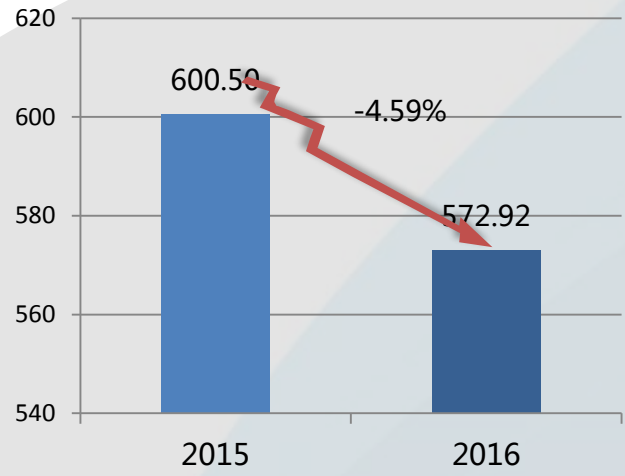


### Average On-grid Tariff (Yuan/MWh)

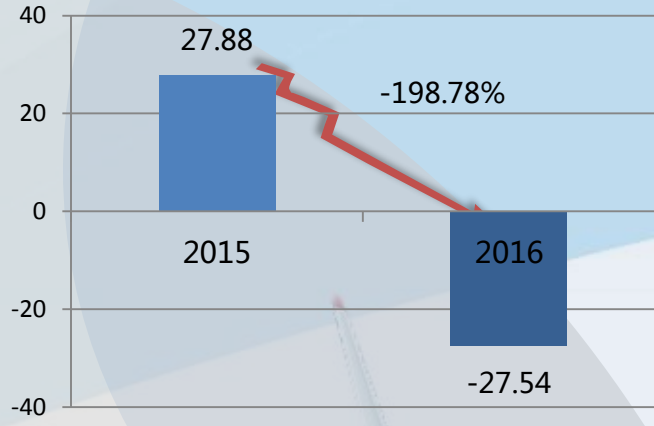


# Result Summary: 2016 Financial Highlights

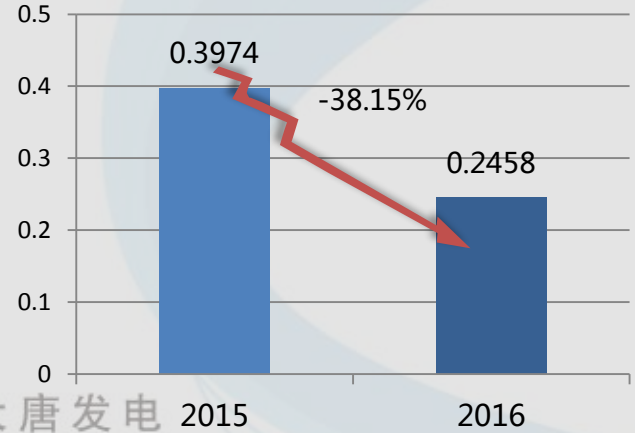
**Operating Revenue from Continuing Operations (RMB:100 million)**



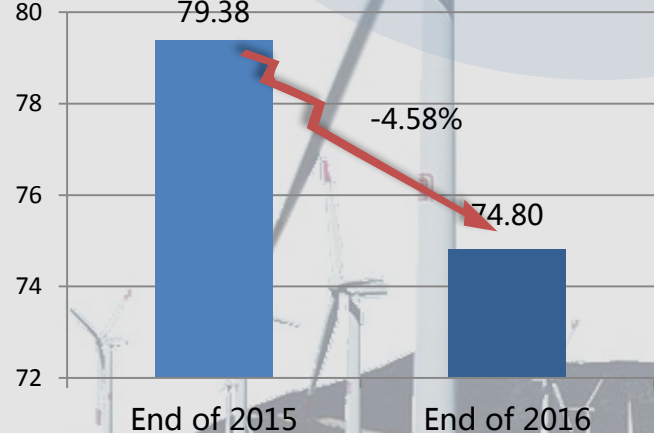
**Net Profit to Shareholders (RMB:100million)**



**Basic Earnings per Share From Continuing Operations (Yuan/Share)**



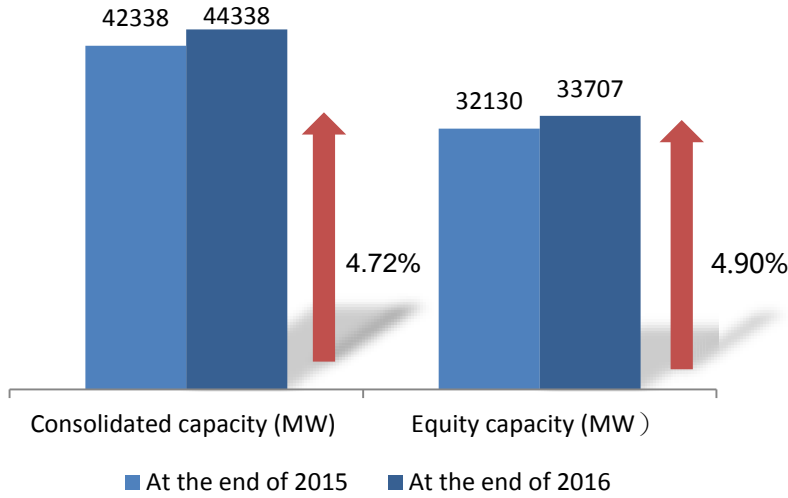
**Debt to Asset Ratio (%)**





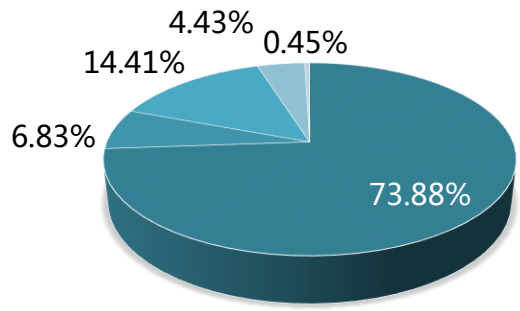
# Installed Capacity Increased stably and Power Structure Optimized

## Year-end Installed Capacity Comparison 2015 vs. 2016

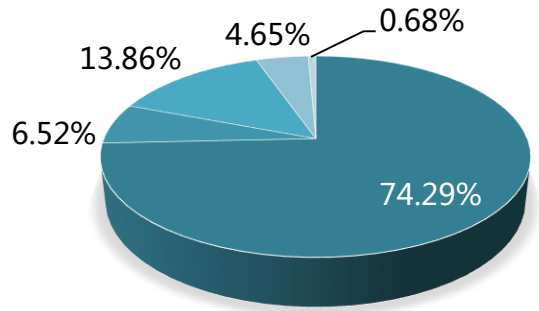


- ◆ In 2016, a year on year growth of 4.90% of equity capacity is achieved, indicated that the power generation capacity of the company increased;
- ◆ In 2016, the proportion of the efficient machine unit and the clean energy improved continually, and the corporate energy had been persistently better structured.

## The Installed Capacity Structure at the End of 2015



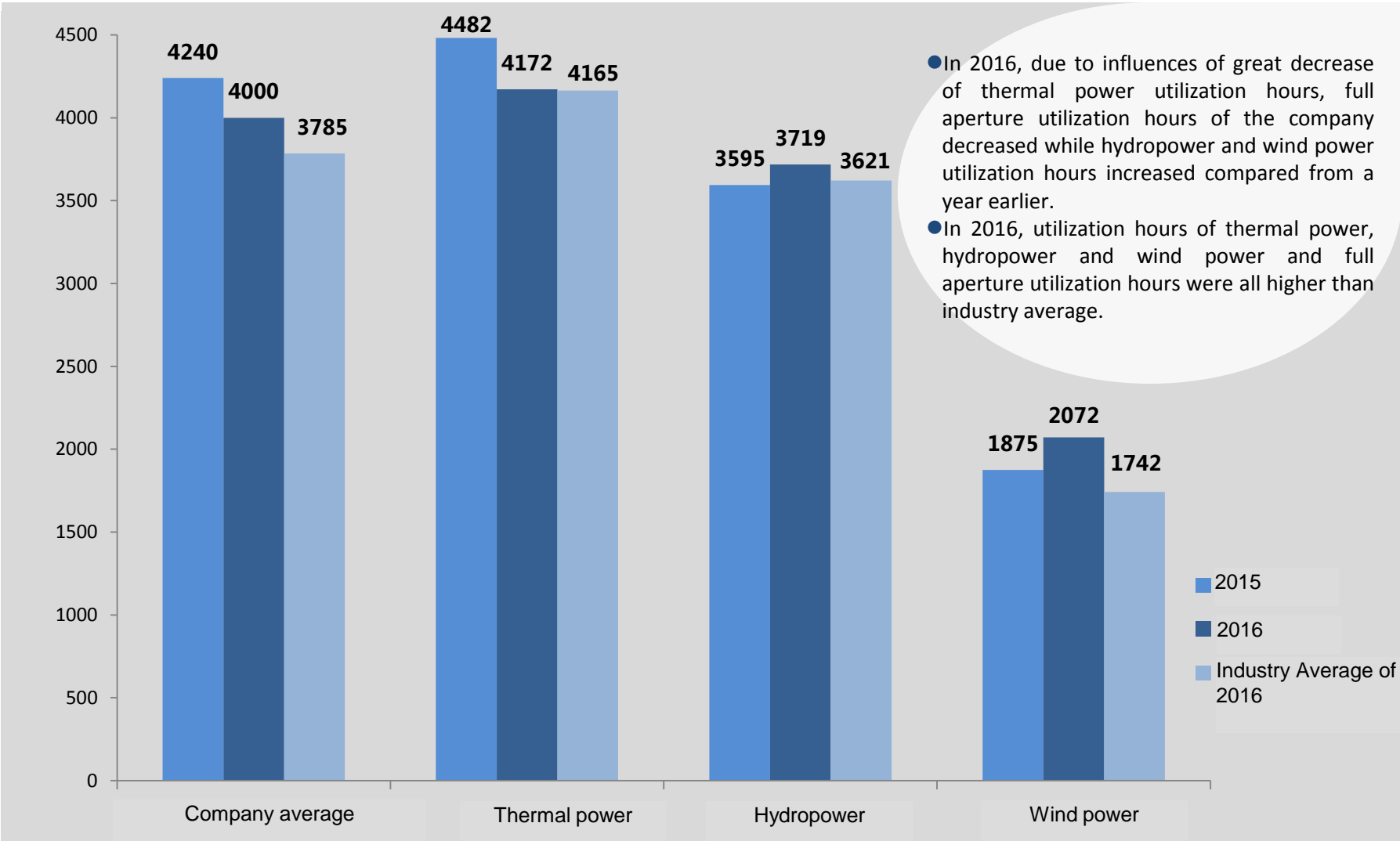
## The Installed Capacity Structure at the End of 2016



- Fuel coal
- Gas Power
- Hydropower
- Wind power
- Photovoltaic power

# Utilization Hours Fell Slightly, still Higher than the National Average

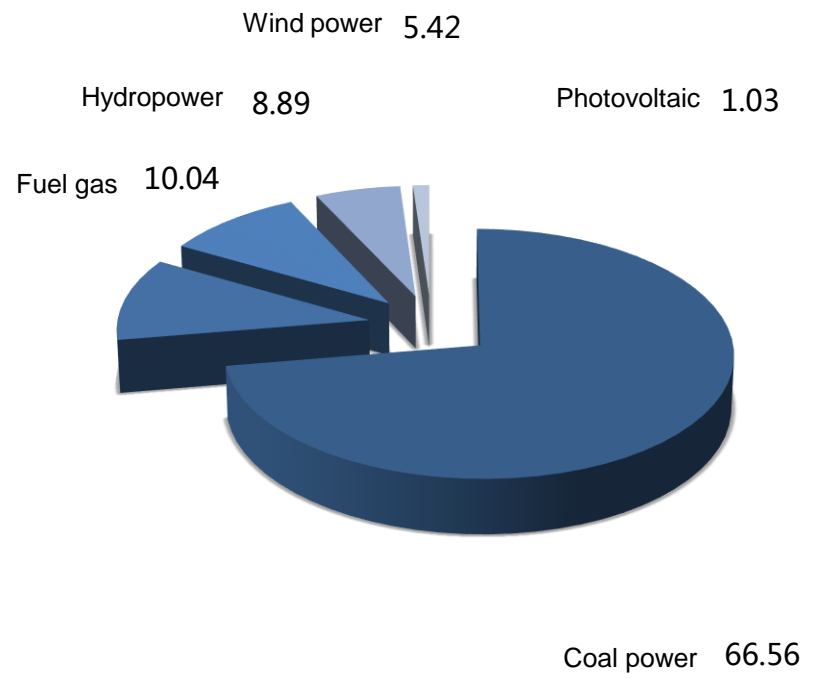
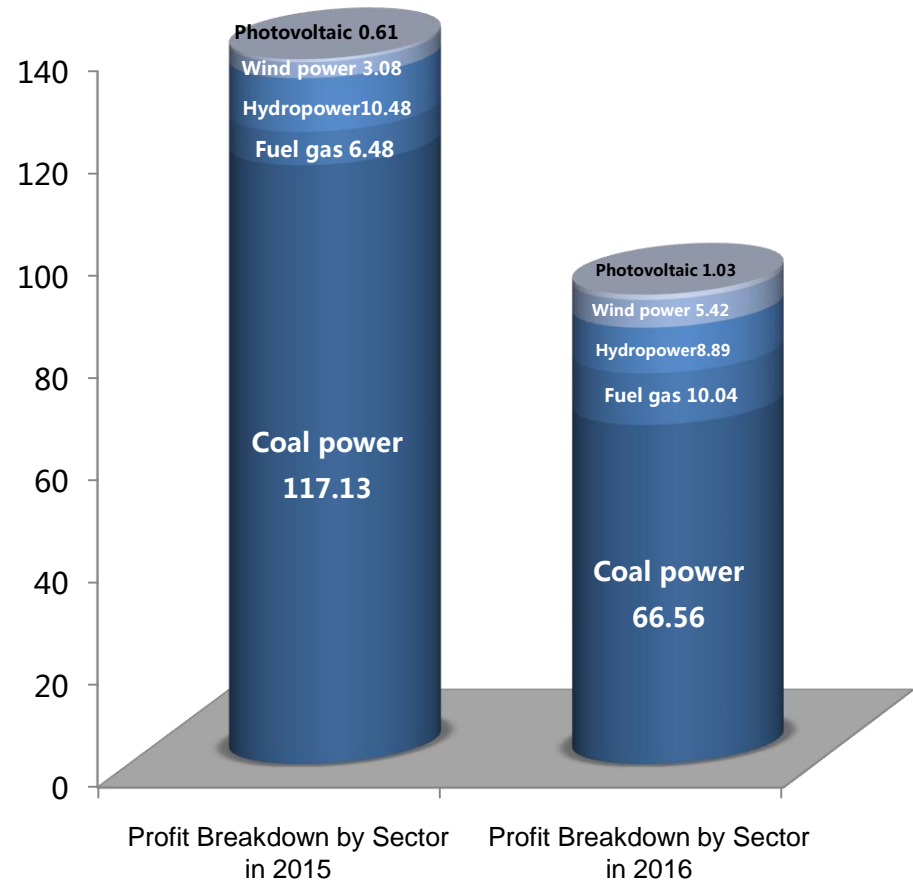
Year-on-Year Change of the Company and Industry Average Comparison



# Though in Challenging Market, All Power Segments Contribute Positively

**Profits (100 million Yuan) in Electric Power Sector in 2015 and 2016**

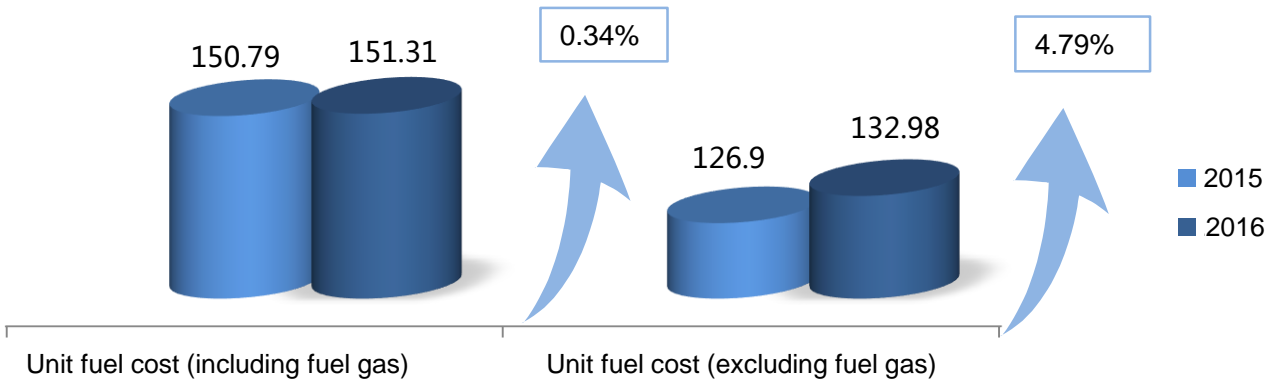
**Profit structure of electric power plate in 2016 (RMB 100 million Yuan)**



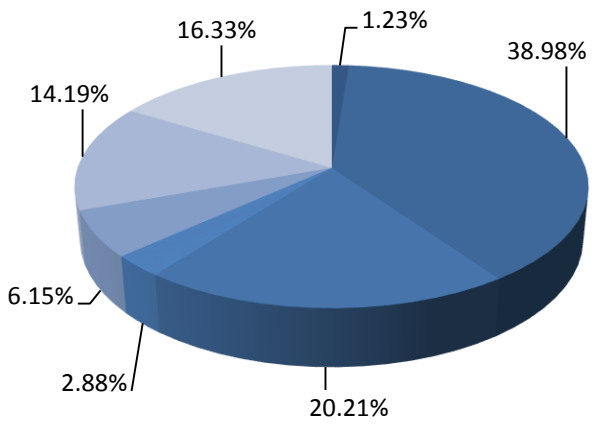
■ Coal power 
 ■ Gas Power 
 ■ Hydropower 
 ■ Wind power 
 ■ Photovoltaic

# Year-on-year Analysis on Segmentation Cost of Unit Power Generation

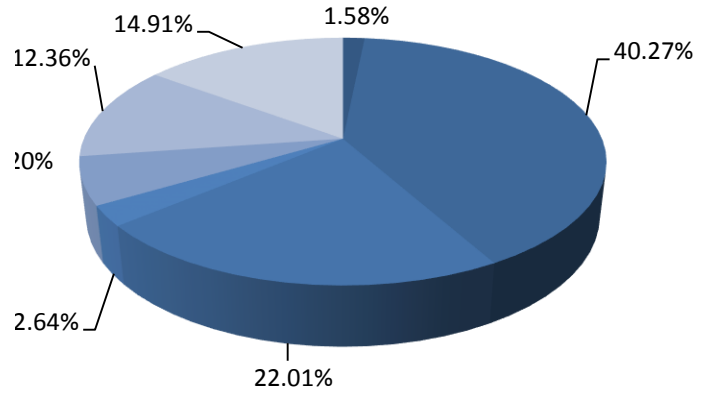
## Variation in Unit Fuel Cost (Yuan / MWh)



## Corporate Operating Cost Structure in 2015



## Corporate Operating Cost Structure in 2016

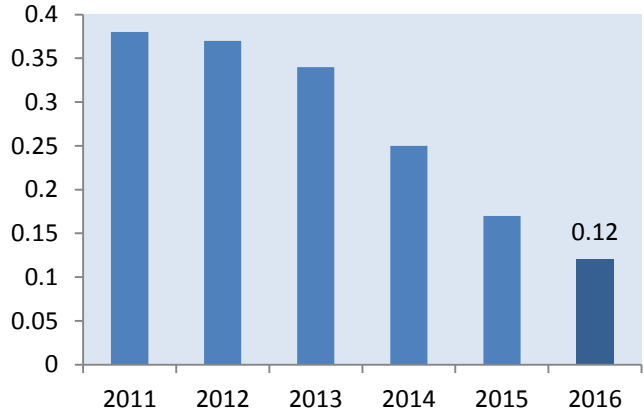




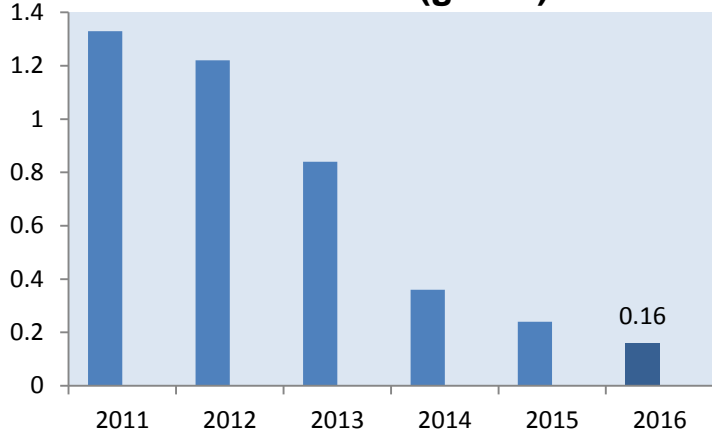
# Optimization of Emission Index and Success in Environment Governance

➤ In 2016, ultra-low emission transformation of 28 units was completed . Unit emission performance of the major emissions showed a sharp year-on-year drop.

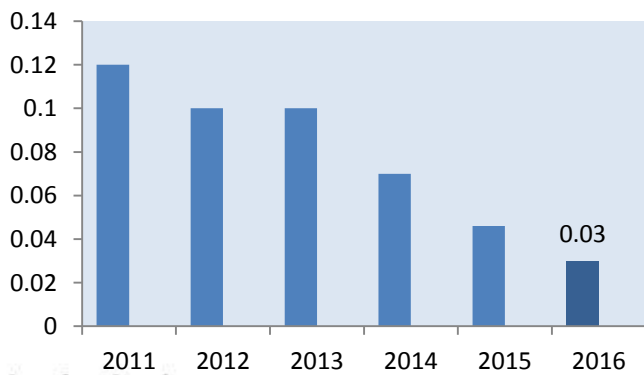
### Carbon emissions reduction efficiency



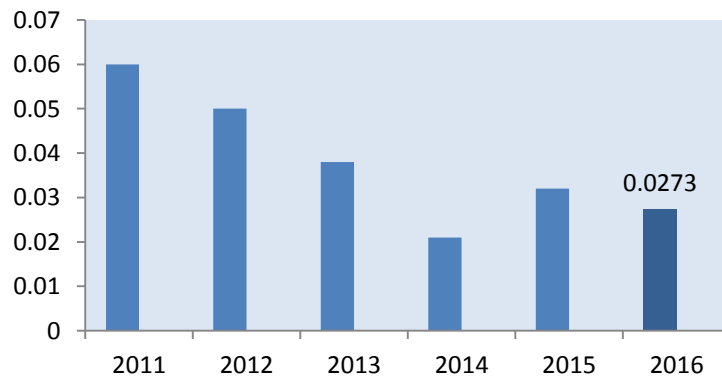
### Emission Performance of Nitric Oxide (g/kwh)



### Emission Performance of Smoke Dust (g/kwh)



### Emission Performance of Waste Water (kg/kwh)



# Highlight on Plan Leading & both on Quantity & Quality in New Projects

Light

## Photovoltaic project

**In 2016**  
 The company had approved projects of total power of 1,579 MW  
 Photovoltaic project - 750 MW  
 Hydropower project - 210 MW  
 Wind power project - 619 MW

- Inner Mongolia company Zhengxiangbai Banner 50 MW Photovoltaic Power Generation Project
- Jiangxi company Jishan 50 MW Photovoltaic Power Generation Project
- Yunnan company Binchuan Phase III 40 MW Photovoltaic Power Generation Project
- Yunnan company Binchuan Phase IV 50 MW Photovoltaic Power Generation Project
- Inner Mongolia company Etuoqeqian Banner 500 MW Photovoltaic Power Generation Project

- Liaoning company Wafangdian 20 MW Photovoltaic Power Generation Project
- Qinghai company Golmud Phase IV 10 MW Photovoltaic Power Generation Project
- Qinghai company Golmud Phase V 10 MW Photovoltaic Power Generation Project
- Liaoning company 20 MW Photovoltaic Power Generation Project in Liangbei, Fu Xin Mongolian Autonomous County

Water

## Hydropower project

- Lixian River Gelantan Hydropower Station Expansion Capacity of 60MW Project of Phase I Project
- Lixian River Gelantan Hydropower Station Phase II 150MW Hydropower Project

Wind

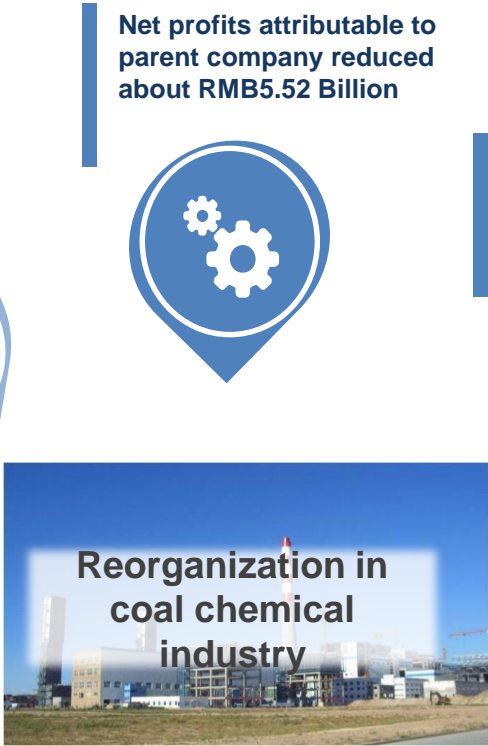
## Wind power project

- Jiangxi company 64MW Wind Power Project at Taiyangshan mountain, Xiushui County
- Qinghai company Mangya 50MW Wind Power Project
- Jiangxi company 110MW Wind Power Project at Mount Wugong, Ruichang County
- Jiangxi company 60MW Wind Power Project at Yunfengzhang, Xingguo

- Hebei company 100MW Wind Power Project at Bulongwan, Shangyi County
- Liaoning company 50MW Wind Power Project at Julike Village, Fuxin City 185MW
- Fujian Pingtan Offshore 185MW Wind Power Project

# Successful Reorganization of Coal-Chemical Industry

□ Delivery of reorganized assets in coal chemical industry on August 31, 2016 marks completion of two-year coal chemical industry reorganization.



Net profits attributable to parent company reduced about RMB5.52 Billion



Lead to reduction of RMB18.039 Billion of total profits statement of the parent company



Total profits of consolidated statements reduced about RMB4.83 Billion



Total liability is RMB72.0 Billion, taking down 4.65 percentage point of company's liability ratio of assets



Total decreased assets are RMB77.2 Billion  
Net assets are RMB5.2 Billion



# 2 PART TWO ▶

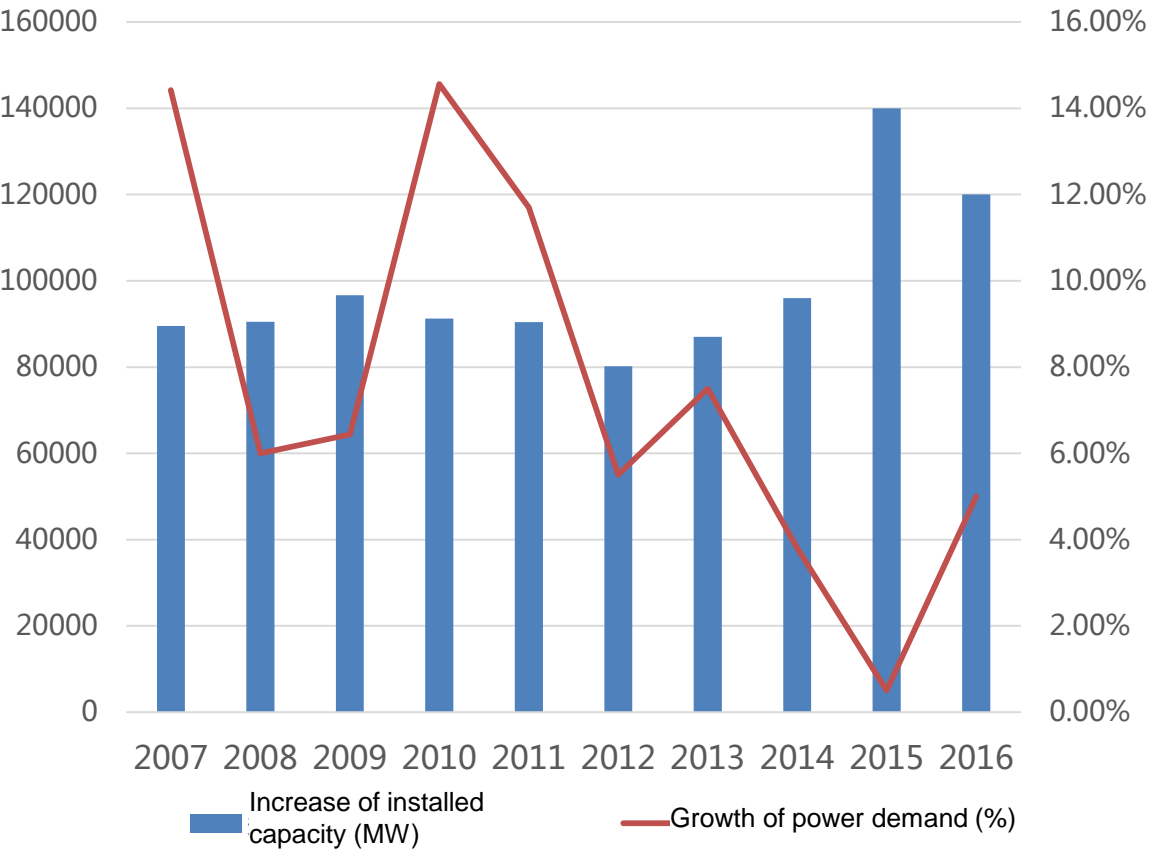
## Analysis on 2017 Market Environment



大唐发电  
DATANG POWER



## Power demand trend since 2007



**According to statistics by National Energy Administration, power consumption across the country in 2016 is 5919.5 billion KWh, increased 5.0% year-on-year.**

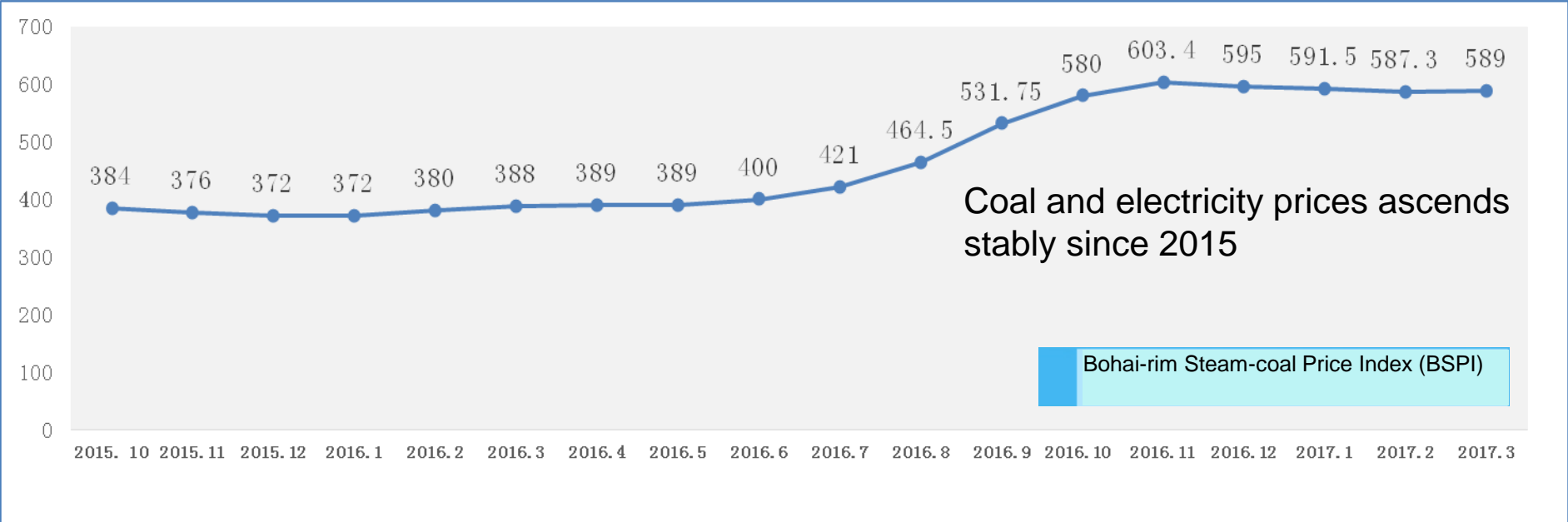
## 2017 Power Market Data Forecasting

- ✓ In 2017, power consumption across the country is expected to be around 3% year-on-year.
- ✓ 110GW of newly increased installed capacity, including 60GW by non-fossil energy.
- ✓ By the end of 2017, national installed capacity will reach 1.75 billion KW, including 6600WM by non-fossil energy, of which the installed capacity proportion will rise to 38%.
- ✓ Electric power supply across the country is expected to be surplus and utilization hours of generating equipment will be 3,600 hours, in which utilization hours of thermal power equipment will reduced to around 4,000 hours.



# Coal Price Tends to Stabilized

**Bohai-rim steam-coal (5500 Kcal) average price chart  
(October 2015-March 2017)**



- Considering all factors comprehensively, national coal demands in 2017 may continuously descend.
- Production policy for de-capacity and reduction still has not been completed, therefore, there is little possibility for coal price to largely fluctuate and the coal price will run within certain range around the government directed price in 2017.



# Continuous Improvement of Electric Power System Reform

In March 2016, power exchanges were established in Beijing and Guangzhou, marking a significant step to construction in electric power market of China.

In September, 31 provincial power centers have been formally established in China except Hainan Province.

In December, National Development and Reform Commission announced the first-batch of reform pilot increment list for power distribution business.

## Electric power system reform is surging, and substantive breakthroughs has been made in electricity market

In August, comprehensive pilot project has been performed in Hainan Province and Guangxi Province, and so far the electric power system reform work in south China has been accomplished.

In October, National Development and Reform Commission and National Energy Administration issued the notice of *Administrative Measures for Admittance and Exit of Power Sales Companies* and *Administrative Measures for Orderly Release of Power Distribution Network Business*, indicating that Chinese electric power system reform has come into a new stage.

### Frequent releasing of electric power system policy

- ✓ National Development and Reform Commission and National Energy Administration released *Basic Rules for Medium and Long Term Electricity Transactions (for Interim Implementation)* which is the first fundamental rules of electricity transaction since the issuing of *Several Opinions of the Communist Party of China Central Committee and State Council on Further Strengthening Reform on Power Mechanisms* (Z.F. [2015 No. 9]) and other supportive documents.

---

### All-around progress of reform in various pilots

- ✓ Until the end of 2016, electric power system reform pilot work has been implemented in 29 provinces (district, city) (including the Xinjiang Production and Construction Corps) .



# 3 PART THREE ▷

**Development Strategy  
& the 13th Five-Year Plan**

# Company Development Strategy

Improvement  
and  
Adaptation

Focus on development quality and benefit, and adopt a proactive approach to adapt new normal in economic development and asset reorganization structure.

Creation  
and  
Adjustment

Focus on forging the updated version of power generation industry, and boost the structure adjustment.

Excitation  
and  
promotion

Completely stimulate entrepreneurial vitality, to give a better play to the role of power generation industry.

# Key Points of Company's 13th Five-Year Development Plan



### Seize the thermal power market

Conduct thermal power marketing actively, develop and merge supporting power network properly, seize thermal power market as early as possible.



### Forge upgraded power generation industry

Make a big push to exploit non-water renewable energy, cleanly and orderly develop coal industry, construct medium and large scale hydropower engineering, and give priority to develop gas turbine, thus building an upgraded power generation industry.

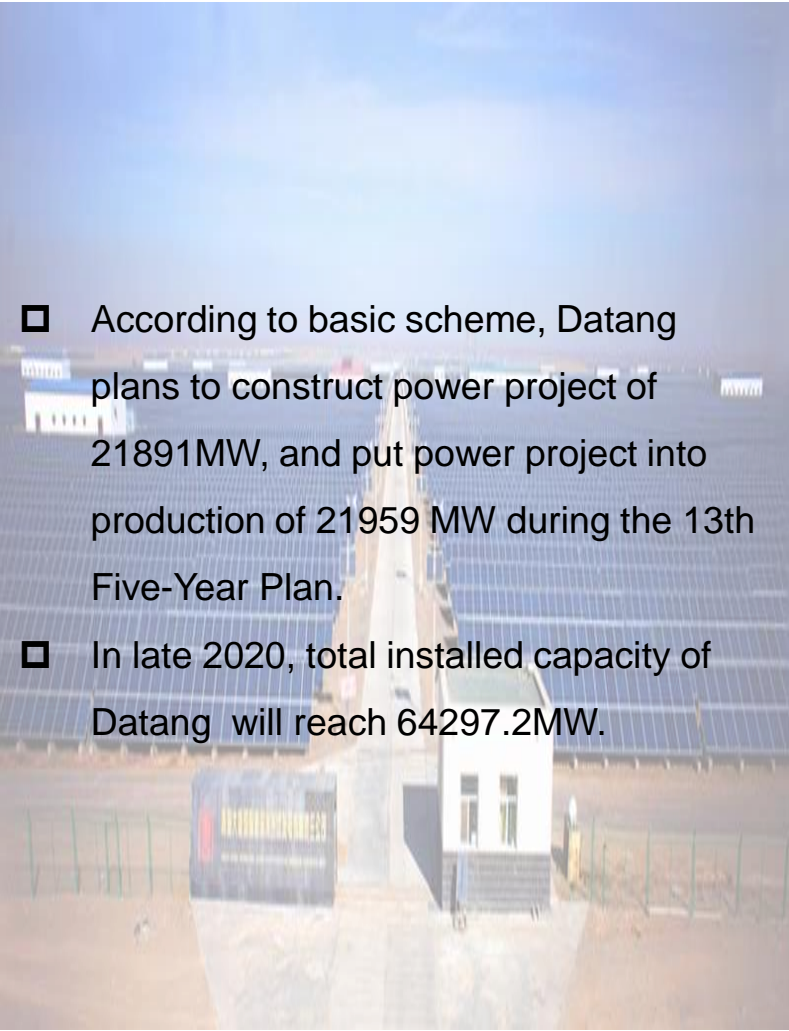


### Convert corporate positioning

Actively enter into the electricity distribution and selling field, participate in the construction of carbon trading market, and accomplish the transformation from single power generation enterprises to comprehensive energy service provider.

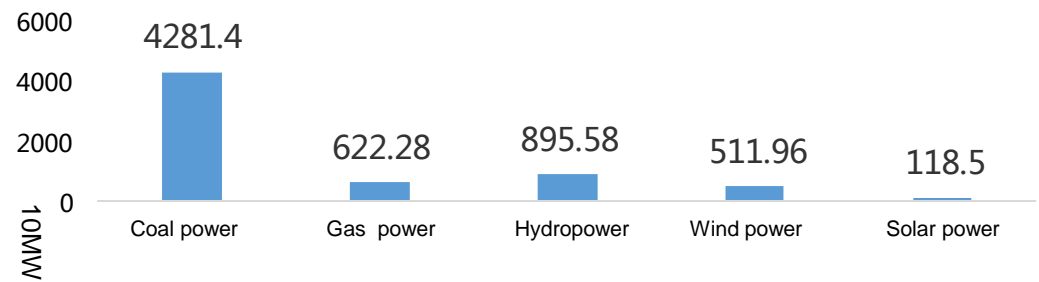


# Objective of Company's 13th Five-Year Development Plan

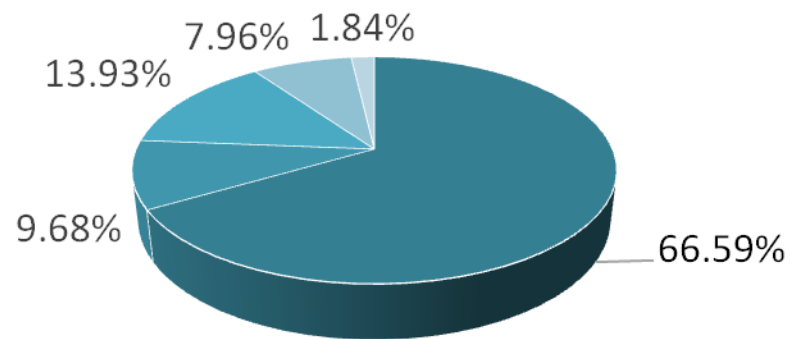


- According to basic scheme, Datang plans to construct power project of 21891MW, and put power project into production of 21959 MW during the 13th Five-Year Plan.
- In late 2020, total installed capacity of Datang will reach 64297.2MW.

**Target of electric power structure distribution in installed capacity in 2020 of Datang Power**



**2020 Installed capacity proportion of each power generation business of Datang Power**



■ coal power ■ Gas power ■ Hydropower ■ Wind power ■ Solar power

THANK YOU!



大唐发电  
DATANG POWER