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HUANENG POWER INTERNATIONAL INC
Form 6-K
March 17, 2005

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 March, 2005

(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.
West Wing, Building C, Tianyin Mansion
No. 2C Fuxingmennan Street
Xicheng District
Beijing, 100031 PRC

This Form 6-K consists of:

A press release on the annual operating results for the year 2004 by Huaneng Power International, Inc. in English on March 15, 2005.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the under-signed, thereunto duly authorized.

HUANENG POWER INTERNATIONAL, INC.

By /s/ Huang Long

Name: Huang Long

Title: Company Secretary

Date: March 15, 2005

[GRAPHIC OMITTED]

To: Business Editor
[For Immediate Release]

HUANENG POWER INTERNATIONAL, INC.
Announces Annual Operating Results for 2004

Net Profit amounted to RMB 5.324 billion

(Beijing, China, March 15, 2005) Huaneng Power International, Inc. (the "Company") [NYSE: HNP; HKEx: 902; SSE: 600011] today announced its audited operating results under International Financial Reporting Standards for the year ended December 31, 2004. The Company's net operating revenues for 2004 amounted to RMB30.118 billion (approximately US\$3.639 billion based on the exchange rate of US\$1 to RMB8.2765 on December 31, 2004), a 28.78% increase

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over 2003. Net profit was RMB5.324 billion (approximately US\$643 million), a 1.96% decrease over 2003. Basic earnings per share was RMB0.44 (approximately US\$0.05). Basic earnings per American Depository Share (ADS) was RMB17.60 (approximately US\$2.13). In view of the difficult situations of the coal supply market in 2004, the Board of Directors of the Company was satisfied with the operating results of last year.

The Board of Directors proposed to declare cash dividend of RMB0.25 per share to all shareholders in 2004.

The main reason for the decline of the Company's net profit in 2004 was due to the sharp increase of operation costs of the Company and its subsidiaries. Although the increase in power generation and rise in tariffs had resulted in a significant increase in the Company's net operating revenues in 2004, and newly acquired plants (Xindian Power Plant and Yushe Power Plant acquired in October 2003; and five power plants including Yingkou Power Plant, Jinggangshan Power Plant, Yueyang Power Plant, Luohuang Power Plant and Hanfeng Power Plant acquired in July 2004) had brought considerable profits to the Company, these could not completely offset the increase in power generation costs caused by escalating coal prices and its impact to profits. Therefore, total net profit of the Company and its subsidiaries has dropped when compared to RMB 5.430 billion in 2003.

In 2004, the operating power plants of the Company and its subsidiaries achieved power generation totaling 114.28 billion kWh on a consolidated basis, representing an increase of 25.7% over the same period of the previous year. The average availability factor of the power plants of the Company was 93.84%, with an average capacity factor of 72.92% while weighted average coal consumption rates for power sold and power generated were 337.49 gram/kWh and 319.27 gram/kWh respectively. The weighted average house consumption rate was 5.64%. The Company's technical and economic indices remained at the forefront among power companies in the PRC.

During 2004, the nationwide short supply of coal, rising coal prices and declining coal quality caused great impact on the production and operation of the Company. Although there is a relatively significant increase in power generation when compared to the same period in 2003 and the Company has adopted various measures to control costs, the Company still could not offset the increase in power generation costs caused by escalating coal prices. Unit fuel cost of the Company increased 32.97% when compared to the same period of the previous year.

On power asset acquisition, during 2004 the Company has completed the largest acquisition since its establishment. The Company acquired the equity interests in five power plants including Jinggangshan Power Plant, Hanfeng Power Plant, Yingkou Power Plant, Luohuang Power Plant and Yueyang Power Plant. Power generation capacity on an equity basis increased by 3,096MW and generation capacity under construction on an equity basis increased by 1,050MW. The Company also acquired 60% equity interest in Sichuan Hydro Power and 65% equity interest in Pingliang Power Plant from the China Huaneng Group Corporation. The acquisitions were effective in January 2005, thereby increasing the power generation capacity of the Company on an equity basis by 1,146MW and the generation capacity under construction of the Company on an equity basis by 389MW. Owing to the current strong growth of demand for electricity in the PRC and shortage of coal, both the acquisition of hydropower assets for improving the energy structure of power generation and the acquisition of mine-mouth power plant (such as Pingliang Power Plant) for lowering fuel costs are instrumental in enhancing the profitability of the Company and effectively controlling fuel costs.

In 2004, the Company is making good and smooth progress on the preliminary work of its power plant construction and planned projects. Owing to the

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Company's careful organisation and various parties' efforts, generating units 3 and 4 of Yushe Power Plant commenced commercial operation in October and November 2004 respectively whereas generating units 1 and 2 of Qinbei Power Plant also commenced commercial operation in November and December respectively. Moreover, generating unit 3 and unit 4 of Huaiyin Power Plant Phase II project commenced commercial operation in January and March 2005. Construction works for one 600MW generating unit at Shantou Power Plant Phase II, two 300MW generating units at Yueyang Power Plant Phase II, two 600MW generating units at Taicang Phase II, two 600MW generating units at Luohuang Phase III and two 1,000MW generating units at Yuhuan Phase I has been carried out smoothly, with works quality and investment costs under effective control and works being carried out on schedule.

Year 2005 is a year full of challenges and opportunities. On the one hand, driven by the continued rapid development of the national economy, continued growth in power demand will provide opportunities to the Company for stable power generation. On the other hand, coal will continue to be in short supply in 2005. However, the Company has full confidence and strength to seize opportunities and overcome challenges, and will endeavor to fulfill the following work objectives in 2005:

1. To enhance production safety and to ensure stable and safe power generation;
2. To strengthen coal purchase management and ensure a safe, stable and effective supply of coal;
3. To strengthen marketing and cost controls so as to increase income and decrease expenses, thus enhancing economic returns;
4. To strengthen management of projects under construction so as to achieve high quality, speedy completion, low costs and on-time commencement of operation;
5. To enhance strategic planning to ensure a long-term, stable and healthy development of the Company.

The Company develops, constructs, operates and manages large thermal power plants in China nationwide, with a total generation capacity of 21,418MW on an equity basis. The Company wholly owns 16 operating power plants, and has controlling interests in ten operating power companies and minority interests in four operating power companies. Today, the Company is one of the largest independent power producers in China.

~ End ~

Attached are the consolidated financial information of the Company and its subsidiaries as at and for the year ended December 31, 2004 (prepared under International Financial Reporting Standards).

For further information, please contact:

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Ms. Christy Lai / Ms. Edith Lui
 Rikes Communications Limited
 Tel: (852) 2520 2201
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HUANENG POWER INTERNATIONAL, INC.
 BALANCE SHEET
 AS OF 31ST DECEMBER, 2004
 (Amounts expressed in thousands)

| | The Company and its subsidiaries | | The Company | |
|-------------------------------------|----------------------------------|------------------|-------------------|-------------------|
| | As of 31st December, | | As of 31st | |
| | 2004 | 2003 | 2004 | 2003 |
| ASSETS | (Rmb) | (US\$) | (Rmb) | (Rmb) |
| Non-current assets | | | | |
| Property, plant and equipment, net | 57,780,410 | 6,981,261 | 42,658,365 | 36,861,955 |
| Investment in associates | 4,328,307 | 522,963 | 2,766,031 | 4,309,319 |
| Investment in subsidiaries | - | - | - | 5,835,204 |
| Available-for-sale investments | 254,990 | 30,809 | 254,990 | 254,990 |
| Land use rights | 1,546,026 | 186,797 | 831,026 | 1,091,128 |
| Other non-current assets | 225,890 | 27,293 | 206,833 | 115,060 |
| Deferred income tax assets | 97,539 | 11,785 | 21,311 | 12,536 |
| Goodwill | 376,726 | 45,518 | 298,876 | 108,938 |
| Less: Negative goodwill | (1,483,670) | (179,263) | (1,730,949) | (1,483,670) |
| Total non-current assets | 63,126,218 | 7,627,163 | 45,306,483 | 47,105,460 |
| Current assets | | | | |
| Inventories, net | 1,431,404 | 172,948 | 800,281 | 822,344 |
| Other receivables and assets, net | 723,316 | 87,394 | 259,421 | 327,865 |
| Accounts receivable | 4,973,103 | 600,870 | 2,804,026 | 3,090,071 |
| Due from subsidiaries | - | - | - | 20,256 |
| Due from other related parties | 14,970 | 1,809 | 5,862 | 14,970 |
| Restricted cash | 202,688 | 24,490 | 159,961 | 157,691 |
| Temporary cash investments | 12,641 | 1,527 | 144,996 | 12,641 |
| Cash and cash equivalents | 2,295,531 | 277,355 | 4,128,648 | 1,211,178 |
| Total current assets | 9,653,653 | 1,166,393 | 8,303,195 | 5,657,016 |
| Total assets | 72,779,871 | 8,793,556 | 53,609,678 | 52,762,476 |
| EQUITY AND LIABILITIES | | | | |
| Shareholders equity | | | | |
| 8,500,000,000 (2003: 4,250,000,000) | | | | |
| Domestic Shares, par value Rmb | | | | |
| 1.00 each, in form of legal | | | | |

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| | | | | | |
|--|------------|-----------|------------|------------|----|
| person shares | 8,500,000 | 1,027,004 | 4,250,000 | 8,500,000 | 1, |
| 500,000,000 (2003: 250,000,000) A | | | | | |
| shares, par value Rmb 1.00 each | 500,000 | 60,412 | 250,000 | 500,000 | |
| 3,055,383,440 (2003: 1,527,671,200) | | | | | |
| Overseas Listed Foreign Shares, | | | | | |
| par value Rmb 1.00 each | 3,055,383 | 369,164 | 1,527,671 | 3,055,383 | |
| Additional paid-in capital | 8,972,184 | 1,084,055 | 10,780,133 | 8,972,184 | 1, |
| Dedicated capital | 4,065,970 | 491,267 | 4,328,423 | 4,065,970 | |
| Equity component of convertible | | | | | |
| notes | - | - | 255 | - | |
| Retained earnings | | | | | |
| Proposed dividend | 3,013,846 | 364,145 | 3,013,836 | 3,013,846 | |
| Others | 8,158,136 | 985,699 | 9,805,037 | 8,158,136 | |
| Total shareholders equity | 36,265,519 | 4,381,746 | 33,955,355 | 36,265,519 | 4, |
| Minority interests | 3,266,393 | 394,659 | 1,155,197 | - | |
| Non-current liabilities | | | | | |
| Long-term loans from shareholders, | | | | | |
| unsecured | 800,000 | 96,659 | - | - | |
| Long-term bank loans, unsecured | 14,854,471 | 1,794,777 | 8,305,320 | 6,485,209 | |
| Other long-term loans, unsecured | 300,818 | 36,346 | 848,284 | - | |
| Deferred income tax liabilities | 546,717 | 66,057 | 103,114 | 15,306 | |
| Other non-current liability | 13,000 | 1,571 | - | - | |
| Total non-current liabilities | 16,515,006 | 1,995,410 | 9,256,718 | 6,500,515 | |
| Current liabilities | | | | | |
| Accounts payable and other liabilities | 4,551,158 | 549,887 | 3,342,517 | 2,844,987 | |
| Dividends payable to shareholders of | | | | | |
| the Company | 8,250 | 997 | - | 8,250 | |
| Taxes payable | 999,792 | 120,799 | 917,362 | 547,545 | |
| Due to HIPDC | 1,258,799 | 152,093 | 87,508 | 1,258,518 | |
| Due to other related parties | 13,426 | 1,622 | 27,338 | 6,645 | |
| Staff welfare and bonus payables | 259,291 | 31,329 | 220,896 | 175,355 | |
| Short-term loans, unsecured | 8,099,000 | 978,554 | 1,600,000 | 4,330,000 | |
| Current portion of long-term loans | | | | | |
| from shareholders, unsecured | - | - | 420,380 | - | |
| Current portion of long-term bank | | | | | |
| loans, unsecured | 1,257,476 | 151,933 | 2,409,240 | 825,142 | |
| Current portion of other long-term | | | | | |
| loans, unsecured | 285,761 | 34,527 | 211,881 | - | |
| Liability component of convertible notes | | | | | |
| | - | - | 935 | - | |
| Other financial liabilities | | | | | |
| | - | - | 4,351 | - | |
| Total current liabilities | 16,732,953 | 2,021,741 | 9,242,408 | 9,996,442 | 1, |
| Total equity and liabilities | 72,779,871 | 8,793,556 | 53,609,678 | 52,762,476 | 6, |

For the convenience of the reader, translation of amounts from Renminbi (Rmb) into United States made at the rate of US\$1.00=Rmb8.2765 announced by the People's Bank of China as of 31st December is made that Renminbi amounts could have been, or could be, converted into United States dollars December 2004. or at any other certain rate.

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HUANENG POWER INTERNATIONAL, INC.
STATEMENT OF INCOME
FOR THE YEAR ENDED 31ST DECEMBER, 2004

(Amounts expressed in thousands, except per share data)

| | The Company and its subsidiaries | | | |
|--|-----------------------------------|-------------|--------------|-------|
| | For the Year ended 31st December, | | | |
| | 2004 | | 2003 | 200 |
| | (Rmb) | (US\$) | (Rmb) | (Rm |
| Operating revenue, net | 30,118,278 | 3,639,011 | 23,388,237 | 18,4 |
| Operating expenses | | | | |
| Fuel | (15,068,188) | (1,820,599) | (9,025,013) | (6,9 |
| Maintenance | (807,689) | (97,588) | (921,561) | (6 |
| Depreciation | (4,706,992) | (568,718) | (4,117,478) | (3,5 |
| Labor | (1,877,264) | (226,819) | (1,439,673) | (1,0 |
| Service fees to HIPDC | (133,609) | (16,143) | (214,723) | (2 |
| Others | (606,346) | (73,261) | (596,627) | (5 |
| Total operating expenses | (23,200,088) | (2,803,128) | (16,315,075) | (12,8 |
| Profit from operations | 6,918,190 | 835,883 | 7,073,162 | 5,5 |
| Interest income | 43,092 | 5,207 | 53,044 | 8 |
| Interest expense | (663,424) | (80,158) | (569,148) | (56 |
| Bank charges and exchange losses, net | (119,452) | (14,433) | (28,181) | (3 |
| Total financial expenses | (739,784) | (89,384) | (544,285) | (51 |
| Share of profit of associates | 377,565 | 45,619 | 212,091 | (1 |
| Investment income | 22,542 | 2,724 | - | |
| (Loss) / Gain from disposal of investments | (1,988) | (240) | 10,705 | |
| Other income, net | 18,666 | 2,255 | 12,070 | |
| Profit before tax | 6,595,191 | 796,857 | 6,763,743 | 5,05 |
| Income tax expense | (1,014,262) | (122,547) | (1,149,441) | (98 |
| Profit before minority interests | 5,580,929 | 674,310 | 5,614,302 | 4,07 |
| Minority interests | (257,053) | (31,058) | (183,894) | (15 |
| Net profit attributable to shareholders | 5,323,876 | 643,252 | 5,430,408 | 3,92 |
| Dividends paid and proposed | 6,019,432 | 727,292 | 5,063,244 | 3,84 |
| Proposed dividend | 3,013,846 | 364,145 | 3,013,836 | 2,04 |
| Proposed dividend per share | 0.25 | 0.03 | 0.25 | |

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| | | | |
|----------------------------|------|------|------|
| Basic earnings per share | 0.44 | 0.05 | 0.45 |
| Diluted earnings per share | 0.44 | 0.05 | 0.45 |

For the convenience of the reader, translation of amounts from Renminbi (Rmb) into United States dollars (US\$) has been made at the rate of US\$1.00=Rmb8.2765 announced by the People's Bank of China as of 31st December, 2004. No representation is made that Renminbi amounts could have been, or could be, converted into United States dollars at that rate as of 31st December 2004, or at any other certain rate.