



龍源電力集團股份有限公司
China Longyuan Power Group Corporation Limited

2017 Interim Results

2017.08



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China Longyuan Power Group Corporation Limited

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- **Important notice:** In 2016, the Company obtained control rights over Shanxi Guodian Jinke Wind Power Generation Co., Ltd from Guodian Shanxi Jieneng Co., Ltd., a fellow subsidiary of the company, and thereby constituted the business merger of enterprises under the same control. The Company made restatement in its consolidated financial statements, as if the business combination occurs before the start of the earliest period reported. Unless otherwise statement, the 1H2016 financial data in this presentation are restated data.

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Summary



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In the first half of 2017, under the leadership of Guodian Group and the Board of the Company, China Longyuan firmly upheld the general business guideline of “making progress and optimization in a steady way” and comprehensively carried out the “One, Five and Five” strategy. By actively coping with new reforms and development, adhering to corporate governance in strict accordance with the law, and lifting quality and efficiency, a good development trend was maintained.



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Section 1

Overview of 1H2017 Results

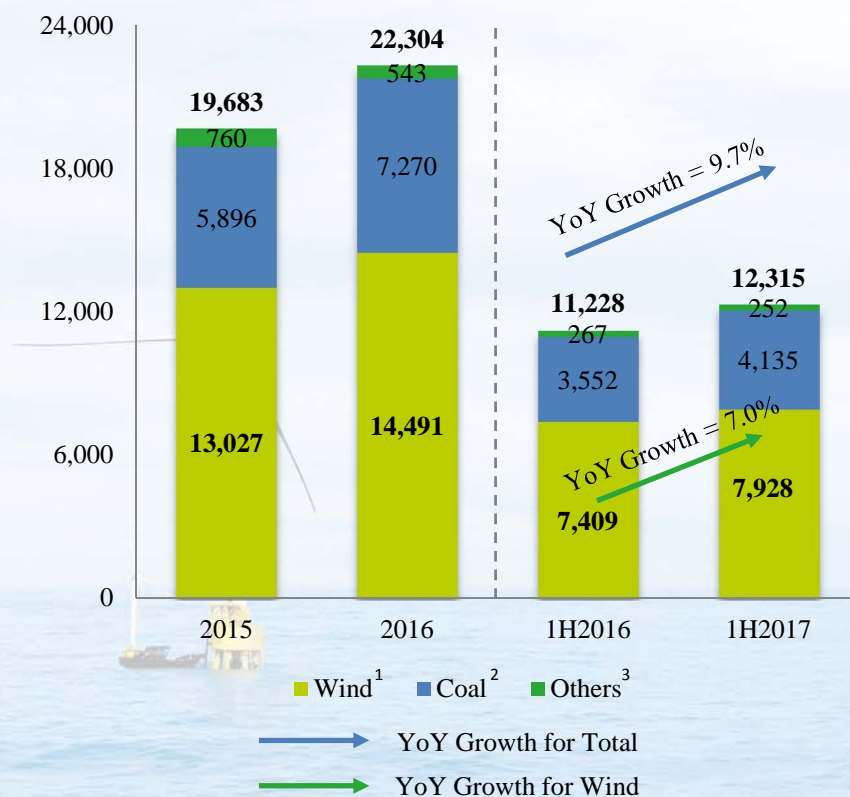
2017 Interim Results Overview



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Revenue

(RMB MM)

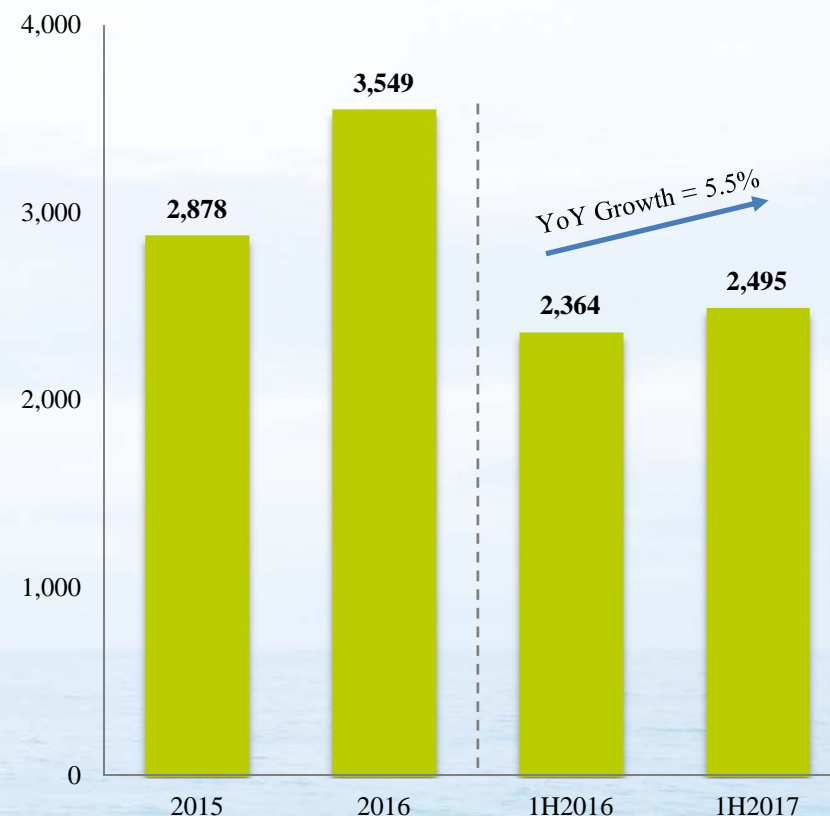


Notes:

- 1 Includes concession construction revenue
- 2 Includes sales of coal
- 3 Includes inter-segment elimination revenue
- 4 Unless otherwise noted, all 1H2016 financial data in this presentation are restated data. Please refer to "Important Notice" on page 1 for details

Net Profit Attributable to Equity Holders of the Company

(RMB MM)



2017 Interim Results Overview (Cont.)

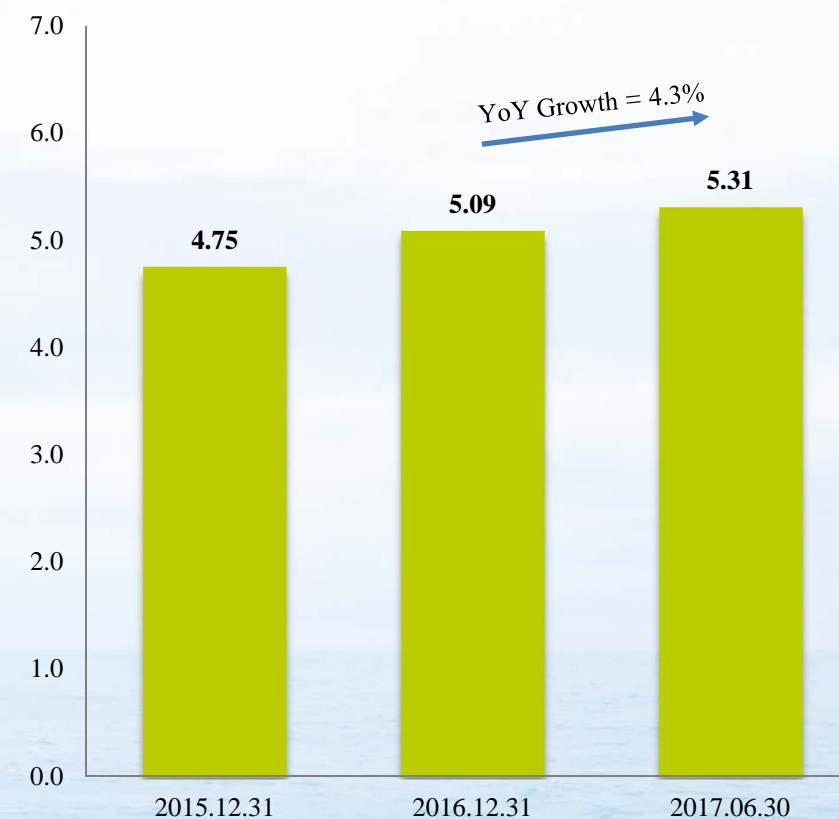
Earning Per Share

(RMB Cent)



Net Asset Per Share

(RMB Yuan)



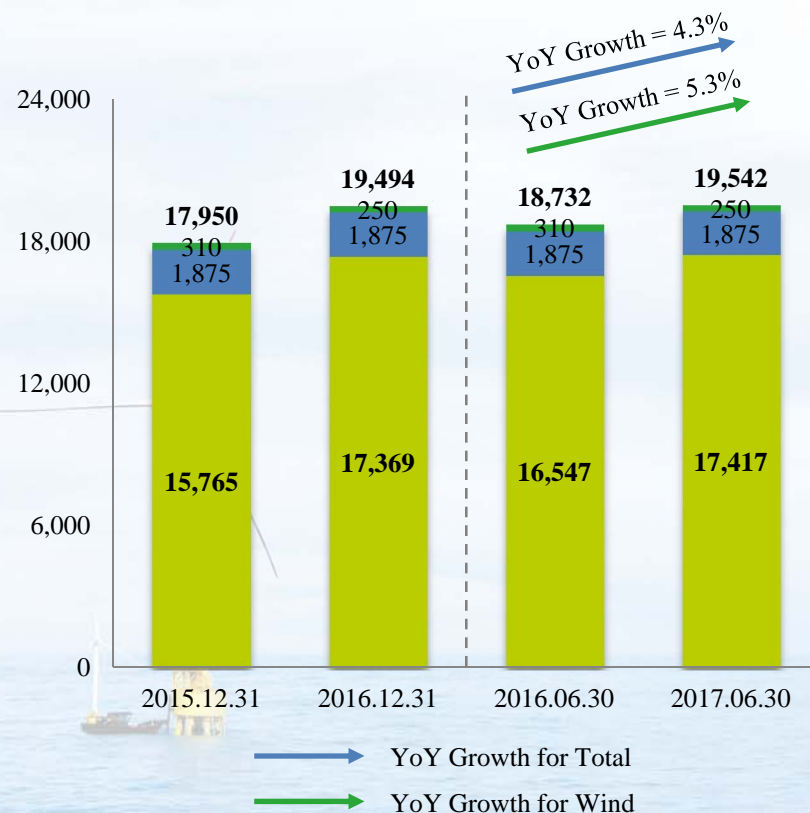
2017 Interim Results Overview (Cont.)



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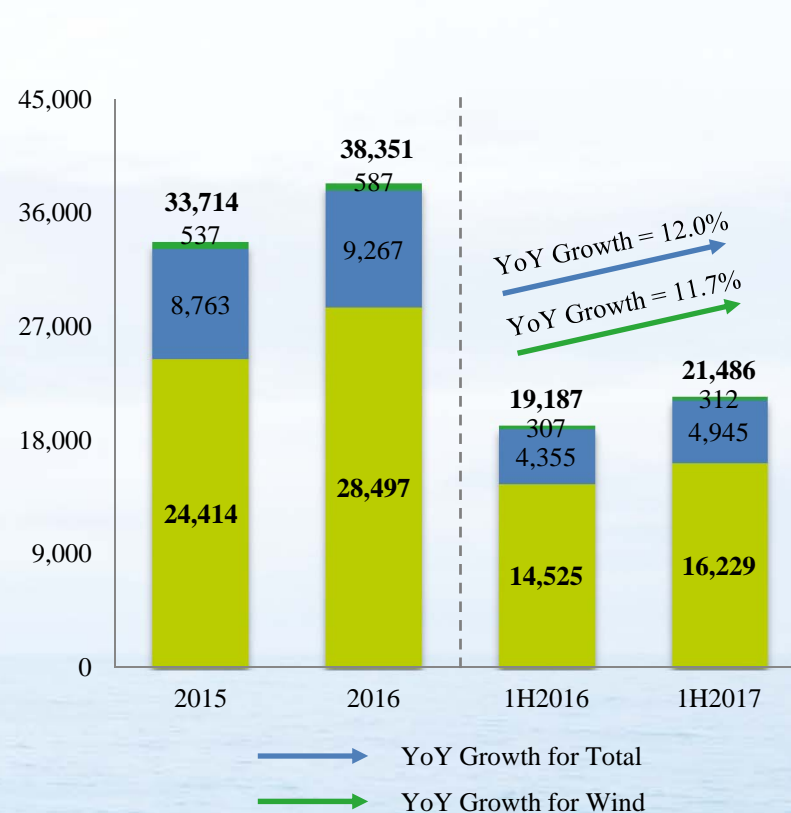
Consolidated Installed Capacity

(MW)



Net Power Generation

(GWh)



2017 Interim Results Overview (Cont.)



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Wind Power Operating Profit

(RMB MM)



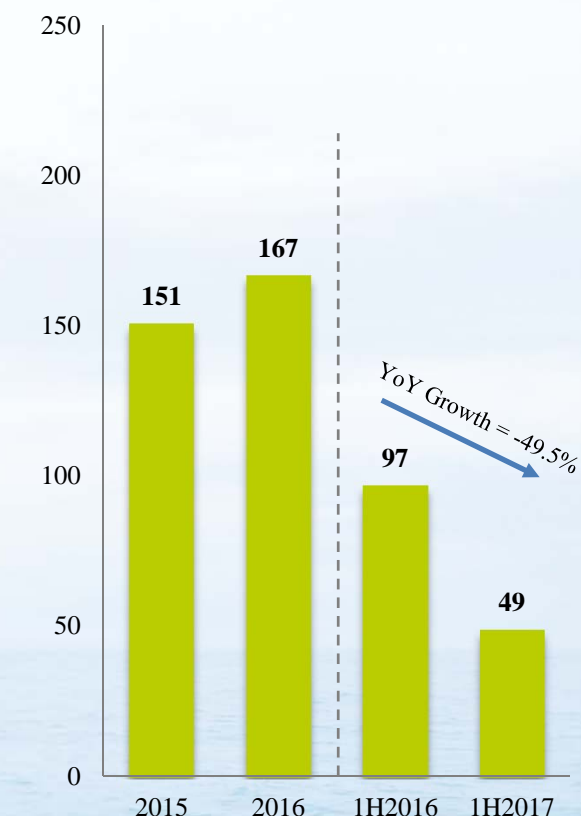
Coal Power Operating Profit ¹

(RMB MM)



Other Business Operating Profit

(RMB MM)



Note:

¹ Coal power operating profit including sales of electricity & heat and others, and coal sales business



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Section 2

1H2017 Business Performance

Industry Review – Operational Environment

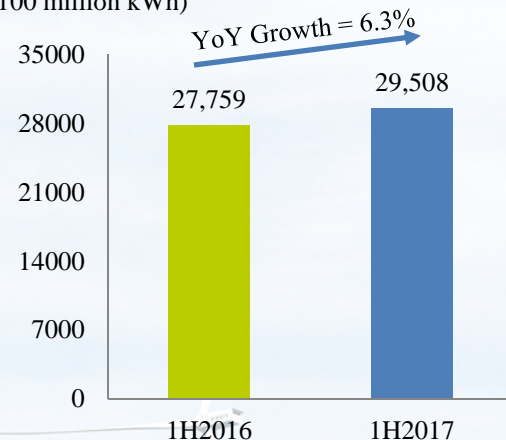


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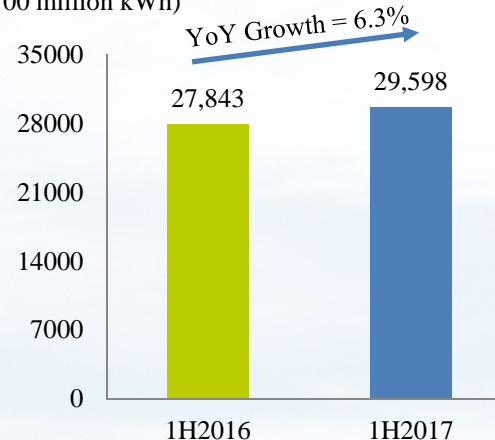
Power Consumption Across the Country

(100 million kWh)



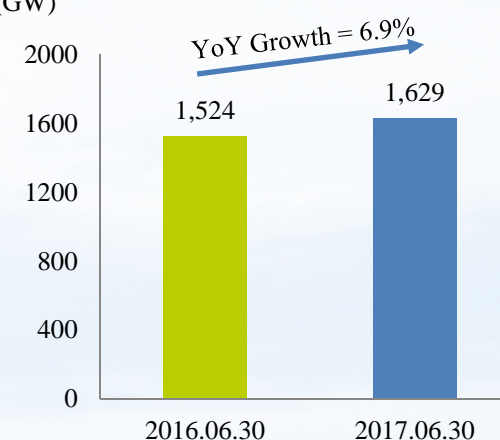
Power Generation of National-Scale Power Plants

(100 million kWh)



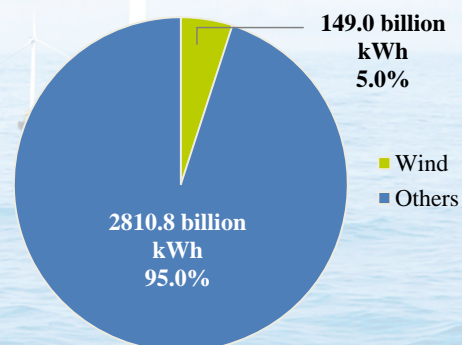
Power Generation Installed Capacity Across the Country

(GW)



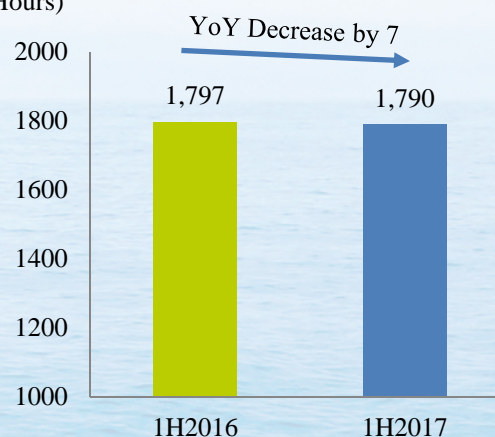
The Proportion of Wind Power in the Total National Power Generation in 1H2017

(%)



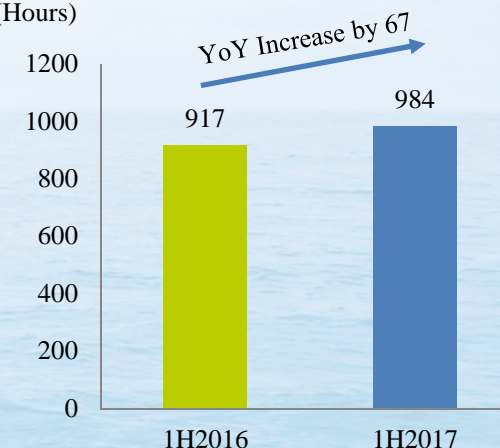
Utilization Hours of Power Generation Equipment Across the Country

(Hours)



Wind Power Utilization Hours Across the Country

(Hours)



Source: Statistic data by China Electricity Council

Industry Review – Policy Factor



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Policy Trends in 2017

- In February, the NDRC, MoF and NEA issued the “Notice on Trial Implementation of Renewable Energy Green Power Certificate Issuance and Voluntary Subscription Trading System”
- In April, the NDRC, MoF and NEA issued the “Notice on Liquidation of Additional Subsidies for Electricity Tariff of Renewable Energy”
- In May, the State Grid Corporation issued the “Notice on Issuance of Arrangement for Promotion of Consumption of New Energy in 2017”
- In May, the Comprehensive Department of NEA issued the “Notice on Implementation of Demonstration for Grid Parity of Wind Power Generation”
- In June, the NEA issued the “Notice on Requirements in relation to Acceleration of Construction of Distributed Wind Power Connection Projects”
- In July, the online transaction platform for voluntary subscription for green power certificates officially commenced operation
- In July, the NEA issued the “Guidance on the Implementation of 13th Five-Year Plan of Renewable Energy”, including “2017-2020 Wind Power New Construction Scale Plan”, “2017-2020 Photovoltaic Power Plant New Construction Scale Plan” and “Arrangement on the 13th Five-Year Plan of Biomass Energy”

Continually Deepened Safety Production Management and Maintained Steady Growth of Wind Power Generation



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Improved the safety supervision system, established a 4-tier safety supervision network, gradually consolidated safety foundation and map out the “Comprehensive Safety” landscape

Strengthened and refined professional management, established a comprehensive economic operation management model, consolidated and expanded the advantages of leading key indicators

Innovated marketing models, took various measures to cope with grid curtailment, won over transacted volume legitimately, resulting in steadily increasing benefits

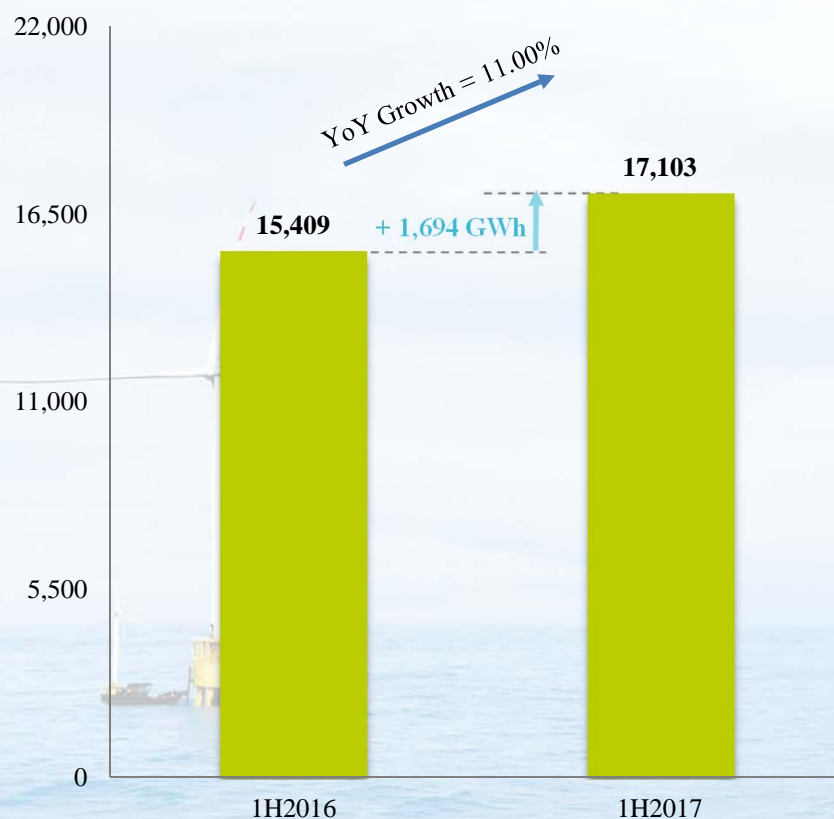
Continually Deepened Safety Production Management and Maintained Steady Growth of Wind Power Generation (Cont.)



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Wind Consolidated Gross Power Generation

(GWh)



Geographical Breakdown of Wind Consolidated Gross Power Generation

Region (MWh)	1H2017	1H2016	YoY
Heilongjiang	1,197,882	1,039,924	15.19%
Jilin	429,457	312,417	37.46%
Liaoning	1,112,106	1,101,111	1.00%
Inner Mongolia	2,370,444	2,422,335	-2.14%
Jiangsu Onshore	1,280,171	1,244,681	2.85%
Jiangsu Offshore	526,561	471,175	11.75%
Zhejiang	184,446	203,451	-9.34%
Fujian	820,546	649,936	26.25%
Hainan	63,923	51,740	23.55%
Gansu	984,087	788,198	24.85%
Xinjiang	1,325,245	970,532	36.55%
Hebei	1,333,891	1,371,118	-2.72%
Yunnan	1,108,354	974,972	13.68%
Anhui	786,934	801,050	-1.76%
Shandong	393,985	370,961	6.21%
Tianjin	142,797	149,356	-4.39%
Shanxi	624,135	653,333	-4.47%
Ningxia	670,226	427,171	56.90%
Guizhou	743,018	608,409	22.12%
Shaanxi	308,763	281,431	9.71%
Tibet	7,230	8,768	-17.54%
Chongqing	168,715	138,358	21.94%
Shanghai	69,677	66,652	4.54%
Guangdong	57,584	20,635	179.06%
Hunan	79,916	60,682	31.70%
Guangxi	134,103	85,570	56.72%
Jiangxi	25,377	—	—
Canada	153,558	134,823	13.90%
Total	17,103,131	15,408,788	11.00%

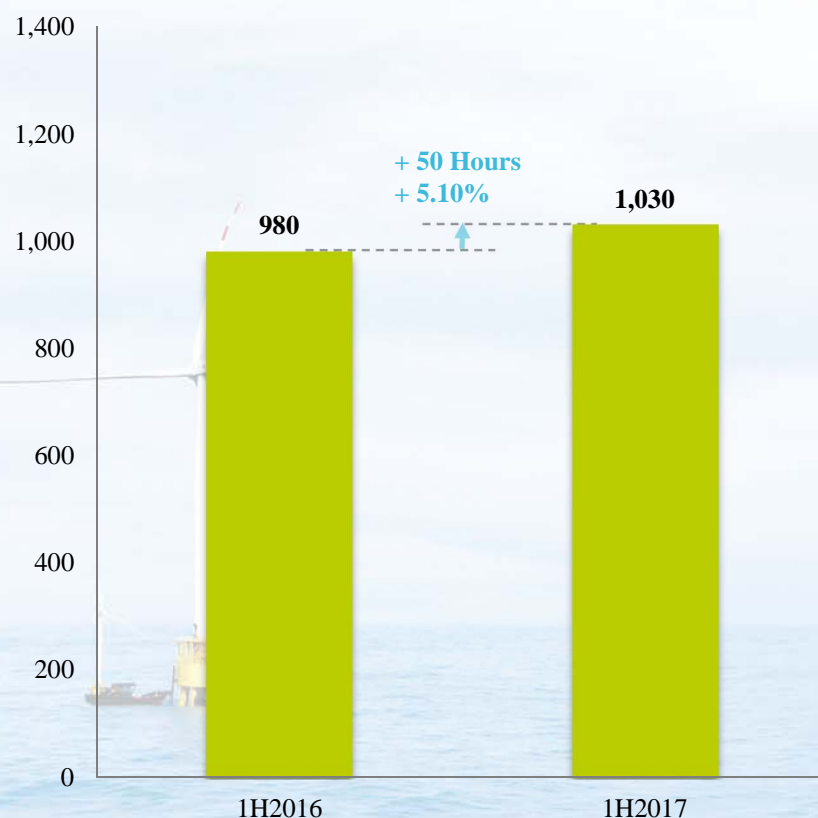
Continually Deepened Safety Production Management and Maintained Steady Growth of Wind Power Generation (Cont.)



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Wind Average Utilization Hours

(Hours)



Geographical Breakdown of Wind Average Utilization Hours

Region (Hours)	1H2017	1H2016	YoY
Heilongjiang	970	842	15.20%
Jilin	866	698	24.07%
Liaoning	1,109	1,098	1.00%
Inner Mongolia	917	937	-2.13%
Jiangsu Onshore	1,063	1,134	-6.26%
Jiangsu Offshore	1,096	981	11.72%
Zhejiang	809	893	-9.41%
Fujian	1,401	1,245	12.53%
Hainan	646	523	23.52%
Gansu	763	611	24.88%
Xinjiang	860	703	22.33%
Hebei	1,140	1,172	-2.73%
Yunnan	1,647	1,574	4.64%
Anhui	1,149	1,178	-2.46%
Shandong	1,161	1,095	6.03%
Tianjin	1,082	1,131	-4.33%
Shanxi	911	1,011	-9.89%
Ningxia	949	822	15.45%
Guizhou	1,185	1,082	9.52%
Shaanxi	962	1,205	-20.17%
Tibet	964	1,169	-17.54%
Chongqing	1,129	925	22.05%
Shanghai	1,467	1,403	4.56%
Guangdong	1,147	802	43.02%
Hunan	1,665	1,264	31.72%
Guangxi	1,404	1,258	11.61%
Jiangxi	1,475	—	—
Canada	1,550	1,360	13.97%
Total	1,030	980	5.10%

Pressed Ahead Preliminary Work Steadily, Continually Optimized Development Layout

Reserve High-quality Resources, Optimize Development Layout

- Under the guideline of sturdily exploiting high quality resources and constantly improving development quality, China Longyuan steadily and prudently developed offshore wind power projects, energetically tapped into overseas market and devoted ongoing efforts to technology innovations, aiming to continually optimize development layout and enhance high-quality resource reserves, progressively establish the development landscape featuring “nationwide presence and provincial expansion”
- In the first half of 2017, under the development plan for the second batch of wind power projects under the “Thirteenth Five-year Plan” issued by Energy Administrations at the provincial level, 28 projects of the Company were listed with total installed capacity of 1,873 MW and located in regions not subject to grid curtailment
- As of 30 June 2017, the Company had wind power projects of 7.4GW approved but not yet put into operation, and including the projects listed under the Government development plan but not yet been approved, accumulated effective wind power pipelines amounted to 9.7GW



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Promote High-standard Project Construction, Strictly Controlled Project Quality and Cost



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Making Benefits in Virtue of Quality Assurance, Constructing “Top-notch” Wind Farms

- In the first half of 2017, the 48MW Baokang Huanglianshan Wind Power Project in Hubei Province was put into operation, representing the first time for the Company to station its installed capacity of wind power in Hubei Province
- Construction of the Company’s 900MW offshore wind power project is in full swing for the time being. In particular, the Jiangsu Dafeng Offshore Project were under smooth progress with the great majority of ground treatment and concrete pouring of wind turbine foundation completed and the offshore booster station and onshore centralized control center installed. The project successfully constructed the first separable booster station in the world and employed the 33km-long connector-free 220kV subsea cable with large cross section for the first time in the world, thereby reducing operation risks of the project
- The Company upheld the concept of “making benefits in virtue of quality assurance” and further cemented the competitive edges of the Company in the wind power market by rolling out high-quality fine projects and constructing “top-notch” wind farms featuring soundness, high-efficiency, intelligence and safety. The Company strictly complied with construction work procedures in the course of construction, and actively fulfilled work requirements for projects such as forest and land requisition, environment evaluation and soil and water conservation. Thanks to such endeavors, the construction risks were reduced effectively, thereby laying a foundation for the environment-friendly development of the Company

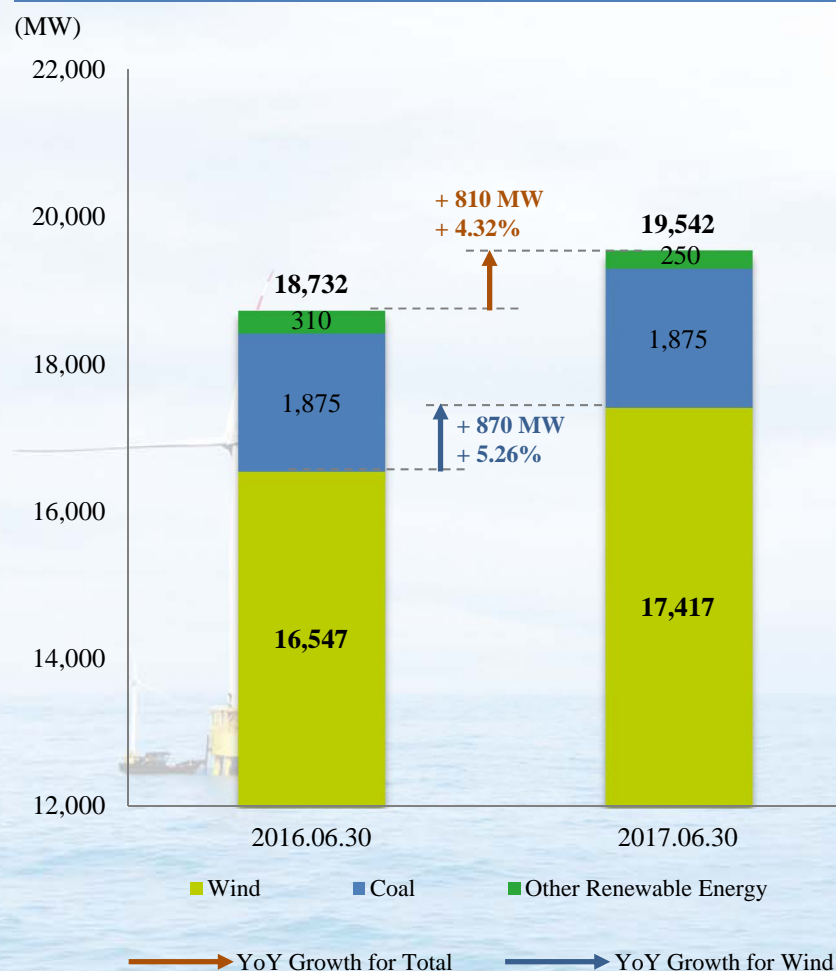


Promote High-standard Project Construction, Strictly Controlled Project Quality and Cost (Cont.)



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Wind Consolidated Installed Capacity



Geographical Breakdown of Wind Consolidated Installed Capacity

Region (MW)	2017.06.30	2016.06.30	YoY
Heilongjiang	1,234.7	1,234.7	0.00%
Jilin	547.4	497.4	10.05%
Liaoning	1,003.2	1,003.2	0.00%
Inner Mongolia	2,635.8	2,635.8	0.00%
Jiangsu Onshore	1,248.5	1,197.9	4.22%
Jiangsu Offshore	480.3	480.3	0.00%
Zhejiang	227.9	227.9	0.00%
Fujian	665.1	570.1	16.66%
Hainan	99.0	99.0	0.00%
Gansu	1,289.8	1,289.8	0.00%
Xinjiang	1,541.3	1,541.3	0.00%
Hebei	1,170.1	1,170.1	0.00%
Yunnan	769.5	619.5	24.21%
Anhui	733.1	684.7	7.07%
Shandong	393.4	338.8	16.12%
Tianjin	132.0	132.0	0.00%
Shanxi	829.5	646.5	28.31%
Ningxia	724.7	724.7	0.00%
Guizhou	641.5	641.5	0.00%
Shaanxi	439.2	338.6	29.71%
Tibet	7.5	7.5	0.00%
Chongqing	149.5	149.5	0.00%
Shanghai	47.5	47.5	0.00%
Guangdong	75.74	25.74	194.25%
Hunan	48.0	48.0	0.00%
Guangxi	95.5	95.5	0.00%
Jiangxi	40.0	—	—
Hubei	48.0	—	—
Canada	99.1	99.1	0.00%
Total	17,416.84	16,546.64	5.26%

Maintained Stable Tariffs with a Rational Attitude towards the Market



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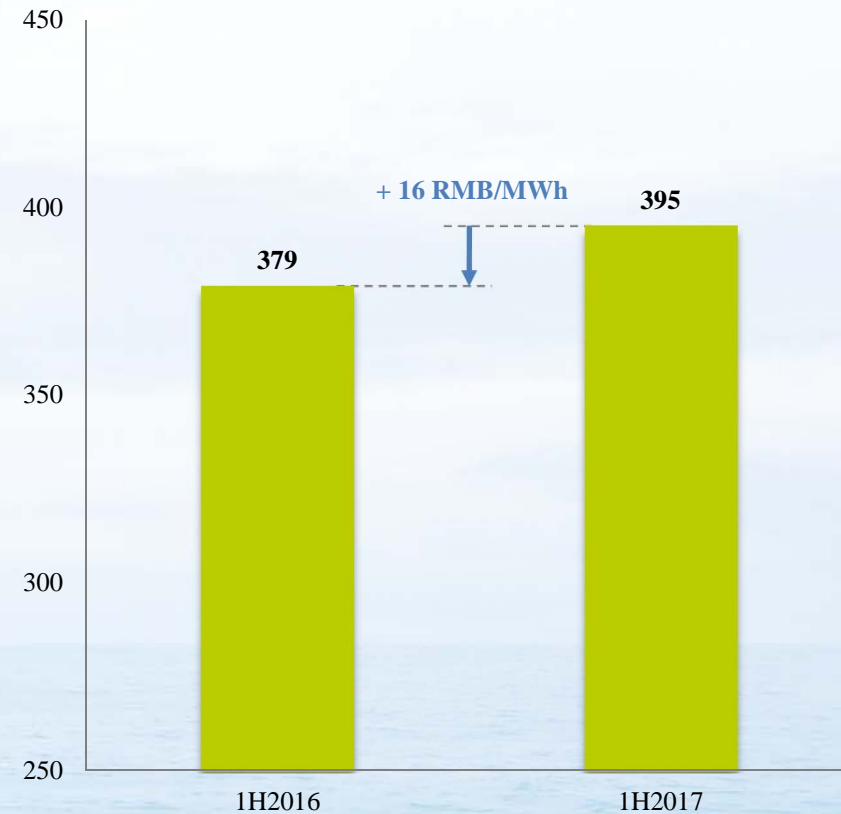
Average Wind Power On-grid Tariff (Inc. VAT)

(RMB/MWh)



Average Coal Power On-grid Tariff (Inc. VAT)

(RMB/MWh)



Vigorously Consolidated the Measures for Guaranteeing Funds Supply and Control of Cost to Effectively Prevent Risk



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Maintained a Leading Position in respect of Capital Cost in the Industry

- Used its best endeavours to guarantee funds supply: The Company successfully convened the second session of Green Energy Financing Summit to strengthen the contact with major partners in the financial market, continuously expanded the way of financing and successfully issued the first tranche of green corporate bonds
- Devoted further efforts on the intensive management and control of funds: The cash sweep and utilization efficiency was effectively improved by virtue of the capital pool. Meanwhile, the Company further optimized the regional capital allocation to effectively reduce financing costs and the capital cost continued to maintain at the leading level in the industry in the first half of the year
- Intensified the management and control of fund plan: The Company improved the fund plan management system through the monthly fund coordination meeting to subject the overseas companies and important associates and joint ventures to the unified management of the Company's overall fund plan management to effectively prevent fund risks



Applied Major Scientific and Technological Achievements, Increased Scientific and Technological Innovation Efforts



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- In the first half of 2017, the Company creatively adopted the construction scheme of “modular design and separable installation” and successfully installed the first offshore separable booster station in the world. The successful implementation of the project represents a significant breakthrough in respect of critical technology for development of offshore wind power and offers a new technology option for the construction of offshore booster station. The Company carried out and succeeded in the engineering practice of 220kV single core high-voltage submarine cable in the PRC for the first time. The success of the project solved the technical bottleneck of transmission engineering, filled the domestic gap of such project and laid a solid technological foundation for the large scale development of offshore wind farms
- The Company continuously increase efforts on scientific and technological innovation, reinforced the head office’s scientific and technological management function and clarified the focus and direction of the work. The scientific research strength of subsidiaries engaged in technical services was strengthened. In the first half of the year, 5 industrial standards of the Company were included in the wind power standard system of energy industry, 5 group standards of the Chinese Society for Electrical Engineering were approved. In addition, the Company obtained 26 newly authorized patents, applied for 5 software copyrights and was awarded 5 Scientific Advance Prizes by Guodian Group

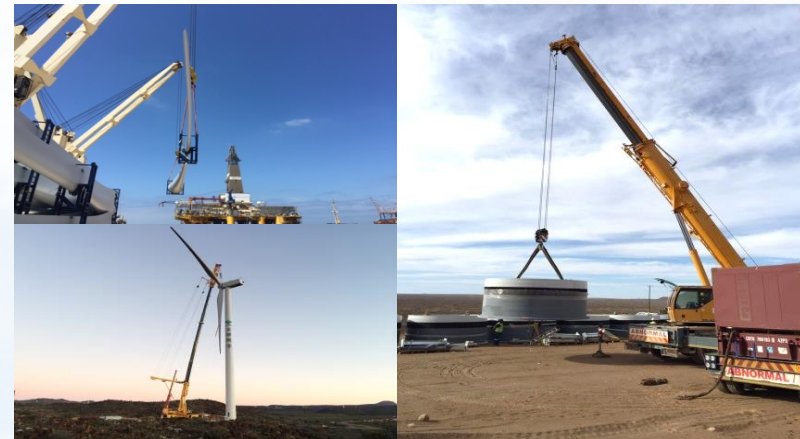


Steadily Advanced the Production and Construction of Overseas Wind Farms



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- In the first half of 2017, the Company's Dufferin Wind Farm in Canada recorded total power generation of 153,558MWh, and electricity sales revenue of RMB114 million
- China Longyuan's Canada project has actively fulfilled its social responsibilities and established close ties with the local community and government since it was put into operation; the project has seen satisfactory progress in power curve verification, noise monitoring, animal and plant monitoring, and maintained safe production for consecutive 942 days as of 30 June 2017



- Ever since the commencement of construction in 2015, the individual works of the Company's 244.5 MW wind farm project in De Aar, South Africa were pushed ahead steadily and smoothly. At present, all the 163 wind turbines have been installed completely, the focus is placed on elimination of defects and debugging. All the units are expected to be official put into operation by the end of 2017
- In order to implement the "Thirteenth Five-year Plan" of Guodian Group and accelerate the progress of "Going Global", the Company screened, analyzed and assessed a number of projects in the US, Canada and the counties in Northern, Central and Eastern Europe to seek for potential opportunities for overseas investment. In addition, the Company proactively participated in the wind power project in Poland and increased efforts on development of greenfield projects. Meanwhile, the Company set up a working team in Kazakhstan, and conducted investigation and study of the new energy market in Azerbaijan



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Section 3

1H2017 Financial Performance

1H2017 Results Overview



龍源電力集團股份有限公司
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Revenue ¹

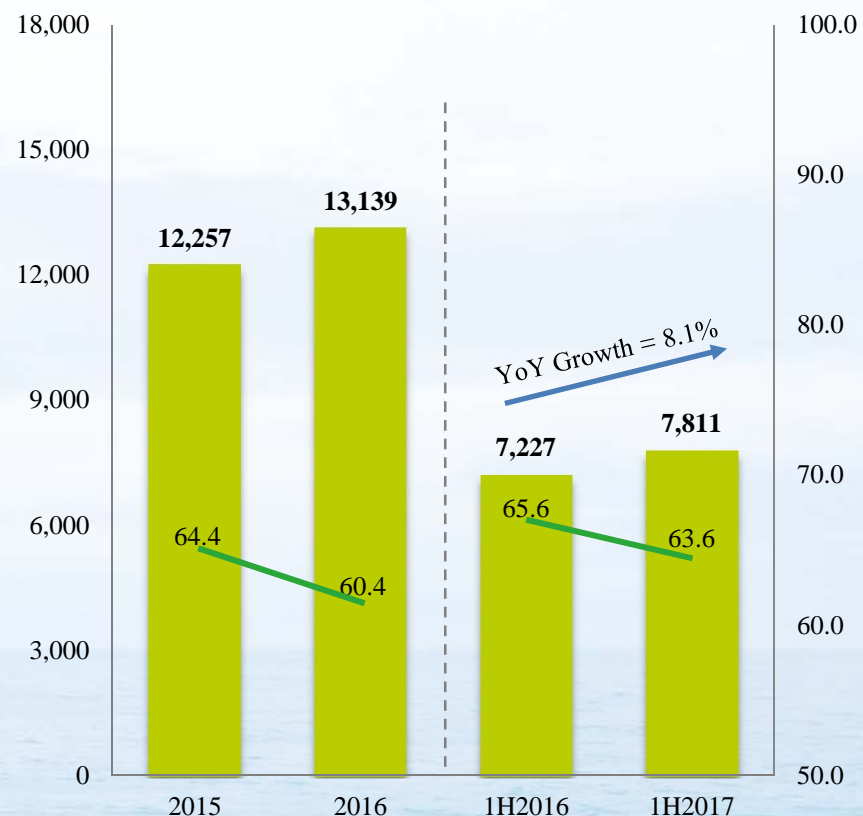
(RMB MM)



Adjusted EBITDA and EBITDA Margin ²

(RMB MM)

(%)



Notes:

1 Including concession construction revenue

2 Adjusted EBITDA excludes other net income, adds back non-recurring impairments

1H2017 Results Overview (Cont.)

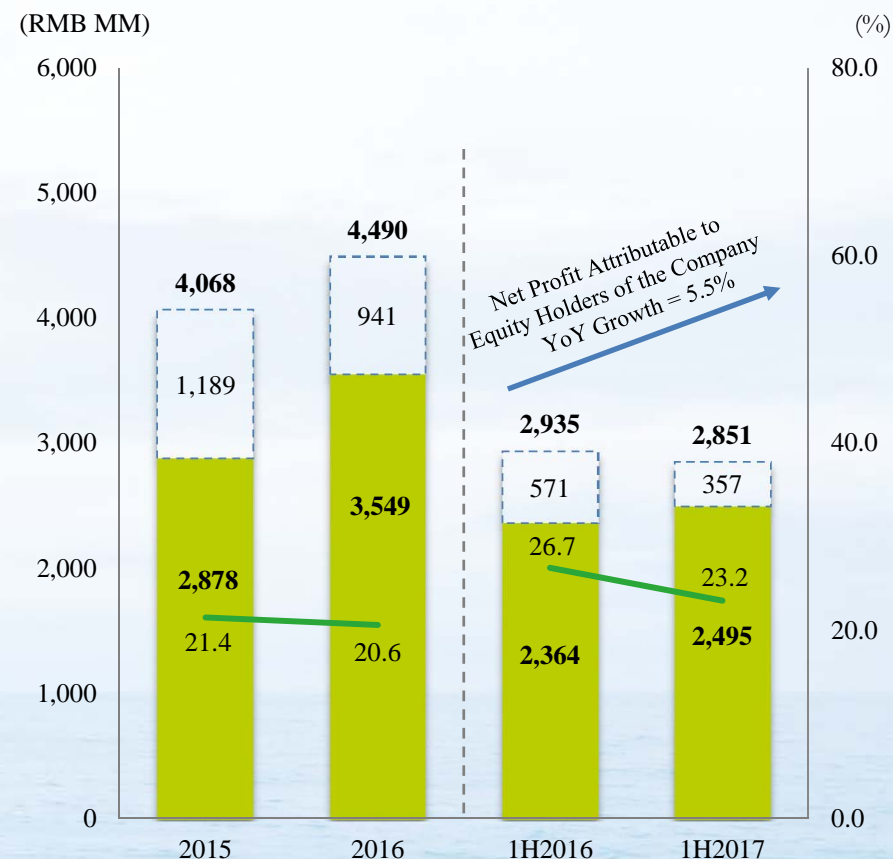


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Adjusted Operating Profit and Profit Margin ¹



Net Profit and Profit Margin ²



Notes:

- Adjusted operating profit excludes other net income, adds back non-recurring impairments
- Solid line: Net profit attributable to equity holders; Dash line: Non-controlling interests. Net profit margin calculated based on net profit including non-controlling interests, excluding concession construction revenue

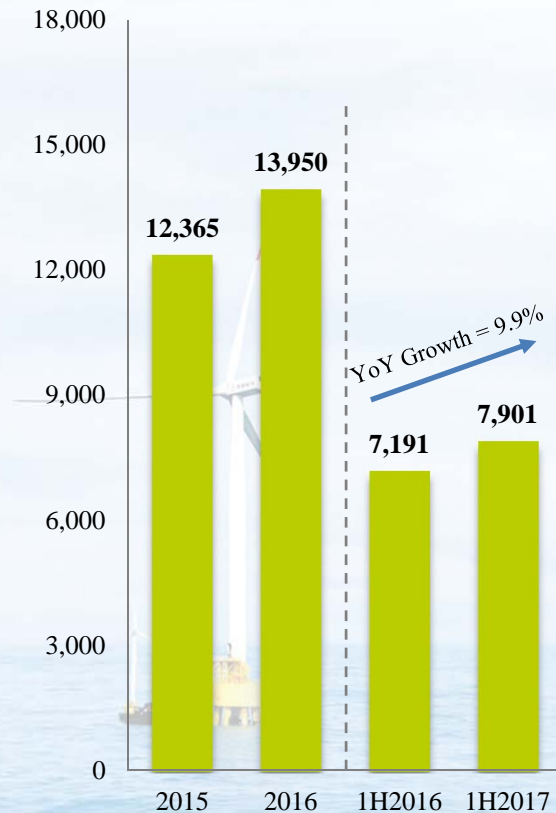
1H2017 Wind Power Business Results



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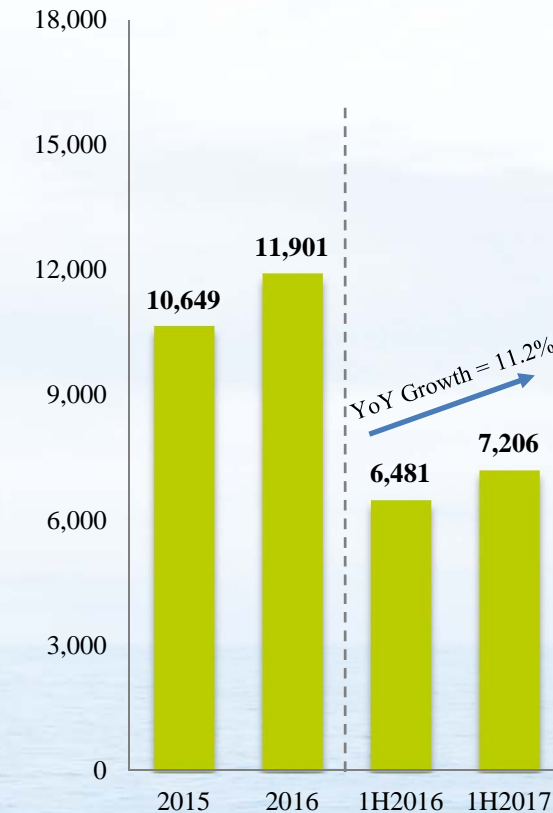
Revenue ¹

(RMB MM)



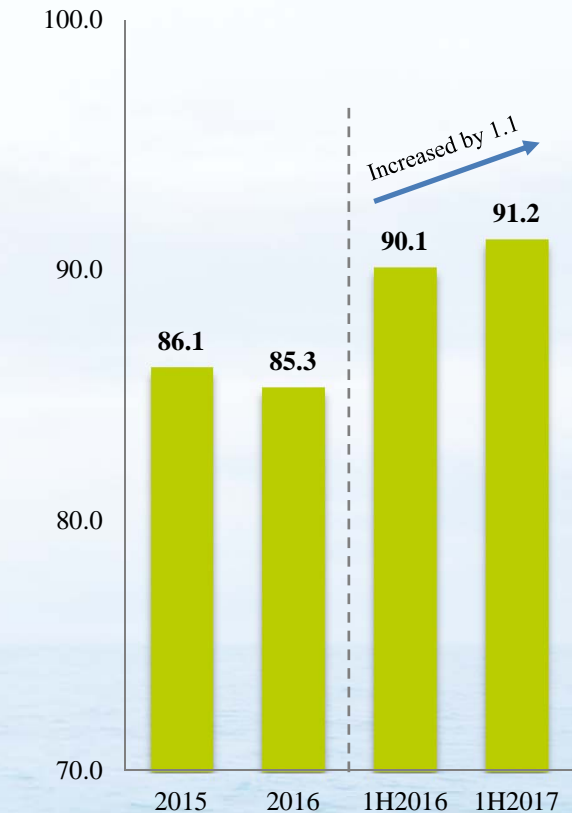
Adjusted EBITDA ²

(RMB MM)



Adjusted EBITDA Margin ²

(%)



Notes:

1 Revenue excludes concession construction revenue

2 Adjusted EBITDA excludes other net income, adds back non-recurring impairments

1H2017 Wind Power Business Results (Cont.)



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Adjusted Operating Profit ¹

(RMB MM)



Adjusted Operating Profit Margin ¹

(%)



Note:

¹ Adjusted operating profit excludes other net income, adds back non-recurring impairments

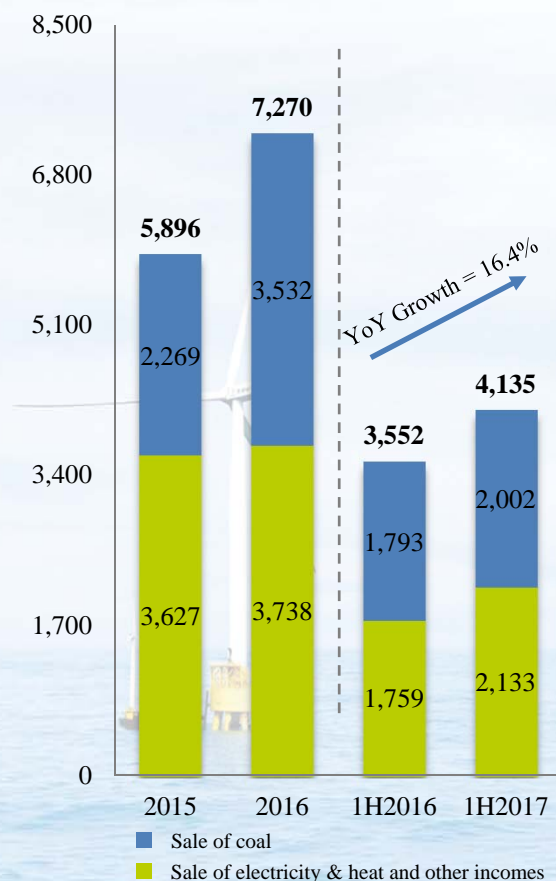
1H2017 Coal Power Business Results



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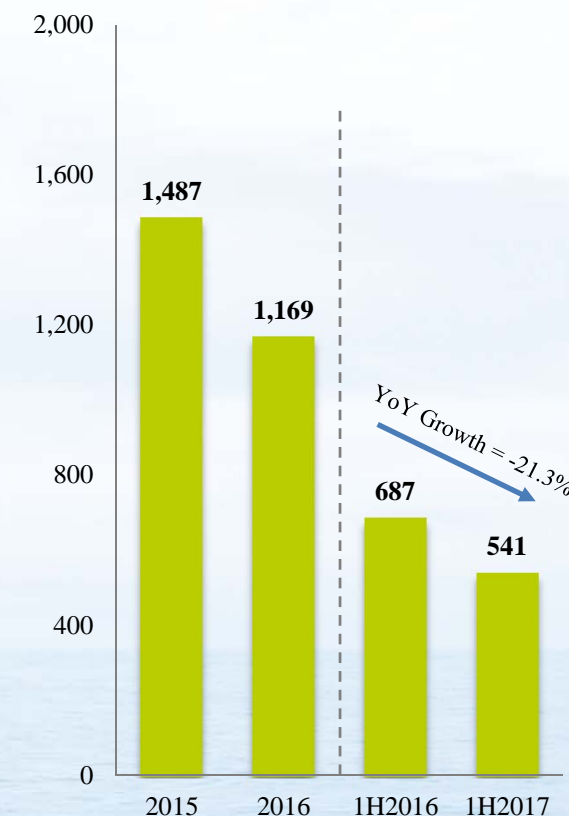
Revenue

(RMB MM)



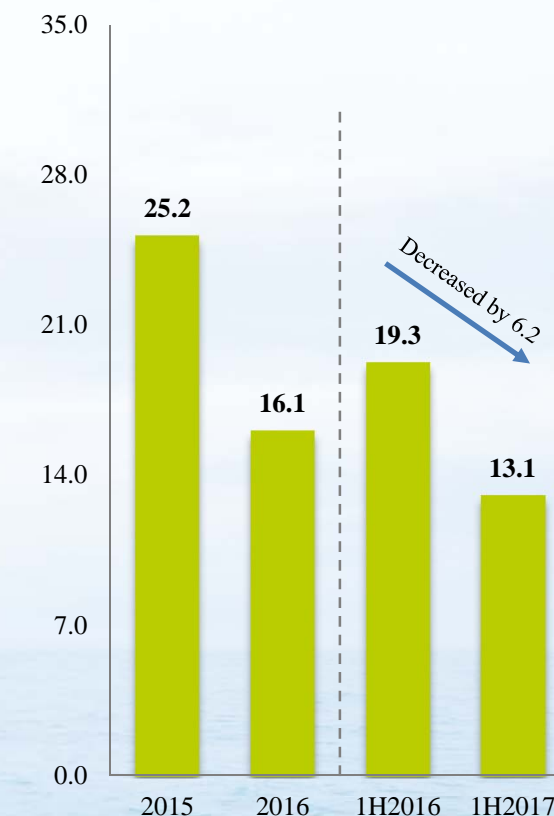
Adjusted EBITDA¹

(RMB MM)



Adjusted EBITDA Margin¹

(%)



Note:

¹ Adjusted EBITDA excludes other net income, adds back non-recurring impairments, includes coal sales

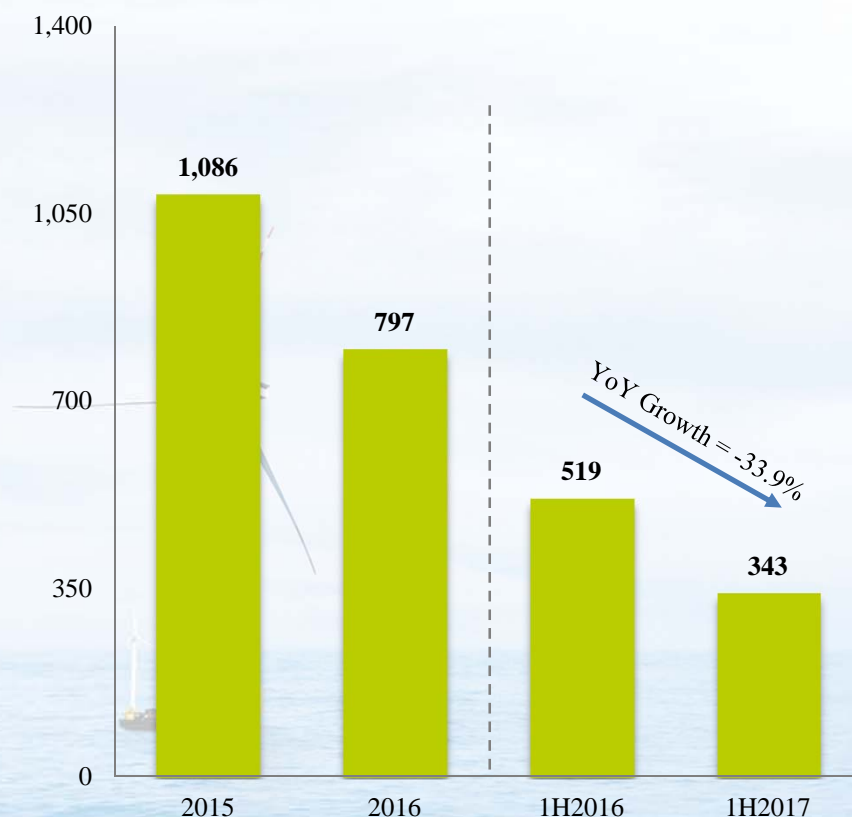
1H2017 Coal Power Business Results (Cont.)



龍源電力集團股份有限公司
China Longyuan Power Group Corporation Limited

Adjusted Operating Profit ¹

(RMB MM)



Adjusted Operating Profit Margin ¹

(%)



Note:

¹ Adjusted operating profit excludes other net income, adds back non-recurring impairments, includes coal sales

Balance Sheet



龍源電力集團股份有限公司
China Longyuan Power Group Corporation Limited

Key Data in Balance Sheet

(RMB MM)

	2017-06-30	2016-12-31	YoY
Bank Deposit and Cash	3,573	1,905	87.6%
Short-term Borrowings	45,412	44,472	2.1%
Long-term Borrowings	34,606	31,327	10.5%
Total Liabilities	96,409	90,874	6.1%
Net Asset	49,682	47,787	4.0%
Total Asset	146,091	138,661	5.4%

Net Gearing ¹

(%)



Note:

¹ Net debt / (net debt + shareholder's equity (incl. minority interests))



龍源電力集團股份有限公司
China Longyuan Power Group Corporation Limited

Section 4 2H2017 Outlook

2H2017 Outlook



龍源電力集團股份有限公司
China Longyuan Power Group Corporation Limited

To strengthen the safety supervision system,
vigorously promote the standardization of safe and civilized production
and further consolidate the safe production basis

To establish a top-level enterprise, strengthen the construction of
failure-free wind farms, strengthen economic analysis and control,
improve quality and efficiency comprehensively, and upgrade existing assets

To optimize business layout, highlight cost-quality effectiveness,
build digitalized, informationized, first-class new wind farms relying on
technological progress

To vigorously promote innovation-driven development,
comprehensively enhance management innovation ability,
further innovate management systems and mechanisms

To strengthen the construction of corporate culture,
drive sustainable development, build a harmonious and happy Longyuan

Thank You