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GOLDWIND

XINJIANG GOLDWIND SCIENCE & TECHNOLOGY CO., LTD.*

新疆金風科技股份有限公司

(a joint stock limited liability company incorporated in the People's Republic of China)

Stock Code : 02208

ANNOUNCEMENT
INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2014

The board of directors (the "**Board**") of Xinjiang Goldwind Science & Technology Co., Ltd. (the "**Company**" or "**Goldwind**") announces the unaudited financial results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2014.

* *For identification purpose only*

XINJIANG GOLDWIND SCIENCE & TECHNOLOGY CO., LTD.
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2014

	Notes	For the six months ended 30 June 2014 (Unaudited) RMB'000	2013 (Unaudited) RMB'000
REVENUE	4	4,444,458	3,227,146
Cost of sales		(3,095,287)	(2,628,026)
Gross profit		1,349,171	599,120
Other income and gains	4	143,882	265,794
Selling and distribution expenses		(429,298)	(265,798)
Administrative expenses		(425,487)	(348,176)
Other expenses		(60,550)	(85,312)
Finance costs	6	(238,865)	(148,708)
Share of profits and losses of:			
Joint ventures		22,749	70,780
Associates		15,236	21,933
PROFIT BEFORE TAX	5	376,838	109,633
Income tax expense	7	(32,192)	(5,828)
PROFIT ROF THE PERIOD		344,646	103,805
Attributable to:			
Owners of the Company		330,692	92,682
Non-controlling interests		13,954	11,123
		344,646	103,805
OTHER COMPREHENSIVE INCOME			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		61,657	(89,921)
Net (loss)/gain on available-for-sale financial assets		(67,625)	143,143
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(5,968)	53,222
Item not to be reclassified to profit or loss in subsequent periods:			
Net (loss)/gain on cash flow hedges		(18,081)	28,882
Net other comprehensive income not being reclassified to profit or loss in subsequent period		(18,081)	28,882
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		(24,049)	82,104
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		320,597	185,909
Attributable to:			
Owners of the Company		306,643	174,786
Non-controlling interests		13,954	11,123
		320,597	185,909
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY:			
Basic and diluted	9	RMB0.12	RMB0.03

XINJIANG GOLDWIND SCIENCE & TECHNOLOGY CO., LTD.
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 June 2014

	Notes	30 June 2014 (Unaudited) RMB'000	31 December 2013 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	10	9,137,520	10,349,292
Investment properties		78,041	79,489
Prepaid land lease payments		145,099	123,861
Goodwill		267,174	311,674
Other intangible assets		349,774	369,226
Investments in joint ventures		573,859	506,529
Investments in associates		354,981	350,624
Available-for-sale investments	11	801,648	865,162
Derivative financial instruments	12	2,503	-
Deferred tax assets	13	762,295	714,170
Trade receivables	15	1,129,597	928,834
Prepayments, deposits and other receivables	16	516,492	211,739
Pledged deposits	17	285,333	266,240
Total non-current assets		14,404,316	15,076,840
CURRENT ASSETS			
Inventories	14	4,780,805	3,002,477
Trade and bills receivables	15	9,870,561	9,804,087
Prepayments, deposits and other receivables	16	2,718,452	2,095,790
Derivative financial instruments	12	-	116,840
Pledged deposits	17	459,224	134,337
Cash and cash equivalents	17	3,583,775	4,320,749
		21,412,817	19,474,280
Assets of a disposal group classified as held for sale	18	2,407,566	793,729
Total current assets		23,820,383	20,268,009
CURRENT LIABILITIES			
Trade and bills payables	19	7,398,674	9,066,852
Other payables and accruals	20	2,455,445	1,555,806
Interest-bearing bank loans and other borrowing	21	6,157,964	570,705
Tax payable		63,348	125,188
Dividends payable		215,567	-
Provision		526,720	627,041
		16,817,718	11,945,592
Liabilities directly associated with the assets classified as held for sale	18	579,596	567,406
Total current liabilities		17,397,314	12,512,998
NET CURRENT ASSETS		6,423,069	7,755,011
TOTAL ASSETS LESS CURRENT LIABILITIES		20,827,385	22,831,851

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	Notes	30 June 2014 (Unaudited) RMB'000	31 December 2013 (Audited) RMB'000
TOTAL ASSETS LESS CURRENT LIABILITIES		20,827,385	22,831,851
NON-CURRENT LIABILITIES			
Trade payables	19	485,472	397,206
Other payables	20	39,803	10,292
Derivative financial instruments	12	-	363
Interest-bearing bank loans	21	5,059,154	7,394,091
Deferred tax liabilities	13	27,388	31,558
Provision		1,106,687	970,889
Government grants		240,086	234,516
Total non-current liabilities		6,958,590	9,038,915
Net assets		13,868,795	13,792,936
EQUITY			
Equity attributable to owners of the Company			
Issued share capital		2,694,588	2,694,588
Reserves		10,742,544	10,457,371
Proposed final dividend	8	-	215,567
		13,437,132	13,367,526
Non-controlling interests		431,663	425,410
Total equity		13,868,795	13,792,936

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Director Wu Gang Director Wang Haibo

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six months ended 30 June 2014

	Attributable to owners of the Company											
	Issued share capital RMB'000	Capital reserve RMB'000	Special reserve RMB'000	Statutory surplus reserve RMB'000	Retained profits RMB'000	Cash flow hedges, reserve RMB'000	Available-for-sale investment revaluation reserve RMB'000	Exchange fluctuation reserve RMB'000	Proposed final dividend RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
As at 1 January 2014	2,694,588	7,992,612	-	586,166	1,845,996	18,081	266,815	(252,299)	215,567	13,367,526	425,410	13,792,936
Profit for the period	-	-	-	-	330,692	-	-	-	-	330,692	13,954	344,646
Other comprehensive income for the period:												
Changes in fair value of available-for-sale investment, net of tax	-	-	-	-	-	-	(67,625)	-	-	(67,625)	-	(67,625)
Cash flow hedges, net of tax	-	-	-	-	-	(18,081)	-	-	-	(18,081)	-	(18,081)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	61,657	-	61,657	-	61,657
Total comprehensive income for the period	-	-	-	-	330,692	(18,081)	(67,625)	61,657	-	306,643	13,954	320,597
Capital contributions from non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	2,380	2,380
Acquisition of non-controlling interests	-	(27,730)	-	-	-	-	-	-	-	(27,730)	(6,245)	(33,975)
Disposal to non-controlling interests	-	-	-	-	-	-	-	-	-	-	3,750	3,750
Final 2013 dividend declared	-	-	-	-	-	-	-	-	(215,567)	(215,567)	-	(215,567)
Dividend declared to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	(7,586)	(7,586)
Transfer to special reserve	-	-	14,942	-	-	-	-	-	-	14,942	-	14,942
Special reserve utilised	-	-	(8,682)	-	-	-	-	-	-	(8,682)	-	(8,682)
At 30 June 2014 (Unaudited)	2,694,588	*7,964,882	*6,260	*586,166	*2,176,688	*-	*199,190	*(190,642)	-	13,437,132	431,663	13,868,795
As at 1 January 2013	2,694,588	7,991,256	-	532,871	1,687,212	-	(2,961)	(148,514)	148,202	12,902,654	382,971	13,285,625
Profit for the period	-	-	-	-	92,682	-	-	-	-	92,682	11,123	103,805
Other comprehensive income for the period:												
Changes in fair value of available-for-sale investment, net of tax	-	-	-	-	-	-	143,143	-	-	143,143	-	143,143
Cash flow hedges, net of tax	-	-	-	-	-	28,882	-	-	-	28,882	-	28,882
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	(89,921)	-	(89,921)	-	(89,921)
Total comprehensive income for the period	-	-	-	-	92,682	28,882	143,143	(89,921)	-	174,786	11,123	185,909
Final 2012 dividend declared	-	-	-	-	-	-	-	-	(148,202)	(148,202)	-	(148,202)
Dividend declared to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	(8,440)	(8,440)
Transfer to special reserve	-	-	8,061	-	-	-	-	-	-	8,061	-	8,061
Special reserve utilised	-	-	(8,061)	-	-	-	-	-	-	(8,061)	-	(8,061)
At 30 June 2013 (Unaudited)	2,694,588	*7,991,256	*-	*532,871	*1,779,894	*28,882	*140,182	* (238,435)	-	12,929,238	385,654	13,314,892

* As at 30 June 2014, these reserve accounts comprised the consolidated reserves of RMB10,742,544,000 (30 June 2013: RMB10,234,650,000) in the interim condensed consolidated statement of financial position.

XINJIANG GOLDWIND SCIENCE & TECHNOLOGY CO., LTD.
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ended 30 June 2014

	Notes	For the six months ended 30 June 2014 (Unaudited) RMB'000	2013 (Unaudited) RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		376,838	109,633
Adjustments for:			
Finance costs	6	238,865	148,708
Bank interest income		(2,953)	-
Share of profits and losses of joint ventures		(22,749)	(70,780)
Share of profits and losses of associates		(15,236)	(21,933)
Depreciation	5	163,605	74,923
Amortisation of prepaid land lease payments	5	1,576	1,242
Amortisation of other intangible assets	5	29,054	25,948
Loss/(gain) on disposals of items of property, plant and equipment and other intangible assets, net		1,830	(245)
Gain on disposal of subsidiaries	4	-	(118,022)
Gain on disposals of joint ventures	4	-	(15,833)
Gain on disposal of available-for-sale investments	4	(19,210)	(45,643)
Dividend income from available-for-sale investments	4	(1,155)	(770)
Gain on other investments		(4,574)	(2,266)
Net fair value loss/(gain) on derivative financial instruments	5	22,585	(1,733)
Impairment of trade and other receivables	5	14,662	64,953
Write-back of inventories to net realisable value	5	-	(1,033)
Government grants		(2,915)	(1,964)
		780,223	145,185
Increase in inventories		(1,775,807)	(835,407)
(Increase)/decrease in trade and bills receivables		(285,172)	272,874
Increase in prepayments, deposits and other receivables		(605,557)	(68,967)
Decrease in trade and bills payables		(1,682,468)	(1,242,835)
Increase in other payables and accruals		896,896	468,787
Increase in provision		35,477	94,068
Increase in government grants		7,740	3,150
Cash generated from operations		(2,628,668)	(1,163,145)
Income tax paid		(84,488)	(57,765)
Net cash flows used in operating activities		(2,713,156)	(1,220,910)

continued/…

	Note	For the six months ended 30 June 2014 (Unaudited) RMB'000	2013 (Unaudited) RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment and additions of other intangible assets		(790,524)	(1,784,584)
Additions of prepaid land lease payments		(22,814)	(13,481)
Acquisitions of subsidiaries, net of cash acquired		-	(13,106)
Acquisitions of non-controlling interests in subsidiaries		(33,970)	-
Purchases of shareholding in joint ventures		(59,730)	-
Purchases of shareholding in associates		-	(2,400)
Purchases of available-for-sale investments		-	(56,072)
Purchase of other long term assets		(35,020)	(51,000)
Disposal of shareholding in joint ventures and other entities		-	79,041
Disposal of interests in subsidiaries to a non-controlling shareholder		1,500	-
Proceeds from disposals of items of property, plant and equipment, prepaid land lease payments and other intangible assets		1,105	12,500
Disposals of subsidiaries, net of cash disposed of		81,446	18,838
Disposals of assets held for sale		40,288	-
Cash and cash equivalents included in assets held for sale		(8,129)	(75,696)
Repayments of loans from joint ventures		-	20
Repayments of loans to joint ventures		-	(316)
Increase in pledged deposits		-	4,110
Increase/(decrease) in non-pledged time deposits with original maturity of three months or more when acquired		40,088	(59,061)
Bank interest income		2,953	-
Dividend received from joint ventures and associates		19,235	7,085
Gain on disposal of available-for-sale investments		19,210	43,564
Gain on other investments		5,205	4,625
Net cash flows used in investing activities		(739,157)	(1,885,933)
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		3,604,544	1,209,265
Repayment of bank loans		(437,140)	(188,692)
Increase/(decrease) in payables to the non-controlling shareholders of subsidiaries		960	(2,254)
Interest paid		(402,406)	(301,458)
Capital contributions from non-controlling shareholders		2,380	-
Dividend paid to non-controlling shareholders		(7,573)	(8,601)
Deposits for borrowings		(9,769)	-
Up-front fees for syndicated loan		-	(36,210)
Net cash flows from financing activities		2,750,996	672,050
NET DECREASE IN CASH AND CASH EQUIVALENTS		(701,317)	(2,434,793)
Cash and cash equivalents at beginning of the period		4,276,301	6,604,328
Effect of foreign exchange rate changes, net		4,431	(40,845)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	17	3,579,415	4,128,690

1. CORPORATE INFORMATION

Xinjiang Goldwind Science & Technology Co., Ltd. (the "Company") was established as a joint stock company with limited liability on 26 March 2001 in the People's Republic of China (the "PRC"). The Company's A shares have been listed on The Shenzhen Stock Exchange from 26 December 2007, and the Company's H shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") from 8 October 2010. The registered office of the Company is located at 107 Shanghai Road, Economic & Technology Development District, Urumqi, Xinjiang, the PRC.

During the period, the Company and its subsidiaries (collectively referred to as the "Group") were involved in the following principal activities:

- Manufacture and sale of wind turbine generators and wind power components
- Development and operation of wind farms, consisting of wind power generation service provided by the Group's wind farms as well as the sale of wind farms, if appropriate
- Provision of wind power related consultancy, wind farm construction, maintenance and transportation services

In the opinion of the directors, the Company has no controlling shareholder.

2. BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months period ended 30 June 2014 have been prepared in accordance with International Accounting Standard ("IASs") 34 *Interim Financial Reporting* and the disclosure requirements of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange ("Listing Rules").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2013.

The interim condensed consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand, except when otherwise indicated.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 Impact of amended International Financial Reporting Standards

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2013, except for the adoption of the new and revised International Financial Reporting Standards ("IFRSs") as of 1 January 2014.

The nature and the impact of each new standard or amendment is described below:

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27*)*

These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under IFRS 10 *Consolidated Financial Statements*. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. These amendments have no impact to the Group, since none of the entities in the Group qualifies to be an investment entity under IFRS 10.

Offsetting Financial Assets and Financial Liabilities – Amendments to IAS 32

These amendments clarify the meaning of "currently has a legally enforceable right to set-off" and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting. These amendments have no impact on the Group.

Novation of Derivatives and Continuation of Hedge Accounting – Amendments to IAS 39

These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. These amendments have no impact to the Group as the Group has not novated its derivatives during the current or prior periods.

Recoverable Amount Disclosures for Non-Financial Assets – Amendments to IAS 36

These amendments remove the unintended consequences of IFRS 13 *Fair Value Measurement* on the disclosures required under IAS 36 *Impairment of Assets*. In addition, these amendments require disclosure of the recoverable amounts for the assets or cash-generating units (CGUs) for which an impairment loss has been recognised or reversed during the period.

IFRIC 21 *Levies*

IFRIC 21 is effective for annual periods beginning on or after 1 January 2014 and is applied retrospectively. It is applicable to all levies imposed by governments under legislation, other than outflows that are within the scope of other standards (e.g., IAS 12 *Income Taxes*) and fines or other penalties for breaches of legislation.

The interpretation clarifies that an entity recognises a liability for a levy no earlier than when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, no liability is recognised before the specified minimum threshold is reached. The interpretation requires these same principles to be applied in interim financial statements.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.3 Issued but not yet effective IFRSs

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in the interim condensed consolidated financial statements.

IFRS 9	*Financial Instruments* [2]
IFRS 11 Amendments	*Accounting for Acquisitions of Interests in Joint Operations* [3]
IFRS 14	*Regulatory Deferral Accounts* [3]
IFRS 15	*Revenue from Contracts with Customers* [4]
IAS 19 Amendments	Amendments to IAS 19 *Employee Benefits – Defined Benefit Plans: Employee Contributions* [1]
Annual Improvements 2010-2012 Cycles	Amendments to a number of IFRSs[1]
Annual Improvements 2011-2013 Cycles	Amendments to a number of IFRSs [1]

[1] Effective for annual periods beginning on or after 1 July 2014
[2] Effective for annual periods beginning on or after 1 January 2018
[3] Effective for annual periods beginning on or after 1 January 2016
[4] Effective for annual periods beginning on or after 1 January 2017

The Group is in the process of making an assessment of the impact of these new and revised IFRSs upon initial application.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

(a) The wind turbine generator manufacturing and sale segment engages in the research and development, manufacture and sale of wind turbine generators and wind power components;

(b) The wind power services segment provides wind power related consultancy, wind farm construction, maintenance and transportation services; and

(c) The wind farm development segment engages in the development of wind farms, which consists of wind power generation service provided by the Group's wind farms as well as the sale of wind farms, if appropriate.

Management monitors the operating results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit before tax.

Intersegment revenues are eliminated on consolidation. Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

3. OPERATING SEGMENT INFORMATION (continued)

The following tables present revenue and profit information about the Group's operating segments for the six months ended 30 June 2014 and 2013, respectively:

For the six months ended 30 June 2014

	Wind turbine generator manufacturing and sale (Unaudited) RMB'000	Wind power services (Unaudited) RMB'000	Wind farm development (Unaudited) RMB'000	Eliminations (Unaudited) RMB'000	Total (Unaudited) RMB'000
Segment revenue:					
Sales to external customers	3,683,028	241,134	520,296	-	4,444,458
Intersegment sales	285,922	50,021	-	(335,943)	-
Total revenue	3,968,950	291,155	520,296	(335,943)	4,444,458
Segment results:	405,964	6,133	267,848	(81,902)	598,043
Interest income	15,340	55	2,265	-	17,660
Finance costs	(114,298)	-	(124,567)	-	(238,865)
Profit before tax	307,006	6,188	145,546	(81,902)	376,838
Other segment information:					
Share of profits and losses of:					
Joint ventures	-	-	22,749	-	22,749
Associates	9,960	(557)	5,833	-	15,236
Depreciation and amortisation	72,185	1,171	132,621	(11,742)	194,235
Impairment of trade and other receivables	78,847	16,390	21,466	-	116,703
Reversal of impairment of trade and other receivables	(96,934)	(5,107)	-	-	(102,041)
Product warranty provision	132,451	-	-	-	132,451
Investments in joint ventures	57,108	-	675,052	(158,301)	573,859
Investments in associates	234,255	6,802	150,239	(36,315)	354,981
Capital expenditure(1)	76,223	2,296	726,729	(107,463)	697,785

3. OPERATING SEGMENT INFORMATION (continued)

For the six months ended 30 June 2013

	Wind turbine generator manufacturing and sale (Unaudited) RMB'000	Wind power services (Unaudited) RMB'000	Wind farm development (Unaudited) RMB'000	Eliminations (Unaudited) RMB'000	Total (Unaudited) RMB'000
Segment revenue:					
Sales to external customers	2,832,525	208,352	186,269	-	3,227,146
Intersegment sales	1,261,914	10,039	-	(1,271,953)	-
Total revenue	4,094,439	218,391	186,269	(1,271,953)	3,227,146
Segment results:	189,945	(11,089)	77,284	(17,922)	238,218
Interest income	47,052	177	3,140	(30,246)	20,123
Finance costs	(109,825)	-	(69,129)	30,246	(148,708)
Profit before tax	127,172	(10,912)	11,295	(17,922)	109,633
Other segment information:					
Share of profits and losses of:					
Joint ventures	-	-	70,780	-	70,780
Associates	14,822	-	7,111	-	21,933
Depreciation and amortisation	65,161	1,396	42,776	(7,220)	102,113
Write-down of inventories to net realisable value	(1,033)	-	-	-	(1,033)
Impairment of trade and other receivables	61,083	17,011	-	-	78,094
Reversal of impairment of trade and other receivables	(13,141)	-	-	-	(13,141)
Product warranty provision	41,269	-	-	(27,423)	13,846
Investments in joint ventures	15,181	-	409,736	56,333	481,250
Investments in associates	250,402	3,200	130,981	(3,864)	380,719
Capital expenditure(1)	84,823	383	1,944,958	(4,049)	2,026,115

(1) Capital expenditure mainly consists of additions to property, plant and equipment, other intangible assets and prepaid land lease payments.

3. OPERATING SEGMENT INFORMATION (continued)

The following table presents segment assets and liabilities of the Group's operating segments as at 30 June 2014 and 31 December 2013:

	Wind turbine generator manufacturing and sale RMB'000	Wind power services RMB'000	Wind farm development RMB'000	Eliminations RMB'000	Total RMB'000
Segment assets					
30 June 2014 (Unaudited)	29,720,716	1,026,577	17,584,522	(10,107,116)	38,224,699
31 December 2013 (Audited)	29,344,232	699,728	16,105,217	(10,804,328)	35,344,849
Segment liabilities					
30 June 2014 (Unaudited)	15,329,145	471,322	13,722,561	(5,167,124)	24,355,904
31 December 2013 (Audited)	14,781,679	380,676	12,372,106	(5,982,548)	21,551,913

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June 2014 (Unaudited) RMB'000	2013 (Unaudited) RMB'000
Mainland China	3,817,463	2,726,939
Overseas	626,995	500,207
	4,444,458	3,227,146

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Mainland China	9,489,088	9,177,394
United States of America	314,686	318,316
Germany	552,714	528,065
Australia	55,742	1,448,871
Others	904,253	702,672
	11,316,483	12,175,318

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about major customers

For the six months ended 30 June 2014, revenue of RMB451,421,000 generated from one of the Group's customers individually accounted for 10% or more of the Group's total revenue (six months ended June 2013: Nil).

4. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, comprises the net invoiced value of goods sold, after allowances for returns and trade discounts; an appropriate proportion of contract revenue of construction contracts; and the values of services rendered.

An analysis of the Group's revenue, other income and gains is as follows:

	For the six months ended 30 June	
	2014 (Unaudited) RMB'000	2013 (Unaudited) RMB'000
Revenue		
Sale of wind turbine generators and wind power components	3,683,028	2,832,525
Wind power services	241,134	208,352
Wind power generation	520,296	186,269
	4,444,458	3,227,146
Other income		
Bank interest income	17,660	20,123
Dividend income from an available-for-sale investment	1,155	770
Gross rental income	2,282	1,790
Government grants	46,858	21,454
Value-added tax refund	5,189	1,617
Insurance compensation on product warranty expenditures	18,229	22,166
Others	11,963	6,731
	103,336	74,651
Gains		
Gain on disposals of subsidiaries, including wind farm project companies	-	118,022
Gain on disposals of investments in joint ventures	-	15,833
Gain on disposals of available-for-sale investments	19,210	45,643
Gain on disposals of items of property, plant and equipment	57	355
Net fair value gain on derivative financial instruments – transactions not qualifying as hedges	-	1,733
Gains on foreign exchange difference	15,977	-
Others	5,302	9,557
	40,546	191,143
	143,882	265,794

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	For the six months ended 30 June 2014 (Unaudited) RMB'000	2013 (Unaudited) RMB'000
Cost of inventories sold		2,851,145	2,375,061
Depreciation provided for:			
Property, plant and equipment	10	162,157	73,475
Investment properties		1,448	1,448
		163,605	74,923
Amortisation of prepaid land lease payments		1,576	1,242
Amortisation of other intangible assets		29,054	25,948
		30,630	27,190
Impairment of trade and bills receivables	15	95,236	78,094
Reversal of impairment of trade and bills receivables	15	(102,041)	(13,137)
Impairment of prepayments, deposits and other receivables	16	21,467	-
Reversal of impairment of prepayments, deposits and other receivables	16	-	(4)
		14,662	64,953
Write-back of inventories to net realisable value		-	(1,033)
Loss on disposals of items of property, plant and equipment		1,887	110
Minimum lease payments under operating leases of land and buildings		6,483	8,731
Auditors' remuneration		1,545	1,887
Employee benefit expenses (including directors', supervisors' and the chief executive's remuneration):			
Wages and salaries		275,690	233,473
Pension scheme contributions (defined contribution scheme)		32,093	17,233
Welfare and other expenses		61,831	45,806
		369,614	296,512

5. PROFIT BEFORE TAX (continued)

	For the six months ended 30 June	
	2014 (Unaudited) RMB'000	2013 (Unaudited) RMB'000
Research and development costs:		
Staff costs	73,527	61,910
Amortisation and depreciation	10,605	16,234
Materials expenditure and others	58,664	14,440
	142,796	92,584
Government grants	(46,858)	(21,454)
Product warranty provision:		
Additional provision	132,451	83,338
Reversal of unutilised provision	-	(69,492)
	132,451	13,846
Insurance compensation on product warranty expenditures	(18,229)	(22,166)
Foreign exchange differences, net	(15,977)	4,583
Net fair value loss/(gain) on derivate financial instruments		
- transactions not qualifying as hedges	22,585	(1,733)
Bank interest income	(17,660)	(20,123)
Gain on disposals of subsidiaries, including wind farm project companies	-	(118,022)
Gain on disposals of available-for-sale investments	(19,210)	(45,643)
Gain on disposals of investments in joint ventures	-	(15,833)
Gain on disposals of items of property, plant and equipment	(57)	(355)

6. FINANCE COSTS

	For the six months ended 30 June	
	2014 (Unaudited) RMB'000	2013 (Unaudited) RMB'000
Interest on bank loans and other borrowing wholly repayable:		
Within five years	229,510	176,657
Above five years	87,270	41,912
	316,780	218,569
Less: Interest capitalised	(77,915)	(69,861)
	238,865	148,708

7. INCOME TAX EXPENSE

The Company has been identified as a "high and new technology enterprise" and was entitled to a preferential income tax at a rate of 15% for the three years ended 31 December 2014 in accordance with the PRC Corporate Income Tax Law.

The Company's certain subsidiaries in Mainland China, were exempted from income tax or taxed at a preferential rate of 15% primarily due to their status as entities engaging in technology development or their involvement in important public infrastructure investment projects that were supported by the government or development projects in the western region of the PRC.

Except for certain preferential treatment available to certain subsidiaries of the Company and the Company as mentioned above, the entities within the Group in Mainland China were subject to corporate income tax at a rate of 25%.

Profits tax for Hong Kong has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the period.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	For the six months ended 30 June	
	2014 (Unaudited) RMB'000	2013 (Unaudited) RMB'000
Current		
- Hong Kong	11,751	4,843
- Mainland China	59,006	42,521
- Elsewhere	13,730	10,401
	84,487	57,765
Deferred (note 13)	(52,295)	(51,937)
Tax charge for the period	32,192	5,828

7. INCOME TAX EXPENSE (continued)

A reconciliation of the income tax expense applicable to profit before tax at the statutory income tax rate applicable to the Company to the income tax expense at the Group's effective income tax rate is as follows:

	For the six months ended 30 June	
	2014 (Unaudited) RMB'000	2013 (Unaudited) RMB'000
Profit before tax	376,838	109,633
Income tax charge at the statutory income tax rate of 25%	94,209	27,408
Effect of different income tax rates for overseas entities	(1,518)	(1,849)
Effect of different income tax rates for domestic entities	(64,797)	(31,138)
Tax losses not recognised	23,672	5,019
Expenses not deductible for tax purposes	2,850	4,036
Profits and losses attributable to joint ventures	(5,687)	(17,695)
Profits and losses attributable to associates	(3,809)	(5,483)
Others	(12,728)	25,530
Tax charge for the period at the effective rate	32,192	5,828

8. DIVIDENDS

The proposed final dividend for the year ended 31 December 2013 was approved by the Company's shareholders on 20 May 2014 of RMB0.08 per share which amounted to RMB215,567,000.

The board of directors of the Company does not recommend the payment of any interim dividend for the six months ended 30 June 2014 (six months ended 30 June 2013: Nil).

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amounts for the period is based on the profit for the six months ended 30 June 2014 attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 2,694,588,000 (six months ended 30 June 2013: 2,694,588,000) in issue during the period.

	For the six months ended 30 June	
	2014	2013
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Earnings		
Profit for the period attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation	330,692	92,682

	Number of shares For the six months ended 30 June	
	2014	2013
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	2,694,588,000	2,694,588,000

The Company did not have any dilutive potential ordinary shares during the period.

10. PROPERTY, PLANT AND EQUIPMENT

	Six months ended 30 June 2014					
	Buildings (Unaudited) RMB'000	Machinery (Unaudited) RMB'000	Vehicles (Unaudited) RMB'000	Electronic equipment and others (Unaudited) RMB'000	Construction in progress (Unaudited) RMB'000	Total (Unaudited) RMB'000
Cost:						
At 1 January 2014	844,228	2,512,245	69,284	241,251	7,132,270	10,799,278
Additions	1,816	58,244	3,545	15,077	409,844	488,526
Disposals	-	(5,960)	(614)	(2,709)	-	(9,283)
Transfers	7,045	4,091,465	-	6,239	(4,104,749)	-
Transferred to assets of a disposal group classified as held for sale	-	-	-	(1,022)	(1,551,202)	(1,552,224)
Exchange realignment	(227)	7,390	81	88	8,789	16,121
At 30 June 2014	852,862	6,663,384	72,296	258,924	1,894,952	9,742,418
Accumulated depreciation and impairment:						
At 1 January 2014	(75,588)	(242,433)	(20,115)	(111,850)	-	(449,986)
Depreciation charge for the period (note 5)	(10,870)	(133,796)	(4,492)	(12,999)	-	(162,157)
Disposals	-	3,649	413	1,699	-	5,761
Transferred to assets of a disposal group classified as held for sale	-	-	-	903	-	903
Exchange realignment	35	441	100	5	-	581
At 30 June 2014	(86,423)	(372,139)	(24,094)	(122,242)	-	(604,898)
Net carrying amount:						
At 30 June 2014	766,439	6,291,245	48,202	136,682	1,894,952	9,137,520
At 1 January 2014	768,640	2,269,812	49,169	129,401	7,132,270	10,349,292

10. PROPERTY, PLANT AND EQUIPMENT (continued)

	Year ended 31 December 2013					
	Buildings RMB'000	Machinery RMB'000	Vehicles RMB'000	Electronic equipment and others RMB'000	Construction in progress RMB'000	Total RMB'000
Cost:						
At 1 January 2013	807,308	1,593,933	58,028	182,643	3,039,028	5,680,940
Additions	15,353	45,992	15,926	55,722	5,810,592	5,943,585
Disposals	-	(3,673)	(3,233)	(815)	-	(7,721)
Disposals of subsidiaries	-	-	-	-	(1,511)	(1,511)
Transfers	20,499	1,514,326	85	4,462	(1,539,372)	-
Transferred to assets of a disposal group classified as held for sale (note 18)	-	(624,702)	(1,265)	(729)	-	(626,696)
Exchange realignment	1,068	(13,631)	(257)	(32)	(176,467)	(189,319)
At 31 December 2013	844,228	2,512,245	69,284	241,251	7,132,270	10,799,278
Accumulated depreciation and impairment:						
At 1 January 2013	(52,573)	(167,451)	(13,698)	(80,797)	-	(314,519)
Depreciation charge for the year	(22,905)	(110,584)	(8,225)	(31,840)	-	(173,554)
Disposals	-	4,073	1,397	467	-	5,937
Transferred to assets of a disposal group classified as held for sale (note 18)	-	31,380	377	220	-	31,977
Exchange realignment	(110)	149	34	100	-	173
At 31 December 2013	(75,588)	(242,433)	(20,115)	(111,850)	-	(449,986)
Net carrying amount:						
At 31 December 2013	768,640	2,269,812	49,169	129,401	7,132,270	10,349,292
At 1 January 2013	754,735	1,426,482	44,330	101,846	3,039,028	5,366,421

11. AVAILABLE-FOR-SALE INVESTMENTS

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Listed equity investment, at fair value:		
- Hong Kong	384,840	448,354
Unlisted equity investments, at cost	416,808	416,808
	801,648	865,162

12. DERIVATIVE FINANCIAL INSTRUMENTS

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Assets		
Interest rate swap	2,503	-
Forward currency contract (i)	-	18,444
Forward contract (ii)	-	98,396
	2,503	116,840
Portion classified as non-current assets	(2,503)	-
Current portion	-	116,840
Liabilities		
Non-current liabilities:		
Interest rate swap (i)	-	363

The carrying amounts of the derivative financial instruments are the same as their fair values.

12. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

(i) The foreign currency forward contract is designated as a hedging instrument in respect of future bank loans of a wind farm settled in Australian dollars to which the Group has firm commitments. The foreign currency forward contract balances vary with the levels of the expected foreign bank loans and changes in foreign exchange forward rates.

The interest rate swap contract is designated as a hedging instrument in respect of future interest on bank loans at BBSY interest rates to which the Group has firm commitments. The interest rate swap contract balances vary with the levels of expected interest for the bank loans and changes in the BBSY interest rates.

The terms of the foreign currency forward contract and the interest rate swap contract match the terms of the commitments. The cash flow hedge relating to the expected future bank loans and expected future interest for the bank loans were assessed to be highly effective.

The foreign currency forward contract and the interest rate swap were classified as held for sale in the interim condensed consolidated statement of financial position as at 30 June 2014. Details are included in note 18.

(ii) In 2012, Beijing Tianrun New Energy Investment Co., Ltd.("Beijing Tianrun"), a subsidiary of the Company, entered into an agreement with Ping An Trust and Investment Company Limited to dispose of its 49% shareholding in Shuozhou Pinglu Tianhui Wind Power Co., Ltd.("Pinglu Tianhui"). According to the agreement, in addition to the fixed selling price, Beijing Tianrun shall receive a variable price, which is determined based on a measurement index of wind volume at the area surrounding Pinglu Tianhui. As at 30 June 2014, the forward contract was settled with the amount of RMB102,970,000 according to the index of wind volume. The gain of RMB4,574,000 was recognised in profit.

13. DEFERRED TAX

The movements in deferred tax assets and liabilities are as follows:

Six months ended 30 June 2014

Deferred tax assets

	Provision for impairment of assets (Unaudited) RMB'000	Tax losses (Unaudited) RMB'000	Provisions and accruals (Unaudited) RMB'000	Government grants received not yet recognised as income (Unaudited) RMB'000	Unrealised gains arising from intra-group sales (Unaudited) RMB'000	Others (Unaudited) RMB'000	Total (Unaudited) RMB'000
At 1 January 2014	96,544	46,326	308,684	4,194	247,815	10,607	714,170
Deferred tax credited/(charged) to profit or loss (note 7)	96	27,387	(20,084)	191	42,097	(1,562)	48,125
Deferred tax assets at 30 June 2014	96,640	73,713	288,600	4,385	289,912	9,045	762,295

Deferred tax liabilities

	Excess of fair values of identifiable assets and liabilities over carrying values in the acquisition of a subsidiary (Unaudited) RMB'000	Others (Unaudited) RMB'000	Total (Unaudited) RMB'000
At 1 January 2014	31,558	-	31,558
Deferred tax (credited)/charged to profit or loss (note 7)	(5,018)	848	(4,170)
Deferred tax liabilities at 30 June 2014	26,540	848	27,388

13. DEFERRED TAX (continued)

Year ended 31 December 2013

Deferred tax assets

	Provision for impairment of assets RMB'000	Tax losses RMB'000	Provisions and accruals RMB'000	Government grants received not yet recognised as income RMB'000	Unrealised gains arising from intra- group sales RMB'000	Others RMB'000	Total RMB'000
At 1 January 2013	76,947	5,550	261,660	948	166,306	4,954	516,365
Deferred tax credited to profit or loss	19,597	40,776	47,024	3,246	81,509	5,653	197,805
Deferred tax assets at 31 December 2013	96,544	46,326	308,684	4,194	247,815	10,607	714,170

Deferred tax liabilities

	Excess of fair values of identifiable assets and liabilities over carrying values in the acquisition of a subsidiary RMB'000
At 1 January 2013	38,801
Defered tax credited to profit or loss	(7,556)
Exchange differences	313
Deferred tax liabilities at 31 December 2013	31,558

14. INVENTORIES

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Raw materials	2,322,809	1,766,523
Work in progress	1,661,128	767,616
Finished and semi-finished goods	779,488	445,785
Low-value consumables and others	17,380	22,553
	4,780,805	3,002,477

15. TRADE AND BILLS RECEIVABLES

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Trade receivables	10,105,824	10,074,916
Bills receivable	1,394,392	1,164,621
Provision for impairment	(500,058)	(506,616)
	11,000,158	10,732,921
Portion classified as non-current assets	(1,129,597)	(928,834)
Current portion	9,870,561	9,804,087

The Group normally allows a credit period of not more than three months to its customers. For retention money receivables, the due dates usually range from one to three years after the completion of commissioning for wind turbines. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade and bills receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade and bills receivables are non-interest-bearing.

An aged analysis of the trade and bills receivables, based on the invoice date and net of provisions, is as follows:

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Within 3 months	3,366,359	4,531,027
3 to 6 months	944,558	1,248,321
6 months to 1 year	3,301,178	1,053,429
1 to 2 years	1,827,138	1,987,176
2 to 3 years	847,556	1,081,378
Over 3 years	713,369	831,590
	11,000,158	10,732,921

The movements in the provision for impairment of trade and bills receivables are as follows:

	For the six months ended 30 June 2014 (Unaudited) RMB'000	2013 (Audited) RMB'000
At beginning of the period/year	506,616	436,939
Impairment losses recognised (note 5)	95,236	145,614
Impairment losses reversed (note 5)	(102,041)	(75,702)
Amounts written off as uncollectible	-	(154)
Exchange realignment	247	(81)
At end of the period/year	500,058	506,616

15. TRADE AND BILLS RECEIVABLES (continued)

Included in the above provision for impairment of trade receivables is a provision for individually impaired trade receivables of RMB197,638,000 (31 December 2013: RMB159,505,000) with a carrying amount before provision of RMB565,580,000 (31 December 2013: RMB851,440,000).

The individually impaired trade receivables relate to customers that were default in principal payments and only a portion of the receivables is expected to be recovered.

An aged analysis of the trade receivables that are not considered to be impaired is as follows:

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Neither past due nor impaired	5,167,923	4,891,444
Less than 3 months past due	1,630,453	1,271,030
3 to 6 months past due	385,042	1,082,892
	7,183,418	7,245,366

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

The amounts due from Xinjiang Wind Power Company Limited ("Xinjiang Wind Power") (新疆风能有限责任公司), the largest shareholder, who holds a 13.95% interest in the Company, joint ventures and associates included in the trade and bills receivables are as follows:

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
A shareholder holding a 13.95% interest in the Company	19,627	28,782
Joint ventures	56,869	113,454
Associates	78,082	132,982
	154,578	275,218

The above amounts are unsecured, non-interest-bearing and repayable on similar credit terms to those offered to independent customers of the Group.

16. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Advance to suppliers	1,012,080	605,140
Prepayments	446,516	119,077
Deposits and other receivables	1,817,464	1,602,962
Provision for impairment	(41,116)	(19,650)
	3,234,944	2,307,529
Portion classified as non-current assets	(516,492)	(211,739)
Current portion	2,718,452	2,095,790

Movements in the provision for impairment of prepayments, deposits and other receivables are as follows:

	For the six months ended 30 June 2014 (Unaudited) RMB'000	2013 (Audited) RMB'000
At beginning of the period/year	19,650	3,643
Impairment losses recognised (note 5)	21,467	16,055
Impairment losses reversed (note 5)	-	(4)
Amounts written off as uncollectible	-	(46)
Exchange realignment	(1)	2
At end of the period/year	41,116	19,650

The amounts due from the Group's joint ventures and associates included in the prepayments, deposits and other receivables are as follows:

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Joint ventures	12,275	6,512
Associates	236,094	61,649
	248,369	68,161

The above amounts are unsecured, non-interest-bearing and repayable on similar credit terms to those offered to independent third parties.

17. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Cash and bank balances	3,657,527	3,727,880
Time deposits	670,805	993,446
	4,328,332	4,721,326
Less: Pledged time deposits for		
- Bank loans	(13,112)	(14,144)
- Uncompleted transaction	(6,197)	(87,525)
- Letters of credit	(31,752)	(31,463)
- Guarantee issued	(408,163)	(1,205)
- Provision of risk (i)	(285,333)	(266,240)
	(744,557)	(400,577)
Cash and cash equivalents in the consolidated statement of financial position	3,583,775	4,320,749
Less: Non-pledged time deposits with original maturity of three months or more when acquired	(4,360)	(44,448)
Cash and cash equivalents in the consolidated statement of cash flows	3,579,415	4,276,301
Pledged deposits	744,557	400,577
Portion classified as non-current assets	(285,333)	(266,240)
Current portion	459,224	134,337
Cash and cash equivalents and pledged deposits denominated in:		
- RMB	3,693,108	3,777,965
- Other currencies	635,224	943,362
	4,328,332	4,721,327

(i) Details of pledged time deposits for provision of risk are included in note 22.

18. ASSETS AND LIABILITIES OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 24 April 2014, one of the subsidiaries of the Company, Beijing Tianrun, entered into a disposal agreement with an independent third party, Zhejiang Zhengtai New Energy Development Co., Ltd. (浙江正泰新能源開發有限公司), to dispose of its 100% equity interest in Guazhou Guangyuan Photovoltaic Power Co., Ltd. ("Guazhou Guangyuan") (瓜州縣光源光伏發電有限公司) and Dunhuang Tianrun New Energy Co., Ltd. ("Dunhuang Tianrun") (敦煌市天潤新能源有限公司). The assets and liabilities of Guazhou Guangyuan and Dunhuang Tianrun were classified as held for sale in the interim condensed consolidated statement of financial position as at 30 June 2014.

As at 30 June 2014, one of the subsidiaries of the Company, Goldwind International Holdings (HK) Limited is planned to dispose of certain of assets and liabilities of Gullen Range Wind Farm Pty Ltd ("GRWF") to an associate, New Gullen Range Wind Farm (Holding) Pty Ltd. Such assets and liabilities of GRWF were classified as held for sale in the interim condensed consolidated statement of financial position as at 30 June 2014. The transaction was completed on 10 July 2014

On 26 June 2013, one of the subsidiaries of the Company, Beijing Tianrun, entered into a disposal agreement with an independent third party, Chifeng Jinneng New Energy Investment Co., Ltd. (赤峰市金能新能源有限責任公司), to dispose of its 90% equity interest in Chifeng Tianrun Xinneng New Energy Investment Co., Ltd. ("Chifeng Xinneng") (赤峰市天潤鑫能新能源有限公司). In addition, on 26 June 2013, Beijing Tianrun entered into a disposal agreement with two independent persons, Yanjun Li (李延軍) and Shuyan Zhao (趙書彥), to dispose of its 51% equity interest in Jilin Tongli. The assets and liabilities of Chifeng Xinneng and the Group's investment in Jinlin Tongli were classified as held for sale in the interim condensed consolidated statement of financial position as at 30 June 2014 and the consolidated statement of financial position as at 31 December 2013.

18. ASSETS AND LIABILITIES OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

The investment in Jinlin Tongli, the assets and liabilities of Chifeng Xinneng, Guazhou Guangyuan, Dunhuang Tianrun and GRWF classified as held for sale as at 30 June 2014 and 31 December 2013, respectively, are as follows:

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Assets		
Property, plant and equipment	2,130,762	594,719
Goodwill	44,399	-
Other intangible assets	19	19
Investment in a joint venture	45,871	45,871
Inventories	7,826	52
Trade receivables	87,065	62,572
Prepayments, deposits and other receivables	53,371	60,372
Cash and cash equivalents	38,253	30,124
Assets of a disposal group classified as held for sale	2,407,566	793,729
Liabilities		
Trade payables	(3,599)	-
Other payables and accruals	(5,235)	(4,166)
Derivative financial instruments	(19,252)	-
Interest-bearing bank loans	(551,510)	(563,240)
Liabilities directly associated with the assets classified as held for sale	(579,596)	(567,406)
Net assets directly associated with the disposal group	1,827,970	226,323

19. TRADE AND BILLS PAYABLES

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Trade payables	5,811,512	4,975,287
Bills payable	2,072,634	4,488,771
	7,884,146	9,464,058
Portion classified as non-current liabilities	(485,472)	(397,206)
Current portion	7,398,674	9,066,852

Trade and bills payables are non-interest-bearing and are normally settled between 60 and 180 days. For the retention money payables in respect of warranties granted by the suppliers, the due dates usually range from one to three years after the completion of the preliminary acceptance of goods.

An aged analysis of the trade and bills payables, based on the invoice date, as at the reporting date is as follows:

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Within 3 months	3,402,563	3,551,580
3 to 6 months	1,974,669	3,294,350
6 months to 1 year	1,473,659	1,257,958
1 to 2 years	434,583	770,564
2 to 3 years	247,102	377,820
Over 3 years	351,570	211,786
	7,884,146	9,464,058

The amounts due to the Group's associates included in the trade and bills payables are as follows:

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Associates	1,071,222	1,425,103

The above amounts are repayable on similar credit terms to those offered by the Group's related parties to their major customers.

20. OTHER PAYABLES AND ACCRUALS

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Advances from customers	1,994,232	810,548
Accrued salaries, wages and benefits	93,400	156,828
Other taxes payable	27,273	154,502
Others	380,343	444,220
	2,495,248	1,566,098
Portion classified as non-current liabilities	(39,803)	(10,292)
Current portion	2,455,445	1,555,806

The amounts due to the Group's joint ventures and associates included in other payables and accruals are as follows:

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Joint ventures	1,740	718
Associates	747	836
	2,487	1,554

Other payables are non-interest-bearing and have no fixed terms of repayment.

21. INTEREST-BEARING BANK LOANS AND OTHER BORROWING

	As at 30 June 2014			As at 31 December 2013		
	Effective Interest rate (%)	Maturity	(Unaudited) RMB'000	Effective Interest rate (%)	Maturity	(Audited) RMB'000
Current						
Short-term bank loans:						
- Unsecured	4.40-6.00	2014-2015	1,212,525	2.94-4.32	2014	272,915
- Secured	3.25-6.88	2014-2015	579,636	2.11	2014	88,405
Current portion of long-term bank loans:						
- Unsecured	six-month LIBOR+3.5	2014-2015	3,692	six-month LIBOR+3.5	2014	3,658
- Secured	3.25-6.55	2014-2015	1,368,431	3.25-8.33	2014	205,727
Corporate bond (i):						
- Unsecured	6.63	2015	2,993,680	-	-	-
			6,157,964			570,705
Non-current						
Long-term bank loans:						
- Unsecured	six-month LIBOR+3.5	2015-2021	23,996	six-month LIBOR+3.5	2015-2021	25,607
- Secured	2.85-8.33	2015-2031	5,035,158	2.85-8.33	2015-2026	4,379,544
Corporate bond (i):						
- Unsecured	-	-	-	6.63	2015	2,988,940
			5,059,154			7,394,091
			11,217,118			7,964,796
Interest-bearing bank loans and other borrowing denominated in:						
- RMB			9,677,905			6,445,488
- Euro			30,508			53,755
- United States dollar			463,921			387,263
- Australian dollar			1,044,784			1,078,290
			11,217,118			7,964,796

(i) In February 2012, the Company issued a domestic corporate bond in an aggregate principal amount of RMB3 billion, which is repayable in February 2015 and its applicable interest rate is 6.63% per annum. The domestic corporate bond has been issued in the denomination of RMB100 each. The issue price for each of domestic corporate bond is RMB100. Subsequent to completion of the issue of the corporate bond, on 16 March 2012, the corporate bond was listed on the Shenzhen Stock Exchange.

21. INTEREST-BEARING BANK LOANS AND OTHER BORROWING (continued)

The maturity profile of the interest-bearing bank loans and other borrowing as at 30 June 2014 and 31 December 2013 are as follows:

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Analysed into:		
Bank loans repayable		
Within one year	3,164,284	570,705
In the second year	342,303	344,497
In the third to fifth years, inclusive	1,364,923	1,790,121
Above five years	3,351,928	2,270,533
	8,223,438	4,975,856
Corporate bond repayable		
Within one year	2,993,680	-
In the second year	-	2,988,940
	2,993,680	2,988,940
	11,217,118	7,964,796

22. CONTINGENT LIABILITIES

At 30 June 2014, contingent liabilities not provided for in the interim condensed consolidated financial statements were as follows:

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Letters of credit issued	172,826	412,000
Letters of guarantee issued	6,781,020	5,224,620
Guarantees given to a bank in connection with a bank loan granted to:		
A joint venture	200,000	212,000
A third party	390,786	384,045
Compensation arrangement in connection with the bank loans of the Group's customers (i)	1,084,718	1,305,440
	8,629,350	7,538,105

The directors are of the view that the fair value of the guarantees is not significant and therefore no provision for financial guarantees was made.

(i): Pursuant to the agreement entered into between the Company with a bank ("Bank"), a risk compensation arrangement in connection with the loans of the Group's overseas customers, i.e., the wind farm project companies, was made as follows: (1) the Company deposited with the Bank provisions in cash as a risk compensation fund at 10% of loan borrowings provided by the Bank to the wind farm project companies. If the wind farm project companies fail to make due payments to the Bank, the Bank is entitled to deduct the amounts from the provisions made by the Company at the designated account. If the wind farm project companies subsequently repaid the amounts due, the Bank will transfers the amounts to the Company's risk compensation fund account; (2) If the wind farm project companies fail to make due payments to the Bank in two consecutive interest periods, the Company shall repay all the outstanding borrowings to the Bank on behalf of the wind farm project companies, then the Bank will transfer its receivables due from the wind farm project companies to the Company.

Up to 30 June 2014, three overseas wind farm project companies were involved into the risk compensation arrangement mentioned above. As at 30 June 2014, the bank loan balance of these companies amounted to RMB1,084,718,000.

The bank loans of these overseas wind farm project companies were secured by mortgages over their property, plant and equipment and by the pledge of the electricity charge rights, and/or its shareholder's equity interests in them.

23. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties and certain equipment under operating lease arrangements, with leases negotiated for terms ranging from one to five years. At 30 June 2014 and 31 December 2013, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Within one year	644	5,451
In the second year to fifth years, inclusive	-	975
	644	6,426

(b) As lessee

At 30 June 2014 and 31 December 2013, the Group had the following total future minimum lease payments under non-cancellable operating leases in respect of land and buildings:

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Within one year	1,997	1,396
In the second to fifth years, inclusive	1,859	1,434
Beyond five years	1,314	4,100
	5,170	6,930

24. COMMITMENTS

In addition to the operating lease commitments detailed in note 23(b) above, the Group had the following capital commitments as at 30 June 2014 and 31 December 2013:

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Contracted, but not provided for	829,482	866,453
Authorised, but not contracted for	544,101	344,797
	1,373,583	1,211,250

25. RELATED PARTY TRANSACTIONS

(a) The Group had the following significant transactions with related parties during the period:

	For the six months ended 30 June	
	2014 (Unaudited) RMB'000	2013 (Unaudited) RMB'000
Continuing transactions		
A shareholder holding a 13.95% interest in the Company:		
Sales of spare parts	79	684
Associates:		
Sales of wind turbine generators and spare parts	2,143	125,830
Purchases of spare parts	755,531	692,605
Purchases of processing services	6,818	21,640
Provision of technical services	20	-
Joint ventures:		
Sales of wind turbine generators	5,567	30,449
Provision of technical services	8,963	693

25. RELATED PARTY TRANSACTIONS (continued)

(a) The Group had the following significant transactions with related parties during the period (continued):

Non-continuing transaction:

The bank loan of one of the Group's joint ventures, Damao Qi Tianrun Wind Power Co., Ltd., (達茂旗天潤風電有限公司) amounting to RMB200,000,000 as at 30 June 2014 (31 December 2013: RMB212,000,000) was guaranteed by Beijing Tianrun, one of the Company's subsidiaries.

In the opinion of the directors, the transactions between the Group and the related parties were based on prices mutually agreed between the parties.

In the opinion of the directors, the above related party transactions were conducted in the ordinary course of business.

(b) Commitments with related parties

The amount of total transactions with related parties for the period is included in note 25(a) to the interim condensed consolidated financial statements. The Group expects total transactions with related parties are as follows:

	The second half of 2014 (Unaudited) RMB'000	2015 (Unaudited) RMB'000
Continuing transactions		
Associates:		
Sales of wind turbine generators and spare parts	3,419	-
Purchases of spare parts	1,569,624	50,335
Joint ventures:		
Sales of wind turbine generators and spare parts	77	-
Provision of technical services	7,000	-

(c) Outstanding balances with related parties

Details of the outstanding balances with related parties are set out in notes 15, 16, 19 and 20 to these interim condensed consolidated financial statements.

(d) Compensation of key management personnel of the Group

	For the six months ended 30 June	
	2014 (Unaudited) RMB'000	2013 (Unaudited) RMB'000
Short term employee benefits	6,585	5,973
Pension scheme contributions	209	192
	6,794	6,165

The related party transactions with the shareholder holding a 13.95% interest in the Company above also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

26. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Financial assets		
Financial assets at fair value through profit or loss:		
Designated as such upon initial recognition:		
Derivative financial instruments	2,503	98,396
Loans and receivables:		
Trade and bills receivables	11,000,158	10,732,921
Financial assets included in prepayments, deposits and other receivables	728,006	663,454
Pledged deposits	744,557	400,577
Cash and cash equivalents	3,583,775	4,320,749
	16,056,496	16,117,701
Available-for-sale financial assets:		
Available-for-sale investments	801,648	865,162
Derivatives designated as hedging instruments		
Derivative financial instruments	-	18,444
	16,860,647	17,099,703
Financial liabilities		
Derivatives designated as hedging instruments:		
Derivative financial instruments	-	363
Financial liabilities at amortised cost:		
Trade and bills payables	7,884,146	9,464,058
Financial liabilities included in other payables and accruals	380,343	444,220
Interest-bearing bank loans and other borrowing	11,217,118	7,964,796
Dividends payable	215,567	-
	19,697,174	17,873,074
	19,697,174	17,873,437

27. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Fair values

The carrying amounts and fair values of the financial instruments, other than these with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000	As at 30 June 2014 (Unaudited) RMB'000	As at 31 December 2013 (Audited) RMB'000
Financial assets				
Pledged deposits	285,333	266,240	285,333	266,240
Available-for-sale investments	384,840	448,354	384,840	448,354
Derivative financial instruments	2,503	116,840	2,503	116,840
Trade receivables	1,129,597	928,834	1,140,327	930,044
Other receivables	106,456	127,115	106,456	127,115
	1,908,729	1,887,383	1,919,459	1,888,593
Financial liabilities				
Derivative financial instruments	-	363	-	363
Interest-bearing bank loans and other borrowing	5,059,154	7,394,091	4,958,977	7,423,870
Trade payables	485,472	397,206	489,586	400,815
Other payables	39,803	10,292	39,803	10,292
	5,584,429	7,801,952	5,488,366	7,835,340

27. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, the current portion of trade and bills receivables, the current portion of trade and bills payables, the current portion of financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, dividends payable and the current portion of interest-bearing bank loans and other borrowing approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of trade and bills receivables, the non-current portion of trade and bills payables, the non-current portion of financial assets included in prepayments, deposits and other receivables and the non-current portion of interest-bearing bank loans and other borrowing have been calculated by discounting the expected future cash flows using rates currently available for instruments on similar terms, credit risk and remaining maturities.

The fair values of listed equity investments are based on quoted market prices.

The Group enters into derivative financial instruments with a financial institution and a third party. Derivative financial instruments include a foreign currency forward contract, an interest rate swap and a forward contract. The foreign currency forward contract and the interest rate swap are measured using valuation techniques similar to forward pricing and swap models, using present value calculations, the models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves. The forward contract is measured using value techniques with some inputs, e.g., a measurement index of wind volume at area surrounding the wind farm, distribution pattern and confidence interval. The carrying amounts of the foreign currency forward contract, interest rate swap and forward contract are the same as their fair values.

As at 30 June 2014, the marked to market value of the derivatives is net of credit/debit valuation adjustment attributable to derivative counterparty default risk.

27. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 June 2014 (Unaudited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Available-for-sale investment:				
Listed equity investment	384,840	-	-	384,840
Derivative financial instruments:				
Interest rate swap	-	2,503	-	2,503
	384,840	2,503	-	387,343

As at 31 December 2013 (Audited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Available-for-sale investment:				
Listed equity investment	448,354	-	-	448,354
Derivative financial instruments:				
Forward contract	-	-	98,396	98,396
Forward currency contract	-	18,444	-	18,444
	448,354	18,444	98,396	565,194

The movement in the financial assets and liabilities included in Level 3 fair value hierarchy for the six months ended 30 June 2014 is as follows:

	As at 1 January 2014 (Audited) RMB'000	Total gains recognised in profit or loss (Unaudited) RMB'000	Settled (Unaudited) RMB'000	As at 30 June 2014 (Unaudited) RMB'000
Financial assets:				
Forward contract	98,396	4,574	(102,970)	-

Note：Details of gains recognised in profit are included in note 12(ii).

27. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Liabilities measured at fair value:

The Group did not have any financial liabilities measured at fair value as at 30 June 2014.

As at 31 December 2013 (Audited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Derivative financial instruments:				
Interest rate swap	-	363	-	363

Assets for which fair values are disclosed:

As at 30 June 2014 (Unaudited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Pledged deposits, non-current portion	-	285,333	-	285,333
Trade receivables	-	1,140,327	-	1,140,327
Other receivables	-	106,456	-	106,456
	-	1,532,116	-	1,532,116

As at 31 December 2013 (Audited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Pledged deposits, non-current portion	-	266,240	-	266,240
Trade receivables	-	930,044	-	930,044
Other receivables	-	127,115	-	127,115
	-	1,323,399	-	1,323,399

27. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Liabilities for which fair values are disclosed:

As at 30 June 2014 (Unaudited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Interest-bearing bank loans and other borrowing	-	4,958,977	-	4,958,977
Trade payable	-	489,586	-	489,586
Other payable	-	39,803	-	39,803
	-	5,488,366	-	5,488,366

As at 31 December 2013 (Audited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Interest-bearing bank loans and other borrowing	-	7,423,870	-	7,423,870
Trade payable	-	400,815	-	400,815
Other payable	-	10,292	-	10,292
	-	7,834,977	-	7,834,977

28. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 22 August 2014.

Management Discussion and Analysis

During the first half of 2014, the global economy continued a modest but uneven recovery. Among developed economies, the U.S. gained momentum, while the Euro zone continued to implement easing measures to encourage growth. Developing countries outside of Europe and Asia also lacked growth momentum. Although the global economy is growing and is expected to fully recover from the economy crisis, it still faces many uncertainties. Accordingly, the International Monetary Fund downgraded this year's forecast for global growth by 0.3 percentage point to 3.4% in the July 2014 update of the World Economic Outlook.

Responding to domestic and international factors, the Chinese government has slowed economic growth in order to implement structural reforms, to steady the pace of growth, and to improve the livelihood of the Chinese people. So far, the transition has been relatively smooth. Structural adjustments have made progress toward transforming and upgrading the economy. According to the National Bureau of Statistics, China's GDP grew by 7.4% year-over-year ("**YoY**") during the first half of 2014.

According to the "Analysis of National Electricity Supply-Demand in the First Half of 2014 and Predictions", a report released by the China Electricity Council, the electricity industry in China achieved balance between supply and demand during the first half of 2014, with electricity demand and consumption both growing at a steady rate of 5.3% YoY. Meanwhile, investment in wind power grew at a faster pace of 48.3% compared to the same period of last year.

I. INDUSTRY REVIEW

i. New Industry Policies

As the third largest energy source in China, wind power has become a strategic solution to meet future energy requirements. Wind power is essential to the development of the energy industry and provides a feasible solution to improve air quality and preserve the environment. However, during the early stages of development, the wind industry faced multiple constraints related to connectivity, curtailment, and other issues. In recent years, industry policy has sought to reduce these constraints by providing fiscal support, improving grid connectivity and wind power consumption, increasing wind power utilization, and encouraging the orderly development of wind power.

Although policy support from the government has reduced wind power curtailment, some issues related to the consumption of new energy still require further clarification. There is an urgent need to speed the construction of associated substations and other equipment, complimentary peak power generation and storage, and trans-regional transmission lines to ensure that the grid can deliver power from distant resources to meet demand.

1. Support for Wind Farm Connection and Wind Power Consumption

In April 2014, the National Energy Administration ("**NEA**") issued the "Notice for Wind Power Grid Connection and Utilization in 2014" (《關於做好2014年風電並網消納工作的通知》). This notice proposed that each relevant region and city shall target a steady increase of the ratio of clean energy, such as wind power, that it consumes as one of its key industrial development goals.

The notice also proposed that provinces with large-scale wind power shall ensure priority dispatch and purchase all available clean energy, such as wind power, in an effort to optimize grid operation and dispatch management of both clean and fossil fuel, and to facilitate peak shaving to better match power supply and demand, further improving the utilization of renewable energy.

As part of a larger initiative to streamline and decentralize project approvals, the NEA has repositioned itself to solve issues related to wind farm construction and operation activities. As such, the NEA will monitor the consumption of wind power closely and publish updated information in a timely manner.

2. Working Plan to Strengthen Air Pollution Control in the Energy Industry

In May 2014, the National Development and Reform Commission ("**NDRC**"), NEA and Ministry of Environmental Protection of China jointly released the "Working Plan to Strengthen Air Pollution Control and Treatment in the Energy Industry" (《能源行業加強大氣污染防治工作方案》). The plan proposed to accelerate efforts to control air pollution by developing more clean energy and restructuring the energy mix. The plan also set a target of 150 gigawatts ("**GW**") of total installed wind power by 2017.

To control air pollution in the Beijing, Tianjin and Hebei ("**BTT**") area and to improve wind power utilization in Inner Mongolia, Shanxi and Hebei, the plan proposed that clean energy should represent 10% of power consumed in the BTT area by 2015 and 15% by 2017. To provide adequate supplies of clean energy to the BTT area, the NEA will approve several relevant wind power bases such as Zhangjiakou Phase II (2.87 GW), Chengde Phase II (1.65 GW), Ulanqab and Xilingol.

3. Benchmark Feed-In Tariffs for Offshore Wind Power

In June 2014, the NDRC introduced the "Notice for Offshore Wind Power Feed-In Tariffs" (《關於海上風電上網電價政策的通知》) ("**FITs**"). For non-bid offshore wind projects beginning prior to 2017, the FIT is RMB 0.85/Kwh for near-shore projects and RMB 0.75/Kwh for intertidal projects. The FIT for projects beginning during or after 2017 will be decided in the future depending on the progress of offshore wind power technology, changes in project construction costs, and the project concession bidding situation.

The implementation of the offshore FITs demonstrates China's commitment to develop its offshore wind power market. The offshore FIT should promote investment by reducing developers' financial risk.

ii. Wind Power Manufacturing Industry

Public policy has made progress toward addressing curtailment and connectivity issues in order to implement the Twelfth Five-Year Plan for Energy Development, to encourage the transformation of China's energy structure, and to reduce bottlenecks slowing the development of the wind power industry. On another front, the wind power industry has developed under a rational competitive environment, improved and advanced turbine design and stability, and promoted exploration and development of the onshore wind market.

1. *Grid Construction*

The NEA has proposed constructing dedicated wind power transmission lines to solve curtailment and connectivity issues that have resulted from grid construction delays and to extend the transmission range of wind power. The NEA will keep a close eye on grid planning and construction near wind power bases such as Hami, Jiuquan, Zhangjiakou , Chengde, Ulanqab and Xilingol to ensure timely and smooth connection of these wind projects.

In June of 2014, the NEA introduced the "Notice for the Construction of 12 Transmission Lines for Speeding up the Work Plan for Prevention of Air Pollution (《關於加快推進大氣污染防治行動計畫12條重點輸電通道建設的通知》)." According to the notice, China will construct 12 dedicated trans-regional transmission lines for clean power in order to increase the consumption of power from remote sources and to reduce reliance on coal-fired power plants that worsen air pollution in the eastern and central regions. The first batch of transmission lines is scheduled to be completed in 2016 and will begin operation before 2017, according to the Air Pollution Control and Treatment Working Plan.

The State Grid Corporation of China ("**State Grid**") will be responsible for the construction and operation of 11 of the 12 transmission lines mentioned above and China Southern Power Grid Company will be responsible for the remaining one. ~~Five~~Seven of the State Grid's transmission lines, ~~two~~ three ultra-high voltage alternating current ("**AC**") transmission lines and ~~three~~four ultra-high voltage direct current ("**DC**") transmission lines, have been included in the Twelfth Five-Year Plan.

The State Grid plans to construct "three vertical and three horizontal" ultra-high voltage AC transmission lines and 11 ultra-high voltage DC transmission lines during the Twelfth Five-Year Plan. In the first half of 2014, the State Grid completed and commenced operation of a ± 800 kV DC transmission line from Xiluodu in Sichuan to Jinhua in Zhejiang. The ultra-high voltage DC transmission line from east Ningxia to Zhejiang has been granted permission to start preliminary work. The State Grid has also launched the construction of the ultra-high voltage transmission system. Together, the dedicated transmission lines should mitigate transmission and connection issues, thus supporting the development of the wind energy industry.

2. *Wind Curtailment*

The China Electricity Council ("**CEC**") has proposed to expedite the approval and construction of outbound power transmission lines from large-scale wind power bases in order to reduce wind power curtailment in regions with surplus power supply. This proposal is based on the "Analysis Report of Power Demand in First Half of 2014" and in line with the central government's strategies to accelerate adjustments to the electricity structure and shift the direction of electricity development. CEC's proposal seeks to improve the transmission and consumption of power generated by existing and planned power sources with excess supply.

The national average wind curtailment rate has improved significantly due to government support. Wind power curtailment was reduced considerably in severely-affected provinces such as Inner Mongolia and Jilin. According to the "Wind Connectivity and Operation Report in First Half of 2014" published by the NEA, 6.32 GW of wind power capacity was connected during the first half of 2014, increasing the accumulated connected capacity to 82.77 GW. China consumed 76,689 GWh of wind power during the first half of 2014, representing a YoY increase of 8.8%. Wind energy curtailment was 7,225 GWh, a reduction of 3,580 GWh compared to the same period last year. The national average curtailment rate decreased to 8.5% during the first half of 2014, down by 5.14 percentage points YoY.

3. Regional Wind Power Market

In an effort to increase the utilization of wind power projects, China is encouraging wind farm development in regions with both rich wind resources and strong power demand. In addition to strengthening wind power bases located in the resource-rich "Three-North" region, the Chinese government will also emphasize development of low-wind speed projects in areas where wind power consumption is stronger.

In late February of 2014, the NEA announced the fourth list of 27.6 GW of proposed wind projects, more than half of which are located in low-wind speed regions. The NEA has also approved the development of a large-scale wind power base in the Liangshan prefecture of Sichuan province to increase power supply for the central region.

II. BUSINESS REVIEW

During the reporting period, the Group has continued to adhere to a prudent management style. Within the context of a broad industry recovery, the Group will take actions to maintain its competitive advantages, pursue innovative and lean management, and strengthen its research and development ("**R&D**") capabilities. These strategies are designed to fulfil the market-oriented development plan made at the beginning of the year, to satisfy customers' demands, and to meet our obligations to other stakeholders throughout the wind power industrial value chain. In the first half of 2014, the Group's business performance and new orders improved steadily, maintaining a positive trend.

During the six months ended 30 June 2014, revenue from operations for the Group was RMB4,444.46 million, representing an increase of 37.72% compared with RMB3,227.15 million for the six months ended 30 June 2013; profit from operations for the Group was RMB376.84 million, representing an increase of 243.73% compared with RMB109.63 million for the six months ended 30 June 2013; net profit for the Group was RMB344.65 million, representing an increase of 232.00% compared with RMB103.81 million for the six months ended 30 June 2013; and the net profit attributable to owners of the Company was RMB330.69 million, representing an increase of 256.80% compared with RMB92.68 million for the six months ended 30 June 2013.

i. Wind Turbine Generator R&D, Manufacturing and Sales

1. Product Manufacturing and Sales

For the six months ended 30 June 2014, the Group's revenue from sales of wind turbine generators ("**WTGs**") and components was RMB3,683.03 million, an increase of 30.03% YoY. Total sales capacity was 942.25 megawatts ("**MW**"), an increase of 42.28% YoY. Goldwind's sales of 2.5MW WTGs increased to 26.53% of total realised sales volumes during the first half of 2014, up from 16.99% during the first half of 2013, demonstrating a shift in market demand towards larger-capacity units. The following table sets out the details of products sold by the Group in the first half of 2014 and 2013:

	Six months ended 30 June				
	2014		2013		
	Units Sold	**Capacity Sold (MW)**	Units Sold	Capacity Sold (MW)	Change in Capacity Sold
2.5MW	**100**	**250.00**	45	112.50	122.22%
1.5MW	**461.5**	**692.25**	366	549.00	26.09%
750kW	**-**	**-**	1	0.75	-
Total	**561.5**	**942.25**	412	662.25	42.28%

2. Technology R&D and Product Certification

Reflecting our ongoing commitment to enhancing our core competitiveness, the Group now owns all of the intellectual property rights to the direct-drive permanent magnet ("**DDPM**") technology, which represents the most promising wind power technology. To meet demand from various market segments, the Group has developed and currently offers 1.5MW, 2.0MW, 2.5MW and 3.0MW DDPM WTGs. Each of the above, except for the 2.0MW WTG, represents a product platform with its own series of products designed for application in diverse environmental conditions, including low temperature, high altitude, low wind speed, ultra-low wind speed, and offshore.

The Group launched the 2.0MW DDPM WTG in 2013. This model has the largest windswept area per kilowatt and the strongest power-generating capacity in ultra-low wind speed areas among 2.0MW wind turbines available in the global market. The first prototype was successfully connected to the grid in April of this year. The Group is now determining where to install a prototype of its 6.0MW DDPM WTG, and expects to complete assembly and hoisting within this year.

In addition to focusing on the development of new products, the Group is pursuing the certification of its WTG products. During the first half of 2014, the Group obtained the CE certificate issued by TÜV SÜD for its 1.5MW DDPM WTG, the B design evaluation certificate issued by DNV GL for its GW121/2.5MW DDPM WTG, and the A design evaluation certificate issued by China General Certification Center for its GW115/2.0MW DDPM WTG. In addition, the Gullen Range project located in Australia received the special site design assessment certificate issued by TÜV Nord. These industry standard certifications demonstrate compliance with domestic and international standards, and improve our ability to compete in the global market.

As a leader in the global wind industry, in addition to conducting in-house research and development, the Group is also an active participant in the international wind power standardization research community. As of June 2014, the Group had participated in four research activities organized by the International Energy Agency and played a crucial part in the research and foundation of international regulations for the wind power industry. As the chairman of the National Technical Committee for Standardization of Wind Machinery and the Electrical Equipment Sub-committee of Standardization Administration on Energy, the Group actively participates in high level design of national wind power system standards and the establishment of trade standards for wind power. As of now, the Group has participated in establishing 97 standards in total, including 37 national-level standards, 50 industry standards, five association standards and five local standards. Fifty-one of those standards were drafted under the leadership of the Group.

In pursuit of potential new market demand, the Group has invested in the R&D and construction of a "Smart Micro-grid Demonstration Project" that includes wind power, photovoltaic power, and energy storage. The project was launched successfully in May this year. The Group was the first entity in Beijing to make use of the "Opinions on Distributed Power Grid Connection Services" issued by the State Grid to allow for the sales of surplus distributed electricity supply to the grid. The smart micro-grid system can generate about 2.6 million kWh of clean electricity for the Group annually, saving about 1,040 tons of standard coal equivalents and reducing about 2,592 tons of carbon emissions, which is equivalent to 1,421 cubic meters of reforestation every year.

3. Business Development

During the reporting period, the Group's backlog of orders increased steadily along with improving market conditions. Our products continued to be recognized as superior by the market and business development has prospered. As at 30 June 2014, the backlog of orders under contract was 4,972MW, which included 15MW of 750kW WTGs, 4,212MW of 1.5MW, 730MW of 2.5MW, and 15MW of 3MW. In addition, the backlog of orders awaiting final contracts was 3,927.5MW, which included 2,964MW of 1.5MW, 148MW of 2.0MW, 617.5MW of 2.5MW, and 198MW of 3.0MW. The combined backlog of orders was 8,899.5MW.

4. Cost Control

Benefitting from technological development, supply chain optimization, and lean management, the gross profit margins of the 1.5MW WTG and the 2.5MW WTG increased by 10.92 percentage points and 5.49 percentage points, respectively, during the reporting period.

ii. Wind Power Services

By virtue of its ample experience in research and development, manufacturing and wind farm construction, the Group provides customers with high-quality WTGs and diversified services, highlighting its ability to create value for customers. Wind power services, one of the Group's core businesses, has progressed smoothly during the reporting period and has achieved a number of breakthroughs.

Beijing Tianyuan New Energy Technology Limited Company ("**Beijing Tianyuan**"), a wholly owned subsidiary of the Company, passed the wind power operation and maintenance service capability assessment of TÜV NORD, becoming the first enterprise in China to obtain such an assessment. This not only demonstrates that Beijing Tianyuan meets global standards for wind power services, but also enhances Beijing Tianyuan's ability to offer wind power services to customers outside of China. Beijing Tianyuan will continue to cooperate with TÜV NORD to establish standards for wind power operation and maintenance in China. In addition, the State Grid awarded the second place for Advanced Science and Technology to Beijing Tianyuan's intelligent wind power control system.

As of 30 June 2014, the total capacity of WTGs under maintenance by the Group was over 15,000 units located in diverse regions and climates. Beijing Tianyuan's comprehensive service business has flourished. During the reporting period, Beijing Tianyuan received new Engineering, Procurement and Construction ("**EPC**") orders for 150MW of projects, which is in addition to 170MW of projects under construction.

During the reporting period, the Group's revenue from Wind Power Services was RMB241.13 million, an increase of 15.73% YoY.

iii. Wind Farm Investment, Development and Sales

Beijing Tianrun New Energy Investment Co. Ltd. ("**Beijing Tianrun**"), a wholly owned subsidiary of the Company that is mainly focused on wind farm investment, development, construction, operation and technical services. All of Beijing Tianrun's investment projects have been recognized for excellence, thanks to its efficient development team and outstanding engineering management. Beijing Tianrun is now recognized as one of the best wind power developers in China. Beijing Tianrun not only plays an important role in the Group's business model, but has also established a project pipeline in support of market expansion and the consolidation of the Group's leading position.

As at 30 June 2014, the Group had 1,894MW of installed capacity of completed wind farms, of which 1,422MW was attributable installed capacity. The capacity of wind farms still under construction as at 30 June 2014 was 451MW, of which 446MW was attributable capacity.

For the reporting period ended 30 June 2014, the Group's revenue from power generation was RMB 520.30 million, an increase of 179.33% YoY.

iv. International Business

International market expansion is a vital part of the Group's development strategy. The Group believes competing in the international market is an important way to enhance our brand and products to meet global standards. During the reporting period, our international business expanded. The Group received an order for 86 units of 2.5MW WTGs, equivalent to 215MW, for a wind farm project in Panama. The Group will also provide long-term operation and maintenance service to this project. Upon completion, the wind farm will connect to Panama's national electricity grid, providing crucial diversification to Panama's energy structure. This project is the Group's biggest overseas WTG order to date. This showed that the reliability and stability our 2.5MW WTGs could satisfy the strict requirement in the overseas market and also laid a solid foundation for the Group's development in the international market.

During the reporting period, the Group's Gullen Range wind farm project ("**GR**") in Australia which was wholly owned by the Company was connected to the electricity grid. As disclosed in the Company's announcement ~~published in the Stock Exchange of Hong Kong Limited~~ dated 9 July 2014, the GR Project has been transferred to New Gullen Range Wind Farm Pty Ltd, in which the Company indirectly holds a 25% interests ~~is an independent third party of the Company~~. ~~And the~~The Group also successfully completed the installation of the WTGs for the Miresa Project in Romania and another project in Pakistan.

During the reporting period, the Group's revenue from international business was RMB627.00 million with an increase of 25.35% YoY, accounting for 14.11% of our revenue from operations.

v. Major Subsidiaries

As at 30 June 2014, the Company had 118 subsidiaries, among which 17 were directly owned subsidiaries and 101 were indirectly owned subsidiaries. In addition, we had 8 joint ventures, 13 associate companies and 12 available-for-sale investments. These subsidiaries were categorised into four general categories of WTG R&D and manufacturing companies, wind power investment companies, wind power services companies, and component R&D and manufacturing companies. The following table sets out major financial information of the principal subsidiaries of the Company (reported in accordance with China Accounting Standards for Business Enterprise (the "**PRC GAAP**") :

As at 30 June 2014
Unit: RMB

No.	Company Name	Registered Capital (RMB ten thousand)	Total Assets	Net Assets	Revenue from Operations	Net Profits Attributable to the Company
1	Beijing Goldwind Science & Creation Wind Power Equipment Co., Ltd.	99,000.00	4,232,253,482.03	1,279,025,080.67	650,606,373.97	-24,305,871.09
2	Vensys Energy AG	€5million	1,069,729,078.96	622,866,346.87	357,954,934.51	24,319,652.68
3	Gansu Goldwind Wind Power Equipment Manufacture Co., Ltd.	8,860.00	1,111,198,538.80	189,366,760.85	190,375,273.37	8,540,620.70
4	Jiangsu Goldwind Technology Co., Ltd.	75,961.00	1,671,929,761.67	862,405,019.67	472,328,138.37	17,764,744.11
5	Beijing Techwin Electric Co., Ltd.	10,000.00	1,342,777,320.32	370,395,951.51	824,108,016.09	71,275,459.07
6	Beijing Tianrun New Energy Investment Co., Ltd.	120,000.00	11,500,939,202.22	1,755,434,782.40	428,258,930.85	121,108,287.71
7	Goldwind Investment Holding Co., Ltd.	100,000.00	1,099,020,823.44	1,064,467,227.55	0.00	7,269,791.87
8	Beijing Tianyuan Science & Creation Wind Power Technology Co., Ltd.	20,000.00	1,683,734,896.02	269,116,476.70	292,993,034.60	-1,172,556.02

vi. Use of Proceeds

1. Use of H Share Proceeds

The Company conducted the initial public offering of its H shares and listed its H shares on the main board of The Stock Exchange of Hong Kong Limited in October 2010. According to the *Capital Verification Report* issued by Ernst & Young Hua Ming, the net proceeds of the H shares offering were the equivalent of RMB6.754 billion in Hong Kong Dollars ("**HKD**"). According to the proposed use of the H shares offering proceeds, approximately 64.8% of the proceeds shall be used in the domestic market, and approximately 35.2% shall be used in the international market. As at 30 June 2014, the accumulated used proceeds were the equivalent of RMB5.981 billion in HKD, and the unused proceeds were the equivalent of RMB0.773 billion in HKD. The use of the Company's H share proceeds is as follows:

As at 30 June 2014
Unit: RMB million

Proceed Projects	**Planned Investment**	**Actual Investment**	**Unused Amount**
Construction of production base and optimisation of business operations	2,715	2,505	210
R&D of WTGs and components	986	441	545
International business	1,972	1,954	18
Bank loan repayment	411	411	-
General working capital	670	670	-
Total	6,754	5,981	773

2. Use of A Share Proceeds

The Company conducted the initial public offering of its A shares and listed its A shares on the Small and Medium-sized Enterprise Board of the Shenzhen Stock Exchange in December 2007. According to the *Capital Verification Report* issued by Wuzhou Songde Accountants Firm on 19 December 2007, the net proceeds of the A shares offering were RMB1.745 billion. As at 30 June 2014, all proceeds have been used.

3. Use of Proceeds of the Corporate Bonds

The Company conducted an offline issue of 3-year corporate bonds (the first tranche) to institutional investors in the PRC on 27 February 2012 and listed those bonds on the Shenzhen Stock Exchange on 16 March 2012, with a coupon rate of 6.63%. The net proceeds of the corporate bonds offering were RMB 2.975 billion. As at 30 June 2014, all proceeds have been used.

III. OPERATIONS PERFORMANCE AND ANALYSIS

The contents of this section should be read in conjunction with the interim condensed consolidated financial statements, including the relevant notes, of the Group prepared in accordance with International Financial Reporting Standards (the "**Financial Statements**") set out in this announcement.

Summary

During the six months ended 30 June 2014, revenue from operations for the Group was RMB4,444.46 million, representing an increase of 37.72% compared with RMB3,227.15 million for the six months ended 30 June 2013. Net profit attributable to owners of the Company was RMB330.69 million, representing an increase of 256.80% compared with RMB92.68 million for the six months ended 30 June 2013. The Company reported basic earnings per share of RMB0.12.

Revenue

Revenue for the Group is generated from three business segments: (i) WTG R&D, Manufacturing and Sales; (ii) Wind Power Services; and (iii) Wind Farm Investment, Development and Sales. Revenue from WTG R&D, Manufacturing and Sales is mainly generated through sales of WTGs and components. Revenue from Wind Power Services is mainly generated through services such as wind farm EPC, transportation, and maintenance. Revenue from Wind Farm Investment, Development and Sales is generated from the sale of power produced by our operating wind farms.

During the six months ended 30 June 2014, revenue from operations for the Group was RMB4,444.46 million, representing an increase of 37.72% compared with RMB3,227.15 million for the six months ended 30 June 2013. Details are set out below:

Unit: RMB thousand

	Six months ended 30 June		Amount	Percentage
	2014	2013	Change	Change
WTG R&D, Manufacturing and Sales	3,683,028	2,832,525	850,503	30.03%
Wind Power Services	241,134	208,352	32,782	15.73%
Wind Farm Investment, Development and Sales	520,296	186,269	334,027	179.33%
Total	4,444,458	3,227,146	1,217,312	37.72%

Revenue from operations increased due to: (i) an increase in WTG sales volume YoY as a result of the recovery of the Chinese wind energy industry and the Group's strong reputation in the market; and (ii) an increase in generation revenue attributed to the increase in operating wind farms capacity.

Cost of Sales

The following table provides a breakdown of our cost of sales by business segment:

Unit: RMB thousand

	Six months ended 30 June		Amount	Percentage
	2014	2013	Change	Change
WTG R&D, Manufacturing and Sales	2,719,530	2,380,459	339,071	14.24%
Wind Power Services	215,169	183,866	31,303	17.02%
Wind Farm Investment, Development and Sales	160,588	63,701	96,887	152.10%
Total	3,095,287	2,628,026	467,261	17.78%

Cost of sales increased mainly due to the increase in revenue from operation of the Group for the six months ended 30 June 2014.

Gross Profit

Unit: RMB thousand

	Six months ended 30 June		Amount	Percentage
	2014	2013	Change	Change
WTG R&D, Manufacturing and Sales	963,498	452,066	511,432	113.13%
Wind Power Services	25,965	24,486	1,479	6.04%
Wind Farm Investment, Development and Sales	359,708	122,568	237,140	193.48%
Total	1,349,171	599,120	750,051	125.19%

Although WTG R&D, Manufacturing and Sales still generated the majority of our gross profit, the contribution from Wind Farm Investment, Development and Sales grew faster YoY.

For the six months ended 30 June 2014 and 2013, our comprehensive gross profit margins were 30.36% and 18.56%, respectively, and the gross profit margins for WTG R&D, Manufacturing and Sales were 26.16% and 15.96%, respectively.

The following table sets out the gross profit margins for our WTGs including the 750kW, 1.5MW series and 2.5MW WTGs (prepared in accordance with PRC GAAP):

	Six months ended 30 June		Change
Gross Profit Margin	**2014**	2013	(percentage points)
2.5MW	**24.56%**	19.07%	5.49%
1.5MW	**25.27%**	14.35%	10.92%
750kW	**-**	(16.57)%	-

Gross profit margin for our 1.5MW WTGs increased to 25.27% for the six months ended 30 June 2014 from 14.35% for the six months ended 30 June 2013. This was attributed to lower cost of sales from improved cost controls and lean management.

Gross profit margin for our 2.5MW WTGs increased to 24.56% for the six months ended 30 June 2014 from 19.07% for the six months ended 30 June 2013. This was mainly attributed to a decrease in production costs of 2.5MW WTGs YoY due to economies of scale resulting from an increase in production volume.

Other Income and Gains

Our other income and gains primarily consist of gains from the sale of wind farms from the Wind Farm Investment, Development and Sales business segment (including gains resulting from the sale of wind power equipment installed in these wind farms), interest income, insurance compensation for product warranty expenditures, total rental income, and government subsidies received for our R&D projects and upgrades of our production facilities.

Other income and gains of the Group for the six months ended 30 June 2014 was RMB143.88million, representing a 45.87% decrease compared to RMB265.79 million for the corresponding period in 2013. This was mainly because the Group received no income from the disposal of wind farms during the reporting period.

Selling and Distribution Costs

Our selling and distribution costs primarily consist of product warranty provisions, transportation costs, insurance expenses, bidding service fees, labour costs, loading and unloading fees, and travel expenses.

Selling and distribution costs of the Group for the six months ended 30 June 2014 was RMB429.30 million, representing a 61.51% increase compared to RMB265.80 million for the corresponding period in 2013. This was mainly attributed to an increase of WTG warranty insurance expenses and transportation costs due to the increase in sales volumes of WTGs during the reporting period.

Administrative Expenses

Our administrative expenses primarily consist of R&D expenses, staff costs, taxes, depreciation, consultation fees, travel expenses, and other expenses.

Administrative expenses of the Group for the six months ended 30 June 2014 was RMB425.49 million, representing a 22.20% increase compared to RMB348.18 million for the corresponding period in 2013. This was mainly attributed to the increase of the operation scale of the Group, number of employees and R&D expenses- during the reporting period.

Other Expenses

Our other expenses primarily consist of banking administration fees, foreign exchange losses, and impairment provisions accrued in connection with our trade and bills receivables.

Other expenses of the Group for the six months ended 30 June 2014 was RMB60.55 million, representing a 29.03% decrease compared to RMB85.31 million for the corresponding period in 2013. This was mainly attributed to the decrease of impairment provisions due to the improvement of the asset quality during the reporting period.

Finance Costs

Finance costs of the Group for the six months ended 30 June 2014 was RMB238.87 million, representing a 60.63% increase compared to RMB148.71 million for the corresponding period in 2013. This was mainly attributed to wind farm projects transferred from construction in progress into fixed assets, which caused related bank loan interest to be expensed as finance cost during the reporting period instead of being capitalized.

Income Tax Expenses

Income tax expenses of the Group for the six months ended 30 June 2014 was RMB32.19 million, representing a 452.14% increase compared to RMB5.83 million for the corresponding period in 2013. This was mainly attributed to an increase of profit before tax due to the increase of sales during the reporting period.

Financial Position

As at 30 June 2014 and 31 December 2013, total assets of the Group were RMB38,224.70 million and RMB35,344.85 million, respectively, current assets of the Group were RMB23,820.38 million and RMB20,268.01 million, respectively, percentages of current assets to total assets of the Group were 62.32% and 57.34%, respectively, and non-current assets of the Group were RMB14,404.32 million and RMB15,076.84 million, respectively.

As at 30 June 2014 and 31 December 2013, total liabilities of the Group were RMB24,355.90 million and RMB21,551.91 million, respectively, current liabilities of the Group were RMB17,397.31 million and RMB12,513.00 million, respectively, and non-current liabilities of the Group were RMB6,958.59 million and RMB9,038.91 million, respectively.

As at 30 June 2014 and 31 December 2013, net current assets of the Group were RMB6,423.07 million and RMB7,755.01 million, respectively, and net assets of the Group were RMB13,868.80 million and RMB13,792.94 million, respectively.

As at 30 June 2014 and 31 December 2013, cash and cash equivalents of the Group were RMB3,583.78 million and RMB4,320.75 million, respectively, and total interest-bearing bank and other borrowings of the Group were RMB11,217.12 million and RMB7,964.80 million, respectively.

Financial Resources and Liquidity

Unit: RMB thousand

Cash Flow Statements

	Six months ended 30 June	
	2014	2013
Net Cash flows used in operating activities	(2,713,156)	(1,220,910)
Net Cash flows used in investment activities	(739,157)	(1,885,933)
Net Cash flows from financing activities	2,750,996	672,050
Net decrease in cash and cash equivalents	(701,317)	(2,434,793)
Cash and cash equivalents at beginning of reporting period	4,276,301	6,604,328
Net effect of foreign exchange rate changes	4,431	(40,845)
Cash and cash equivalents at end of reporting period	3,579,415	4,128,690

1. ***Cash flows used in operating activities***

Net cash flows of the Group used in operating activities primarily represent profit before tax adjusted for non-cash items, movements in working capital, and other income and gains.

For the six months ended 30 June 2014, the Group reported net cash flows used in operating activities of RMB2,713.16 million. Cash inflows were principally comprised of profit before tax of RMB376.84 million. These cash inflows were offset by a RMB1,682.47 million decrease in trade and bills payables (due to increased purchasing payments) and a RMB1,775.81 increase in inventories (in preparation of anticipated deliveries scheduled during the second half of 2014).

For the six months ended 30 June 2013, the Group reported net cash flows used in operating activities of RMB1,220.91 million. Cash inflows were principally comprised of profit before tax of RMB109.63 million. These cash inflows were offset by a decrease of RMB1,242.84 million in trade and bills payables, due to increased purchasing payments, and an increase of RMB835.41 in inventories, in preparation of anticipated deliveries scheduled during the second half of 2013.

2. Cash flow used in investment activities

Net cash flows of the Group used in investment activities has principally been used for purchases of property, plant and equipment, acquisition of subsidiaries, pledged deposits, non-pledged time deposits with original maturity of three months or more, and the acquisition of investment properties.

For the six months ended 30 June 2014, the Group reported net cash flows used in investment activities of RMB739.16 million, principally due to purchases of property, plant and equipment and additions of other intangible assets in the amount of RMB790.52 million and purchases of equity in joint-ventures in the amount RMB 59.73 million. Net cash flows used in investment activities is offset by the profit from the sale of subsidiaries in the amount of RMB 81.45 million and sales of assets in the amount of RMB 40.29 million.

For the six months ended 30 June 2013, the Group reported net cash flows used in investment activities of RMB1,885.93 million, principally due to purchases of property, plant and equipment and additions of other intangible assets in the amount of RMB1,784.59 million.

3. Cash flows from financing activities

Net cash flows of the Group used in financing activities has principally been used for repayment of our bank loans and interest expenses. Net cash flows of the Group from financing activities were principally derived from new bank loans.

For the six months ended 30 June 2014, the Group reported net cash flows from financing activities of RMB2,751.00 million. Cash inflows were principally contributed by new bank of RMB3,604.54 million. These cash inflows were offset by RMB437.14 million used to repay bank and other borrowings and RMB402.41 million used to pay interest expenses.

For the six months ended 30 June 2013, the Group reported net cash flows from financing activities of RMB672.05 million. Cash inflows were principally contributed by new bank of RMB1,209.27 million. These cash inflows were offset by RMB188.69 million used to repay bank and other borrowings and RMB301.46 million used to pay interest expenses.

Capital Expenditure

Capital expenditures of the Group for the six months ended 30 June 2014 was RMB697.79 million. Our primary sources of finance for capital expenditure included bank loans and cash flows from operations of the Group.

Bank Loans and Other Borrowings

As at 30 June 2014, the total amount of outstanding bank loans and other borrowings of the Group was RMB11,217.12 million, including bank loans and corporate bond repayable within one year of RMB6,157.96 million, in the second year of RMB342.30 million, in the third to fifth year of RMB1,364.92 million, and above five years of RMB3,351.93 million. Details are set out in note 21 to the Financial Statements.

Restricted Assets

As at 30 June 2014, the following assets of the Group with a total carrying value of RMB8,345.98 million were restricted as security for certain bank loans and other banking facilities. Such assets included bank deposits of RMB744.56 million, trade and bills receivables of RMB1,611.12 million, property, plant and equipment of RMB5,957.42 million, and prepaid land lease payments of RMB32.88 million. During the reporting period, certain mortgaged and pledged assets were re-categorised under assets of a disposal group classified as held for sale.

As at 31 December 2013, the following assets of the Group with a total carrying value of RMB5,490.33 million were restricted as security for certain bank loans and other banking facilities. Such assets included bank deposits of RMB400.58 million, trade and bills receivables of RMB379.36 million, property, plant and equipment of RMB4,687.35 million, and prepaid land lease payments of RMB23.04 million. Within the year, certain mortgaged and pledged assets were re-categorised under assets of a disposal group classified as held for sale.

Gearing Ratio

As at 30 June 2014 and 31 December 2013, the Group's gearing ratios, defined as net debt divided by total capital, were 56.94% and 52.10%, respectively.

Exposure to Fluctuations in Exchange Rates and Any Related Hedges

The Group primarily operates its businesses in China. Over 80% of the Group's revenue, expenditure, and financial assets and liabilities are denominated in RMB. The exchange rate of the RMB against foreign currencies does not have a significant impact on the Group's businesses. The Group's foreign exchange exposure associated with such transactions (except for the functional currency of the relevant operating entities) maintained at a relatively low level. The currency translation difference incurred by the Group in respect of the long-term equity investment by our subsidiaries incorporated outside China was recorded under the translation reserve.

Contingent Liabilities

Our contingent liabilities primarily consist of issued letters of credit, letters of guarantee, guarantees provided to third parties, and compensation arrangements.

As at 30 June 2014 and 31 December 2013, contingent liabilities of the Group were RMB8,621.50 million and RMB7,538.11 million, respectively. Details are set out in note 22 to the Financial Statements.

Acquisitions and Disposals of Subsidiaries and Associates

No subsidiaries and interests were acquired and disposed by the Group during the reporting period.

IV. OUTLOOK FOR THE SECOND HALF OF 2014

Facing increasingly prominent environmental problems worldwide, many countries are pursuing the strategic development of clean energy. The Chinese government has designated environmental protection and energy structure reform as important objectives for sustainable development. In recent years, the increasing government support and incentives for new energy development has opened many opportunities for wind power manufacturing enterprises and wind power project developers. After undergoing a transition phase, China's wind power industry has embarked upon a new and more sustainable stage of growth and development.

In January 2014, the NEA issued the "Notice for Issuance of Work Guidance for Energy in 2014" (《關於印發2014年能源工作指導意見的通知》). This notice proposed to push forward with the development of hydro, wind, solar and other renewable energies while maintaining broader focuses on both concentrated and distributed development. It provided continued support for the development of large wind power bases and related power grid construction, the clarification of relevant parameters for wind power consumption, and the improvement of wind curtailment problems. In addition, the notice also proposed to introduce, improve, and implement administration rules relating to the renewable portfolio standard and purchase of renewable power, gradually lowering the cost of wind power to achieve price parity with thermal power by 2020. The NEA announced a target of 18GW for China's newly installed wind power capacity in 2014.

According to a report published by the Global Wind Energy Council ("**GWEC**") in April 2014, 47.30GW of new wind power capacity was installed globally in 2014, representing an increase of 34% compared to 2013. GWEC forecasts 51GW of newly installed wind power capacity in 2015, and further growth of 55.7GW in 2016 and 60.2GW in 2017. According to GWEC's forecast, accumulated installed capacity is forecast to reach 365.5GW in 2015 and 596.4GW in 2018.

Corporate Competitive Advantages

i. Market Position

Goldwind is one of the oldest WTG manufacturers in China. After more than ten years of development, we have gradually matured into a leading domestic manufacturer and global comprehensive wind power solutions provider. Our 1.5MW and 2.5MW DDPM WTG models, for which we own the intellectual property rights, represent the most promising technology in the global wind power industry. Goldwind ranks first in China's wind power manufacturing industry and is also the largest DDPM manufacturer in the world. We have sustained our market leadership for many years.

ii. Products and Technology

Goldwind's DDPM WTGs are known for their superior performance that include high efficiency, low operations and maintenance costs, grid-friendly features, and high availability. Our products are widely recognised by our customers and are a guiding force for the development of global wind power technology. We have major R&D centres in Germany and Beijing and nearly a thousand seasoned R&D personnel with extensive industry experience, contributing to the advancement of our products and technology. We have developed a diversified product portfolio, including specialised WTGs for different geological and climatic conditions to satisfy the diverse demands of our customers. We are preparing our 6.0MW DDPM WTG model for the nascent offshore market. The development and marketing of these products have secured our market coverage. We currently have a substantial backlog of orders, providing enhanced revenue visibility and demonstrating that the market recognizes the superior quality of our products and services.

iii. Brand Awareness

After several years of brand development, Goldwind has successfully established our brand and continued to improve awareness of our products' advanced technology, superior quality, high efficiency, and excellent after-sales services. We have gained substantial recognition from the government, our customers, business partners, and investors.

iv. Comprehensive Wind Power Solutions

Goldwind continued to consolidate its position as a leading comprehensive wind power solutions provider through our advanced technology, products, and our extensive experience in wind farm development, operations, and maintenance. In addition to our sales of WTGs, we continued to expand alternative sources of profit such as wind farm development and sales and wind power services. Over the past few years, these businesses have become highly profitable and an important complement to our core business. We successfully overcame the challenges posed by the market, strengthened our overall competitiveness, and improved our diversified competitive advantages.

v. Internationalisation

Goldwind was one of China's first wind power manufacturers to expand overseas and we have continued to pursue our internationalisation strategy. Through our principle of "internationalisation through localisation", we achieved several breakthroughs in key target markets that include the Americas, Australia and Europe, and we continued to make progress in other emerging markets such as Africa and Asia. Our overseas projects are distributed across six continents. Our superior WTGs have been recognised by our customers at home and abroad and have laid a solid foundation for our future business development.

V. ESTIMATED OPERATING RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

Unit: RMB million

Range of percentage change in net profits attributable to owners of the Company for the nine months ended 30 September 2014	500.00 %	to	550.00%
Range of net profits attributable to owners of the Company for the nine months ended 30 September 2014	1,127.68	to	1,221.65
Net profits attributable to owners of the Company for the nine months ended 30 September 2013	187.95		
Reasons for increase/decrease	mainly attributable to the recovery of the wind power industry, the increase of the Group's revenue from the operation and the transfer of part of the assets and liabilities of the subsidiary.		

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the reporting period, the Company has complied with all applicable code provisions under the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

PURCHASE, SALE AND REDEMPTION OF SECURITIES

During the six months ended 30 June 2014, neither the Company nor any of its subsidiaries purchased, sold or redeemed any securities of the Company.

INTERIM DIVIDENDS

The Board has decided not to recommend payment of interim dividends for the six months ended 30 June 2014.

REVIEW OF INTERIM RESULTS

As at 30 June 2014, the audit committee of the Company (the "**Audit Committee**") consisted of two independent non-executive directors of the Company, namely Dr. Tin Yau Kelvin Wong ("**Dr. Wong**") and Mr. Luo Zhenbang, and one non-executive director of the Company, namely Mr. Yu Shengjun. The chairman of the Audit Committee was Dr. Wong. The Audit Committee and the Company's auditor, Ernst & Young, have reviewed the unaudited interim results of the Group for the six months ended 30 June 2014.

By order of the Board
Xinjiang Goldwind Science & Technology Co., Ltd.
Ma Jinru
Company Secretary

Beijing, 22 August 2014

As at the date of this announcement, the executive directors of the Company are Mr. Wu Gang, Mr. Wang Haibo and Mr. Cao Zhigang; the non-executive directors are Mr. Li Ying, Ms. Hu Yang and Mr. Yu Shengjun; and the independent non-executive directors are Dr. Tin Yau Kelvin Wong, Mr. Yang Xiaosheng and Mr. Luo Zhenbang.