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東方電氣股份有限公司

Dongfang Electric Corporation Limited

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

(Stock Code: 1072)

**OVERSEAS REGULATORY ANNOUNCEMENT AND
PRICE SENSITIVE INFORMATION
ANNOUNCEMENT ON
ESTIMATED INCREASE IN PROFIT FOR 2009**

Dongfang Electric Corporation Limited (the “Company”) and all members of its board of directors confirm the truthfulness, accuracy and completeness of the information contained herein and that there are no misrepresentations or misleading statements contained in or material omissions from this announcement.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

I. ESTIMATED RESULTS OF THE PERIOD

1. Period to which the estimated results apply: 1 January 2009 to 31 December 2009;
2. Estimated results: Based on the preliminary estimation made by the finance department of the Company in accordance with PRC Accounting Standards, the net profit attributable to the equity holders of the Company for the year 2009 is expected to increase by over 650% as compared to the same period last year;
3. The estimated results have not been audited by certified public accountants.

II. RESULTS FOR THE CORRESPONDING PERIOD LAST YEAR

1. Net profit attributable to the equity holders of the Company: RMB175,999,000;
2. Basic earnings per share: RMB0.21.

III. MAJOR REASONS FOR INCREASE IN PROFIT

On the one hand, the mega earthquake in Wenchuan had brought serious property losses to the Company in 2008. Upon completion of all clean-up works and verification, direct property losses amounting to RMB1.565 billion had been taken into account as non-operating expenses by the Company for that year. On the other hand, in light of its ethos of “rescue relief”, the Company took initiatives to tackle the financial crisis and strived to overcome the aftermath of the earthquake in 2009. As all works progressed well, the operating revenue increased as compared with the same period last year.

IV. OTHER RELEVANT EXPLANATIONS

Specific details of the financial information of the Company will be disclosed in the annual report of the Company for the year 2009.

By order of the Board
Dongfang Electric Corporation Limited
Gong Dan
Company Secretary

Chengdu, Sichuan, the PRC
27 January 2010

As at the date of this announcement, the directors of the Company are:

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| <i>Executive Directors:</i> | Si Zefu, Wen Shugang and Zhu Yuanchao |
| <i>Non-executive Directors:</i> | Zhang Xiaolun, Huang Wei and Zhang Jilie |
| <i>Independent Non-executive Directors:</i> | Chen Xiaoyue, Zhao Chunjun and Li Yanmeng |