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東北電氣發展股份有限公司

NORTHEAST ELECTRIC DEVELOPMENT CO., LTD.

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

(Stock Code: 0042)

Overseas Regulatory Announcement

It is predicted that Northeast Electric Development Co., Ltd. (the “Company”) will turn losses into gains with a year-on-year accumulative net profit of approximately RMB14,000,000 (the same below) in the first quarter of this year according to the primary calculation from the financial management department. The accurate financial data will be disclosed in the first quarterly report of 2011 on 20 April 2011. Now, an announcement is made in accordance with the provision specified in Article 13.09 (2) of the Listing Rule.

I. Period of Performance Prediction: from 1 January 2011 to 31 March 2011

II. Situation of Performance Prediction: It is predicted that the Company will turn losses into gains compared with the same period of last year

It is predicted that the Company will turn losses into gains with a year-on-year accumulative net profit of approximately RMB14,000,000 in the first quarter of this year according to the primary calculation from the financial management department.

The accurate financial data will be disclosed in the first quarterly report of 2011 on 20 April 2011.

III. Reasons for Performance of Changes

In light of the actual completion of production and operation in the first quarter of 2011 and the extraordinary items of the Company, it is predicted that the Company will turn losses into gains with a year-on-year accumulative net profit of approximately RMB14,000,000 in the first quarter of this year.

IV. Did the certified public accountant audit the performance prediction? No

V. The performance in the same period last year

Net profit: RMB-7,480,000

VI. Other Related Explanation

The performance prediction has been primarily calculated by the financial management department of the Company. The Board of Directors confirms that the accurate financial data will be disclosed in the first quarterly report of 2011 on 20 April 2011. We wish to call mass investors' attention to investment risks.

By order of the Board

Su Weiguo

Chairman

Shenyang, the People's Republic of China

14 April 2011

The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this Announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this Announcement misleading; (iii) all opinions expressed in this Announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

As at the date of the Announcement, the Board of Directors comprises of three executive directors, namely Mr. Su Weiguo, Mr. Wang Shouguan, Mr. Liu Qingmin; and three independent non-executive directors, namely Mr. Wu Qicheng, Mr. Xiang Yongchun and Mr. Wang Yunxiao.