

Hong Kong Exchanges and Clearing Limited and the Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this announcement.



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 the accumulative net profit of Northeast Electric Development Co., Ltd. (the “Company”) is approximately RMB19,000,000 (the same below) and earnings per share is approximately RMB0.02 in the first half of 2011, with a year-on-year increase according to the preliminary calculation by the financial management department. The accurate financial data will be disclosed in the interim report of 2011 by the Board of Directors on 19 August 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 30 June 2011

II. Situation of Performance Prediction:

It is predicted that the accumulative net profit is approximately RMB19,000,000 and earnings per share is approximately RMB0.02 in the first half of 2011, with a year-on-year increase according to the preliminary calculation by the financial management department. The accurate financial data will be disclosed in the interim report of 2011 by the Board of Directors on 19 August 2011.

III. Reasons for Performance Changes:

In light of the actual completion of production and operation in the first half year of 2011 and the extraordinary items from disposal of the associated company, it is predicted that the accumulative net profit is approximately RMB19,000,000 in the first half of 2011, with a year-on-year increase.

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

V. The performance in the same period last year

1. Net profit: RMB530,000
2. Earnings per share: RMB0.0006

VI. Other Related Explanation

The performance prediction has been preliminarily calculated by the financial management department of the Company, and the accurate financial data will be disclosed in the interim report of 2011 by the Board of Directors on 19 August 2011. The information disclosure media and information disclosure websites designated by the Company respectively include Securities Times, www.cninfo.com.cn and www.hkexnews.hk. 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

13 July 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 five executive directors, namely Mr. Su Weiguo, Mr. Wang Shouguan, Mr. Liu Tongyan, Mr. Liu Qingmin and Mr. Liu Bing; and three independent non-executive directors, namely Mr. Wu Qicheng, Mr. Xiang Yongchun and Mr. Wang Yunxiao.