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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 comincorporated 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 record losses of approximately RMB30,000,000 (in RMB, the same below), with earnings per share of RMB-0.03 for 2011 according to the primary calculation from the financial management department. The accurate financial data will be disclosed in detail in the annual report of 2011 on 26 March 2012. Now, an announcement is made in accordance with the provision specified in Article 13.09 (2) of the Listing Rule.

### I. Results of Performance Prediction for This Period

1. Period of Performance Prediction: from 1 January 2011 to 31 December 2011
2. Performance of Prediction: loss

Item	This reporting period	The same period last year
Net profit attributable to shareholders of the listed company	Loss: approximately RMB30,000,000	Loss: RMB8,559,879.24
Basic earnings per share	Loss: approximately RMB0.03	Loss: RMB0.01

### II. Audit of Performance Prediction

The performance prediction has not been audited by the certified public accountant.

### III. Reasons for Performance of Changes

In light of the Company's actual completion situations of production and operation, and non-recurring profit and loss from disposal of 10.2% equity interest in its shareholding company, Shenyang Zhaoli High-voltage Electric Equipment Co., Ltd. (please refer to the "announcement of disposal of 10.2% equity interest in its shareholding company" released on 11 October 2011 for details) during the reporting period, the accumulated net profits of the Company is expected to reach approximately RMB-30,000,000 for the reporting period.

#### **IV. Other Related Explanation**

1. The performance prediction has been primarily calculated by the financial management department of the Company. The accurate financial data will be disclosed in detail in the annual report of 2011 on 26 March 2012. The information disclosure media and information disclosure websites designated by the Company respectively include Securities Times, www.cninfo.com.cn and www.hkexnews.hk.

2. If the Company continues to make a loss in 2011, the Company's A shares will be given special treatment by Shenzhen Stock Exchange (adding the word "\*ST" before its A share abbreviation) for the purpose of warning the risks of terminating listing after release of the Company's annual report of 2011 on 26 March 2012 in accordance with Rule 13.2.1 of the Rules Governing Listing of Stocks on the Shenzhen Stock Exchange. We wish to call mass investors' attention to investment risks.

By order of the Board

**Su Weiguo**

*Chairman*

Shenyang, the PRC  
17 January 2012

*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.*