



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)

## **Further Announcement on the Impact of the “5.12” Earthquake to the Company**

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

Reference is made to the announcement (“Announcement”) dated 16 May 2008 of Dongfang Electric Corporation Limited (“Company”), the Company hereby further announces the impact of the earthquake on the Company.

The earthquake caused severe damage to Hanwang Town of Mianzhu, Sichuan Province where assets of Dongfang Electric Corporation including Dongfang Steam Turbine Co. Ltd, Dongqi Investment Development Co., Ltd., its social assets (the Dongfang Steam Turbine Secondary School and Dongfang Steam Turbine Primary School had been transferred to the local government), and staff housing are located in the mining area. Dongfang Steam Turbine Co. Ltd. (“DST”) is a subsidiary of the Company. As at 7:00 p.m., 19 May 2008, 97 staff of DST are dead from the earthquake. DST assets in Hanwang Town of Mianzhu, Sichuan Province including plants and equipment were damaged in the earthquake. Aside from the aforesaid, the earthquake had little impact on other operations of the Company including hydro-electric turbine generator sets, steam power generators, power station boilers, wind power, nuclear power, engine generators and the relevant production facilities. Due to frequent aftershock and rescue work is still underway, the Company is unable to carry out site assessment on loss of assets for the time being. At present, certain rumors and news on the extent of loss of assets of the Company are unfounded. The Company will release further announcements on the extent of loss in detail after clean up and site assessment.

After the occurrence of the earthquake, the Company and its subsidiaries have actively carried out quake relief work and resumed production. Since 14 May 2008, production and operation had been fully resumed in the Headquarters of the Company and Dongfang Boiler (Group) Company Limited. On 19 May 2008, production and operation in the Deyang division of Dongfang Electrical Machinery Company Limited, and wind power of Dongfang Steam Turbine Co. Ltd had also been fully resumed. On 19 May 2008, DST and China Energy Conservation Investment Corporation entered into a contract of RMB1.24 billion, including a total of 134 wind power contracts, which was the first contract since the earthquake. The turbine productions of DST in Hanwang Town of Mianzhu, Sichuan Province will be cleaned up, either reconstructed in-situ or via other means, and production will recommence as early as possible.

The Company expresses its mourning for the deceased in the earthquake. The Company would express its gratitude to public investors for their concern and support to the Company on the impact of the earthquake.

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

Sichuan, the PRC  
20 May 2008

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

<i>Executive Directors:</i>	Si Zefu, Wen Shugang and Chen Xinyou
<i>Non-executive Directors:</i>	Zhang Xiaolun, Zhang Jilie and Li Hongdong
<i>Independent non-executive Directors:</i>	Zheng Peimin, Chen Zhangwu and Xie Songlin