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SHANGHAI ELECTRIC GROUP COMPANY LIMITED

上海電氣集團股份有限公司

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

(Stock code: 02727)

ANNOUNCEMENT
PRICE SENSITIVE INFORMATION

This announcement is made by Shanghai Electric Group Company Limited (the **"Company"**) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to the announcement of the Company dated 27 October 2010 (the "**Announcement**") with respect to the approval of equipment supply and service contracts and the mandatory spare parts supply contracts ("**Contracts**") with Reliance Anil Dhirubhai Amabani Group of India by the board of directors of the Company (the **"Board"**), pursuant to which, the Company has agreed to sell 36 coal fired super critical thermal power generation equipment and the mandatory spare parts with a total consideration of US $8.291 billion.

The Board is pleased to announce that on 28 October 2010, the Company has signed the Contracts with Reliance Anil Dhirubhai Amabani Group of India, the key terms of which have been disclosed in the Announcement.

By Order of the Board
Shanghai Electric Group Company Limited
Xu Jianguo
Chairman of the Board

Shanghai, the PRC, 28 October 2010

As at the date of this announcement, the executive directors of the Company are Mr. XU Jianguo, Mr. HUANG Dinan, Mr. ZHANG Suxin and Mr. YU Yingui; the non-executive directors of the Company are Mr. ZHU Kelin and Ms. YAO Minfang; and the independent non-executive directors of the Company are Mr. ZHU Sendi, Dr. CHEUNG Wai Bun and Mr. LEI Huai Chin.

* For identification purpose only