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(Stock Code:0042)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of the shareholders of Northeast Electric Development Company Limited* (the “Company”) will be held at 9:00 am on 28, November 2011 at the Conference Room of the Company, No.2 Xingshun Street, Tiexi District, Shenyang, the PRC for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (1) (a) the terms and conditions of the equity transfer agreement dated 10 October 2011 (the “Agreement”) entered into between 阜新封閉母線有限責任公司 (Fuxin Enclosed Busbars Company Limited*), 新東北電氣集團銷售有限公司 (New Northeast Electric Group Sales Company Limited*), Kingpost Holdings Limited (興浩集團有限公司) and Northeast Electric (Hong Kong) Limited (東北電氣(香港)有限公司), a copy of the Agreement has been produced to the EGM marked “A” and signed by the chairman of the meeting for the purpose of identification, be and are hereby approved; and
- (b) the directors of the Company (the “Directors”) authorized for and on behalf of the Company, among other matters, to sign, execute, perfect, deliver or to authorize signing, executing, perfecting and delivering the Agreement be hereby approved, ratified and confirmed, and the Directors be and are hereby authorized to do or authorize doing all such acts, matters and things as they may in their discretion consider necessary, expedient or desirable to give effect to and implement the transactions pursuant to the Agreement and to waive compliance from or make and agree such variations of a non-material nature to any of the terms of the

Agreement as they may in their discretion consider to be desirable and in the interest of the Company.”

Notes:

- (1) Any shareholder of A shares who has registered on the register of the Company at China Securities Depository and Clearing Company Limited Shenzhen Branch by the close of business on 25 November 2011 is entitled to attend the Meeting.
- (2) In order to confirm the list of shareholder of H shares who are entitled to attend the meeting, the register of shareholders of the Company will be closed from 28 October 2011 to 28 November 2011 (both days inclusive), during which period no transfer of shares will be registered. The shareholders whose names appear on the register by the close of business on 27 October 2011 are entitled to attend the meeting and vote at the meeting. Shareholders of H shares who intend to attend the meeting shall deposit the transfer documents and relevant share certificates at the Company's H shares registrar, Hong Kong Registrars Limited located at 17/F Hopewell Center, 183 Queen's Road East, Hong Kong not later than 16:30 pm on 27 October 2011.
- (3) Shareholders of H shares who intend to attend the extraordinary general meeting shall mail or fax the written reply for attending the meeting to the Company before 8 November 2011.
- (4) Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies (whether or not shareholder of the Company) to attend and vote at the meeting on his/her behalf.
- (5) In order to be valid, the proxy forms of shareholders and other notarially certified documents (if any) should be deposited at the Company not less than 24 hours before the extraordinary general meeting.
- (6) The extraordinary general meeting is expected to last for half a day. Shareholders or their proxies attending the meeting shall bear their own travel and accommodation expenses.

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** for identification purpose only*

By order of the Board
Su Weiguo
Chairman

Shenyang, the People's Republic of China
10 October 2011

As at the date of the Statement, 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.