

## I. IMPORTANT NOTICE

1. It is hereby confirmed by the board of directors (the “Board”), the supervisory committee and the directors, supervisors and senior management of Dongfang Electrical Machinery Company Limited (the “Company”) that this annual report contains no false representation, misleading information or material omission. The Board of the Company jointly and severally accepts full responsibility for the truthfulness, accuracy and completeness of the contents of this annual report.
2. Due to other business engagement, Director Mr. Liu Shigang and Director Mr. Chen Xinyou appointed Director Mr. Si Zefu and Director Mr. Han Zhiqiao respectively to attend the Board meeting approving the annual report and vote on their behalf.
3. Deloitte Touche Tohmatsu CPA Ltd. issued a standard unqualified Auditors’ Report for the Company.
4. Mr. Si Zefu, the legal representative and Chairman of the Company, Mr. Gong Dan, Vice General Manager of Finance and the General Accountant, and Madam Yan Ling, the Finance Manager have declared that they confirm the truthfulness and completeness of the financial statements in the 2006 annual report.

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