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哈电集团
HARBIN ELECTRIC CORPORATION

哈尔滨电气股份有限公司

HARBIN ELECTRIC COMPANY LIMITED

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

(Stock Code: 1133)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Harbin Electric Company Limited (the “Company”) will be held at 17th Floor Meeting Room, Block B, 39 Sandadongli Road, Xiangfang District, Harbin, Heilongjiang Province, the People’s Republic of China on Monday, 3 December 2012 at 9 a.m. for the purposes of considering and, if thought fit, passing, with or without modifications, the following resolutions of the Company:

SPECIAL RESOLUTIONS

- “1. **THAT** the Company be and is hereby authorised to issue the corporate bonds (“Corporate Bonds”);
2. **THAT** the aggregate principal amount of the Corporate Bonds shall not exceed RMB4,000,000,000;
3. **THAT** the maturity of the Corporate Bonds shall not be more than 5 years;
4. **THAT** the proceeds from the issuance of the Corporate Bonds be used for general working capital, repayment of liabilities, improving the Company’s debt structure and/or investment in construction projects, depending on the Company’s capital requirements at the relevant time;
5. **THAT** upon completion of the issuance of the Corporate Bonds, an application shall be made for the listing of the Corporate Bonds on the Shanghai Stock Exchange or such other exchange as may be permitted under applicable laws subject to the approval of relevant authorities;
6. **THAT** the foregoing resolutions numbered 1 to 5 shall remain valid until the date falling 24 months after the CSRC approval of the issue of the Corporate Bonds;

7. **THAT**, if it is anticipated that the principal and/or interest of the Corporate Bonds cannot be duly paid, the Board be authorised to take at least the following measures:
- (i) no profit will be distributed to the shareholders of the Company (“Shareholders”);
 - (ii) the implementation of capital expenditure projects such as major external investment, merger and acquisitions will be temporarily suspended;
 - (iii) the payment of remuneration/salaries and bonus to the directors and senior management of the Company will be reduced or suspended; and
 - (iv) the persons primarily responsible for the issue of the Corporate Bonds will not be transferred or removed;
8. **THAT** the Board be authorized to handle all matters in relation to the issuance of the Corporate Bonds at their full discretion, including but not limited to:
- (i) to determine and adjust, depending the needs of the Company and the prevailing market conditions and in accordance with the requirements of the relevant laws and regulations and securities regulatory authorities and the Shareholders’ approval, the specific plans of the issue of Corporate Bonds, including but not limited to, issue size, bond term, bond type, interest rate and ways of determination, timing of issue, issue tranche(s) and guarantee arrangement;
 - (ii) to appoint the relevant intermediaries, select the bond custodian, sign the bond custody agreement and formulate the bondholders meeting procedures;
 - (iii) to handle the application of the issue of Corporate Bonds;
 - (iv) prepare, approve, execute, amend, announcement all legal documents in relation to the issue of Corporate Bonds, and to make such supplement or amendment to the application documents as may be required by the relevant approval authorities;
 - (v) to make adjustments to the relevant matters in relation to the issue of Corporate Bonds in accordance with any change to the regulatory policies or the market conditions, except for matters relating to the laws, regulations or the articles of association of the Company which require the Shareholders’ approval;
 - (vi) to handle matters relating to the issue and listing of the Corporate Bonds in accordance with the rules of the relevant stock exchange on the issue and listing of bonds;
 - (vii) to handle any other matters relating to the issue of Corporate Bonds; and

(viii) to further authorise Mr. Wu Wei-zhang, an executive director and general manager of the Company, to handle the above matters in relation to the issue and listing of the Corporate Bonds on behalf of the Company,

and that this resolution shall remain valid until the date of completion of the above matters.”

By order of the Board of
Harbin Electric Company Limited
Liu Zhi-quan
Company Secretary

19 October 2012

Notes:

1. For the purpose of determining the list of shareholders entitled to attend and vote at the EGM, the Company shall temporarily suspend changes to the register of shareholders from 3 November 2012 to 2 December 2012 (both days inclusive). Shareholders whose names appear on the register at the time of the suspension of registration shall be entitled to attend and vote at the EGM. Person who purchased shares of the Company during the period of suspension of registration shall not be entitled to attend the EGM. In order to qualify the attendance at the EGM, all transfers documents, accompanied by the relevant share certificates, must be lodged with the Company's Registrar, namely, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:00 p.m. on 2 November 2012.
2. Shareholders intending to attend the EGM shall give written notice of the same to the Company, which shall be lodged at the office address of the Company before 5:00 p.m. on 13 November 2012.
3. A Shareholder entitled to attend and vote at the EGM is entitled to appoint one or more persons (whether or not a shareholder of the Company) as his proxy to attend and vote on behalf of him.
4. To be valid, the form of proxy, together with a duly notarized power of attorney or other document of authority, if any, under which the form is signed must be deposited at the office address of the Company not less than 24 hours before the time appointed for holding the EGM.

As at the date of this notice, the executive Directors are Mr. Wu Wei-zhang and Mr. Shang Zhong-fu; the non-executive directors of the Company are Mr. Gong Jing-kun, Mr. Zou Lei and Mr. Duan Hong-yi; and the independent non-executive directors are Mr. Sun Chang-ji, Mr. Jia Cheng-bing, Ms. Li He-jun, Mr. Yu Bo and Mr. Liu Deng-qing.