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公司簡介(續)
Overview of the Company (continued)

- 火電及水電設備成套服務
- 電站設備進出口業務
- 成套發電設備的工程化技術研究與開發
- 成套發電設備的系統研究與開發
- 發電設備及其配套產品的研究與開發
- 技術轉讓、技術諮詢和技術服務
- 環保工程業務等

本集團擁有先進的生產和科研試驗設備，其研究開發能力、生產製造能力和電站承建能力在中國發電設備製造商中位居前列。

本集團地處聞名中外的中國哈爾濱，被譽為「動力之鄉」。

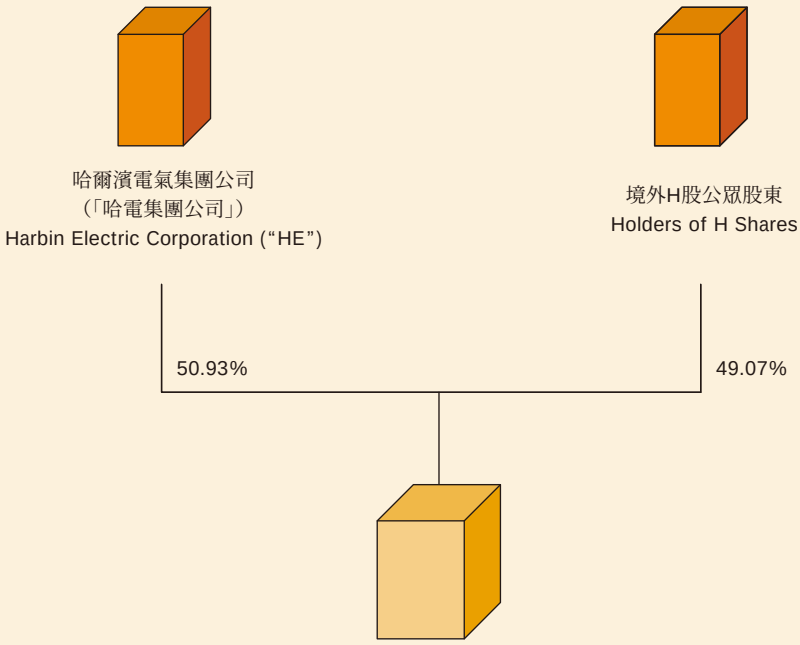
- Contract supply of complete sets of thermal and hydro power equipment
- Import and export of equipment for power stations
- Engineering technology R&D of complete set of power equipment
- System R&D of complete set of power equipment
- R&D of power equipment and its ancillary equipment
- Technology transfer, technical consultation and services
- Environmental protection engineering services, etc.

The Group possesses a comprehensive range of advanced

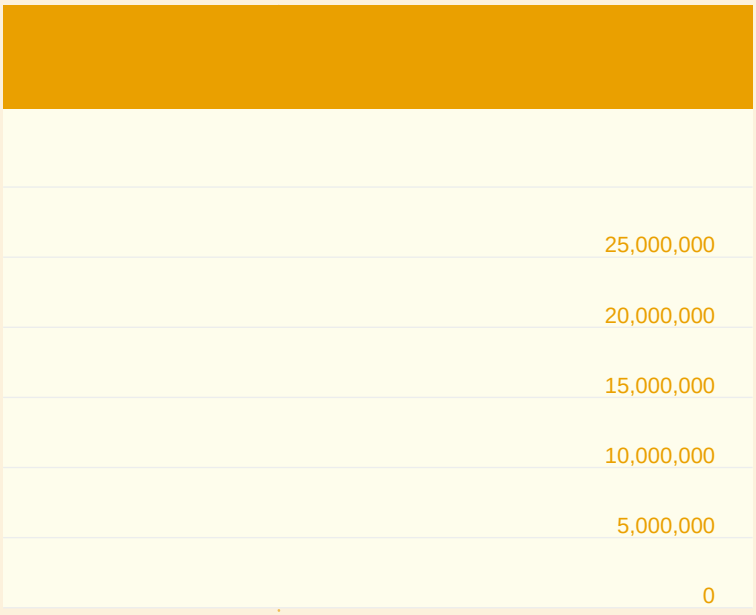
公司簡介(續)
Overview of the Company (continued)

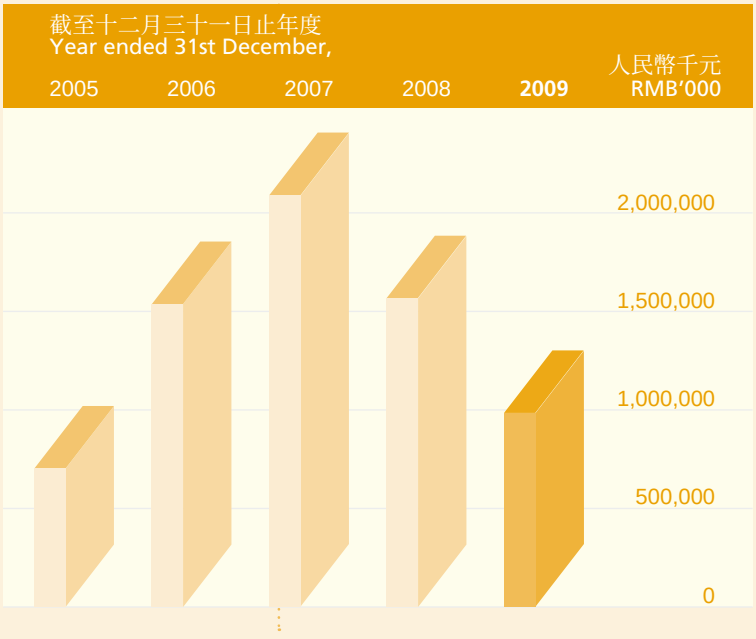
公司架構及主營業務

CO PO A E C E AND MAIN B INE LINE



財務摘要
Financial Highlights





財務摘要(續)
Financial Highlights (continued)

本集團五年之業績、資產及負債概列如下：

The summary of results, assets and liabilities of the Group for the last five years are as follows:

		截至十二月三十一日止年度				
	Unit					
	單位	**2009**	2008	2007	2006	2005
營業額	*人民幣千元*	**28,629,522**	29,903,544	27,648,584	29,098,016	18,464,106
Turnover	*Rmb'000*					
除税前溢利	*人民幣千元*	**984,512**	1,573,247	2,115,820	1,543,573	696,125
Profit before tax	*Rmb'000*					
本年淨利潤	*人民幣千元*	**606,206**	1,041,837	1,527,979	1,024,581	464,990
Net profit for the year	*Rmb'000*					
資產總值	*人民幣千元*	**52,876,381**				

財務摘要(續)
Financial Highlights (continued)

主要業務

本公司主要作為投資控股公司並提供企業管理服務予其附屬公司。

P INCIPAL AC I I IE

The Company acts as an investment holding company and provides corporate management services to its subsidiaries.

按主要產品分類營業額及營業利潤貢獻	截至2009年12月31日止年度 營業額 Turnover *人民幣千元 Rmb'000*	營業利潤 Contribution to operating profit *人民幣千元 Rmb'000*	截至2008年12月31日止年度 營業額 Turnover *人民幣千元 Rmb'000*	營業利潤 Contribution to operating profit *人民幣千元 Rmb'000*
火電主機設備 Main thermal power equipment	**19,220,791**	**2,572,874**	20,493,133	3,042,982
水電主機設備 Main hydro power equipment	**1,893,429**	**437,991**	2,863,250	658,649
電站工程服務 Engineering services for power stations	**4,299,673**	**(60,962)**	3,446,168	(346,162)
電站輔機及配套設備 Ancillary equipment for power stations	**1,251,301**	**316,106**	1,161,006	299,577
交直流電機及其他產品與服務 AC/DC motors and other products and services	**1,964,328**	**399,498**	1,939,987	352,034
	28,629,522	**3,665,507**	29,903,544	4,007,080
其他業務收益 Profit from other activities		**213,690**		340,580
未分配到主要產品之費用 Expenses not allocated to major products		**2,894,685**		2,774,413
稅前溢利 Profit before tax		**984,512**		1,573,247

董事長報告書(續)
Chairman's Statement (continued)

我們注意到，2009年受各方面因素的影響，公司的經營規模和盈利水平產生了一定程度的波動，公司正處在發展中的調整期。為適應市場需求變化需要，公司加大了科技投入，全年共投入科研開發經費7.84億元，取得數十項專利和省部級及以上科研成果。

公司全面啟動了內控評審項目，加強企業內控體系建設，並計劃在未來的兩到三年內繼續完善，提升公司的管理品質和抗風險能力。

我們欣喜地看到，公司在核電和大型、高效水火電機組的開發方面取得了重大進展，核電產品新接訂單佔比已接近15%，大型水電技術保持了國際先進水平，大型超超臨界火電機組的國產化工作已接近完成。組建了現代製造服務產業公司，以期發展電站維修改造業務，具有較大發展前景的兩鬆搔產品的開痢隙研易孑廑灢嫣屢菽楂쩬祀[illegible]一愨核電技妒項目鑶吁

我深深地感受到了公司全體同仁和各位股東對公司發展的股切希望，我將同公司全體同仁一起堅定信心，精心策劃，銳意創新，努力實踐，為打造「中國最好、世界一流」的發電設備企業而奮鬥，用優異的業績回報各位股東。

董事長
宮晶堃
於中國 · 哈爾濱，二零一零年四月九日

I deeply understand the m68Cng expectations from all of our m6aff and shareholders. It is the Company and my belief to make meticulous planning, innovate and put into practice the most possible ideas. In order to award our mhareholders with excellent corporate results, we will fight hard to become the best in China and one of the leading power equipment enterprises in the world.

Chairman
GC
Harbin, the PRC, 9th April, 2010

管理層論述與分析
Management Discussion and Analysis

（貨幣名稱除特殊標註外均為人民幣）
(Unless otherwise stated, all amounts are denominated in Renminbi)

在閱讀本部分內容之時，請同時參閱本年報其他部分所載之財務報表及附註。

宏觀經濟與行業發展

2009年是新世紀以來我國經濟發展最為困難的一年，在世界經濟嚴重衰退的形勢下，中國政府準確判斷、果斷決策、從容應對，全面實施並不斷豐富完善應對國際金融危機的一攬子計劃，有效遏制了經濟增長明顯下滑的態勢，國民經濟形勢總體回升向好，在實現了GDP增長8%以上發展目標的同時，為2010年的持續發展打下了堅實的基礎。

進入2009年下半年，全國電力生產和消費增速回升，電力建設投資增幅加大，隨著國家環保政策、法規的完善和實施，電源建設更加注重結構優化，市場對環保、節能、高效的傳統發電設備以及核電、風電等新能源產品的需求旺盛，為發電設備企業提供了較大的發展空間。

訂貨情況

2009年在國內外電設泊撊뭘緊尿昇閾述梏十巵炆良￡耨絆碯睎朾驗╥喃椅蓍韙갛岌쉿僥簽●酹颩槨닦瀊쉿

An exceptional result was achieved for the development of the nuclear power products market with market shares continued to increase, highlighting by the new contracts of T&G for AP1000 nuclear power project in Xianning, Hubei and two 650MW nuclear power turbine units under Hainan Changjiang project. The market share of AP1000 conventional island turbine unit has reached 50% in terms of new contracts, enabling the Company to take the lead in the market. In respect of main equipment for nuclear island, the Company has secured the supply contracts for 4 steam power generators under Taohuajiang project, 2 steam power generators under Hubei Xianning project and 4 steam power generators under C3/C4 project in Chashma, representing 40% market share for AP1000 nuclear power steam power generator. The Company has acquired a series of contracts for nuclear power equipments, including the pressure stabilizers under Taohuajiang and Yangjiang projects, the main pump generators under C3/C4 project in Chashma as well as the core makeup tanks and passive residual heat removal heat exchanger under Sanmen project. All of these contracts not only significantly increased the market share of nuclear power products, but also expanded the supply scope of

The Company adopted effective measures against current situation, during which the Company reinforced the dynamic management on projects, enhanced risk analysis, approved the payments according

Technology introduction and absorption was progressing steadily. The Company accelerated the introduction of AP1000 nuclear technology of Mitsubishi Corporation and completed the technical preparations of Sanmen project. The Pump-storage unit technology introduced from ALSTOM has entered the stage of re-innovation

P OFI

In the year of 2009, net profit of the Group was Rmb606.21 million, a decrease of 41.81% compared to the last year; earnings per share was Rmb0.44, a decrease of Rmb0.32 compared to the corresponding period of last year; net asset as at the end of the period was Rmb8,639.03 million, an increase of Rmb502.95 million compared to the beginning of the year; net asset per share was Rmb6.27, an increase of Rmb0.36 compared to the beginning of the year.

During the period, the decline in the profit of the Group was mainly attributable to the decrease in product revenue and gross profit, the recognition of provisions for the loss of nuclear power project as well as the increase in allowance.

成本

年內，本集團的主營業務成本為2,496,402萬元，比上年同期下降3.60%，主要原因是2009年度主營業務收入下降所致。

CO

During the year, the cost of the principal business activities of the Group was Rmb24,964.02 million, a decrease of 3.60% as compared to the last year. The decrease was mainly attributable to the decrease of turnover of main business activities in 2009.

毛利及毛利率

期內，本集團主營業務實現毛利為366,551萬元，比上年同期下降8.52%。毛利率為12.80%，比上年同期下降0.6個百分點。毛利率下降的主要原因是本期銷售的產品所採用的原材料主要是在2007年第四季度以及2008年上半年價格高點時採購的，導致成本上升。

G O P OFI AND G O P OFI MA GIN

During the period, the gross profit from the principal business activities of the Group was Rmb3,665.51 million, a decrease of 8.52% as compared to the last year. The gross profit margin was 12.80%, a decrease of 0.6 percentage points over the last year. The decrease in the gross profit margin was mainly attributable to an increase in the cost of products, which was due to the fact that the raw materials consumed to produce our products sold during the period were purchased in the fourth quarter of 2007 and the first half of 2008 when the prices were at their historic heights.

其中，火電主機設備毛利為257,287萬元，比上年同期減少47,011萬元；毛利率為13.39%，比上年同期下降1.46個百分點；水電主機設備毛利為43,799萬元，比上年同期減少22,066萬元，毛利率為23.13%，比上年同期增長0.13個百分點；電站工程服務毛利為-6,096萬元，比上年同期增加28,520萬元，毛利率為-1.42%，比上年同期增長8.62個百分點；電站輔機及配套產品毛利為31,611萬元，比上年同期增加1,653萬元；毛利率為25.26%，比上年同期下降0.54個百分點；交直流電機及其它產品與服務的毛利為39,950萬元，比上年同期增加4,747萬元；毛利率為20.34%，比上年同期增長2.19個百分點。

Among them the gross profit from thermal power main equipment was Rmb2,572.87 million, a decrease of Rmb470.11 million compared to the last year. The gross profit margin for thermal power main equipment was 13.39%, a decrease of 1.46 percentage points compared to the corresponding period last year. The gross profit from hydropower main equipment was Rmb437.99 million, a decrease of Rmb220.66 million compared to the corresponding period last year. The gross profit margin for hydropower main equipment was 23.13%, an increase of 0.13 percentage points compared to the corresponding period last year. The gross profit from power plant engineering services was Rmb-60.96 million, an increase of Rmb285.2 million compared to the corresponding period last year. The gross profit margin for power plant engineering services was -1.42%, an increase of 8.62 percentage points over the corresponding period last year. The gross profit from power plant accessories and parts was Rmb316.11 million, an increase of Rmb16.53 million compared to the corresponding period last year. The gross profit margin for power plant accessories and parts was 25.26%, a decrease of 0.54 percentage points over the last year. The gross profit from the AC/DC motors and other products and services was Rmb399.5million, an increase of Rmb47.47 million compared to the corresponding period last year. The gross profit margin for the AC/DC motors and other products and services was 20.34%, an increase of 2.19 percentage points over the last year.

期間費用

2009年，本集團發生營業費用38,859萬元，比上年同期減少3,669萬元，主要是產品銷缺費及運輸費減少所致。

2009年，本集團發生管理費用232,571萬元，比上年同期增加17,191萬元，增幅為7.98%。主要是資產減值準備增加所致。

利息支出

2009年，本集團發生財務費用18,038萬元，比上年同期減少1,494萬元，主要是貸款利息減少所致。

資金來源及借款情況

本集團之營運及發展所需資金主要有三個來源：股東資金、客戶貨款和銀行借款。本集團之借款乃根據具體項目而安排，除特殊情況外，借款一般由旗下各子公司分別籌措，但屬於資本投資性借款須先由母公司批准。由於近兩年本集團訂單及預收貨款大幅度增加，本集團營運資金充裕，償還了絕大部分營運資金貸款。截至2009年12月31日，本集團銀行借款總額為399,568萬元(2008年12月31日為440,582萬元)，均為按國家規定利率從各商業銀行及國家政策性銀行取得的借款。其中，須於一年內償還之借款為128,858萬元，比年初增加41,788萬元。須於一年後償還之借款為270,710萬元，比年初減少82,802萬元。

E PEN E D ING HE PE IOD

The Group's expenses for operation activities during the year of 2009 amounted to Rmb388.59 million, a decrease of Rmb36.69 million compared to the corresponding period last year, of which the main reason was the decrease in selling and transportation expenses of our products.

Expenses for administration activities during the year of 2009 amounted to Rmb2,325.71 million, an increase of Rmb171.91 million or 7.98% compared to the corresponding period last year, of which the main reason was the increase in asset impairment provisions.

IN E E E PEN E

In 2009, the Group has incurred financial expenses of Rmb180.38 million, a decrease of Rmb14.94 million compared to the corresponding period last year, which was mainly attributable to the decrease in loan interests.

F NDING AND BO O ING

The Group has three major resources for operation and development funding, namely shareholder's capital, trade receivable from customers and bank borrowings. The Group arranges borrowings for each specific project. Except for some special situations, loans will be raised individually by the Group's subsidiaries. However, the advance approval from the parent company for capital investment borrowings is required. As the number of orders and the trade amount received in advance of the Group increased significantly during the past two years, the Group had abundant working capital and has thus repaid substantially all of the loans for working capital. As at 31st December 2009, the total sum of the Group's bank borrowings was Rmb3,995.68 million (31st December 2008: Rmb4,405.82 million). The Group's bank borrowings were loans from various commercial banks and the State's policy banks with interest rates stipulated by the state. Among the Group's borrowings, the amount due within one year was Rmb1,288.58 million, an increase of Rmb417.88 million compared to the beginning of the year. The amount of the Group's borrowings due after one year was Rmb2,707.1 million, a decrease of Rmb828.02 million compared to the beginning of the year.

或有負債及抵押

截至2009年12月31日，本集團有52,623萬元資產抵押用於流動資金貸款。

資本開支及所持重大投資情況

2009年，本集團用於基本建設和技術改造的資本開支總額為7.88億元。

核電項目穩步實施。常規島國產化完善項目的主要設備已投入使用；核島主設備製造建設項目的土建施工已基本完成，主要設備陸續投入使用；核島主設備製造自主化完善項目的擴建跨廠房已實現冷封閉；主泵電機製造基地建設項目的土建施工已進入尾聲，部分設備已交付使用；核電反應堆冷卻劑泵組製造技術改造項目的擴建跨廠房已經封閉；1000MW等級核電輔機技術改造項目的新建廠房工程已全部完工。各項目所需設備的採購進展順利。

與此同時，電站閥門技術改造建設項目的土建施工已進入尾聲；新建水力模型試驗站技術改造項目的廠房基礎挖掘部分已經全部完成；大型煤化工等技術改造項目的一期工程完成了廠房基礎施工和部分地下管網工程。

CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

As of 31st December, 2009, the Group pledged its assets in an amount of Rmb526.23 million to secure loans for liquidity.

CAPITAL EXPENDITURE AND MAJOR INVESTMENT

In the year 2009, the Group has invested a total capital expenditure of Rmb788 million in infrastructure constructions and technological upgrades.

Nuclear power projects are undergoing steady development. The main equipments of the improvement project for domestic production at conventional islands have been put into use. The manufacturing and construction project of the main equipments for nuclear island has largely completed its civil engineering works, and the main equipments are putting into use one after another. The multi-factories expanded under the manufacturing self-reliance and improvement project of the main equipments for nuclear island are cold-sealed. The civil engineering works of the construction project of manufacturing base for main pump generators have entered the last stage, and certain equipments have been delivered for use. The multi-factories expanded under the manufacturing technology upgrade project for nuclear power reactor-cooling agent pump units are sealed. The technological upgrade project for 1000MW nuclear power auxiliary equipment has completed all works on its new factories. The equipments of all projects are being procured smoothly.

Meanwhile, the civil engineering works of the technological upgrade and construction project for power plant valve have entered the last stage. The technological upgrade project of the newly built hydro power model laboratory has completed the excavation of the factory foundation. The first stage of the technological upgrade project of large-scale coal engineering has completed all works at the factory foundation and part of the underground pipeline network.

匯率波動風險及相關對沖

本集團亦擁有部分外幣存款，於2009年12月31日，本集團外幣存款折合人民幣70,015萬元。本集團出口及以外幣結算之業務，存在匯兌風險。

E PO E O FL C A ION IN E CHANGE A E AND ELA ED HEDGE

The Group has certain amount of deposits that are denominated in foreign currencies. As at 31st December, 2009, the amount of the Group's deposits in foreign currencies amounted to RMB700.15 million. Export and foreign currencies settled businesses expose the Group to exchange risk.

募集資金運用

2009年，本集團共運用募集資金1.02億元，主要用於出海口基地核島主設備、電站閥門技術改造、核電主泵電機等項目。

截至2009年12月31日，本集團已累計運用H股募集資金24.85億元，剩餘募集資金1.45億元暫存放於銀行，將用於出海口基地二期建設及其它技術改造項目。

E OF F ND- AI ING P OCEED

In the year 2009, the Group has utilized a total of Rmb102 million of its fund-raising proceeds mainly for the Workshop Base Construction Project in relation to main equipment for nuclear islands, technological upgrade of nuclear power plant valves and nuclear power main pump generators.

As of 31st December, 2009, the Group has utilized a total of Rmb2,485 million of its H share listing proceeds, while the remaining balance of the listing proceeds of Rmb145 million was deposited with banks and will be used in the second stage of the Workshop Base Construction Project and other technological upgrade projects.

員工及薪酬

於2009年12月31日，本集團擁有在崗員工18,895人，薪酬總額為11.86億元。為不斷提高職工的知識水平、技能、能力及其它綜合素質，公司加大職工培訓力度，開展了以崗位培訓為主、高層次管理人才培訓為重點、兼顧一定數量的學歷培訓等多種培訓形式，提高了職工的整體素質，為公司的穩定發展儲備了力量。

AFF AND EM NE A ION

As at 31st December, 2009, the Group had a workforce of 18,895 employees and the total remuneration amounted to Rmb1,186 million. In order to enhance knowledge, skills and capabilities as well as promote the overall caliber of its staff, the Company has put additional efforts in staff training and adopted various training approaches emphasizing on-the-job training and targeting at senior management personnel while a number of training courses for academic qualifications were also provided. As a result, the Company's staffs have become more competent which helps build a solid foundation for a steady development of the Company.

PROSPECT

Looking into 2010, there are still many uncertainties in the world economy development, which is heading for a grim situation. As the basic situation and long-term uptrend of China's economy development did not change significantly, China's GDP is expected to grow 8.7% in 2010. As the rapid development in macro-economy will maintain a high level of market demand for power generating equipments, it is expected that the total power generating capacity in 2010 will increase to about 950 million KW. The national policy

2. A [illegible]

The Company will face many tough challenges in 2010, including the launch of operation of nuclear power products, and imbalance in production tasks as a result of numerous new products and concentrated deliveries. Moreover, the limited amounts and volatile prices for key materials also sets barrier for production arrangements. Therefore, we will pay more attention to reasonable production arrangements, to prepare schedules that fulfill the requirement of our contracts while keeping a reasonable balance. We will coordinate all subsidiaries involved in the production process to provide full support to nuclear power business, in order to fully tap the production capacity of nuclear and conventional island bases.

With focus on our management of key projects, we will strengthen our organizational coordination. Quick-responsive and more effective precaution system will be established to strengthen the risk prevention in project implementation, a33 Tw[(and)13.9(wfocus)13.9a(precautionac9.1si system)13.aymen key

2010年產品開發的重點是：全力做好核電產品技術開發；加大巨型水電、抽水蓄能機組開發力度；加速煤電設備升級改造和更新換代；加快發展海洋能等新能源產品；拓展煤化工、大型化工容器及IGCC產品領域；培育和開發環保產品及海水淡化設備；保持、鞏固電驅動快速發展態勢；用現代製造服務的理念發展電站維修改造和備品、備件業務；做好風電配套設備的研製和開發。

The focuses of product development in 2010 are as follows: make every effort to ensure the development of nuclear power products; strengthen the development of large-scale hydropower and pumped storage units; accelerate the upgrade and replacement of coal power equipments; speed up the development for new energy products such as marine power; explore into the industries of coal chemical, large chemical container and IGCC products; develop environmentally friendly products and desalination equipments; maintain and consolidate the rapid development in electric driving force; develop power plant maintenance service and backup and spare parts business with modern manufacture service concepts; work on wind power equipments research and development.

以做好AP1000核電技術引進為重點，加快引進技術的消化吸收進程，AP1000核電蒸發器的技術研發將按計劃開展技術轉化和產品製造工作。加快大型半轉速汽輪機設備的設計、製造技術的國產化進程。依託三門、海洋項目進行消化吸收再創新，自主開發AP1000和更高容量等級的核電用發電機。

With focus on the imported AP1000 nuclear technology, we will speed up our process for assimilating the imported technologies. The research and development of the AP1000 nuclear power steam equipment will start technology conversion and product manufacture work as planned. The domestication of design and manufacture technology of large scale half-speed gas turbines will also be accelerated. With the assimilation and renovation of the technologies in Sanmen and Haiyang projects, we will be able to develop AP1000 or nuclear power generators with higher capacity on our own.

做好600MW等級超臨界W火焰鍋爐等產品的開發工作，《AP1000核電汽輪機關鍵技術》課題，將以湖北咸寧項目為依託，自主完成主蒸汽系統、旁路系統的系統設計、佈置設計和強度計算等工作。努力實現超超臨界系列機組的自主化設計。聯合循環機組將重點開發309E和209FA純凝機組。

We will strive to work on the research and development of products such as 600MW super critical W thermal boiler. The topic of Key Technology of AP1000 Nuclear Power Turbine (《AP1000核電汽輪機關鍵技術》課題) will be based at the Xianning Project in Hubei, and include self-reliance tasks such as the system design of main steam system and bypass system, layout design and strength calculation. We will also endeavor to accomplish the self-reliance design of ultra super critical generator units. The development focus of combined cycle units will be on 309E and 209FA straight condensing units.

繼續提高節能、環保、高效發電設備產品的比重，積極申報節能環保項目，積極開發除塵、脫硫、脫硝、電廠污水處理等環保產品。

We will continue to increase the proportion of energy-saving, environmental and efficient power equipments, actively apply for energy-saving and environmental projects and research on environmental products such as dust removal, deSO2, deNOx and power plant water treatment.

4. 完善內控，夯實基礎，持續提高管理水平。

繼續推進內控評審項目。全面實施內控手冊，並初步形成內部控制持續改進的內部機制，進一步提高管理水平和風險控制能力。

繼續加強成本管理，提高成本意識，強化成本費用的預算控制，切實加強以質量成本為重點的質量管理工作。

大力推廣信息化應用，要將企業信息化工作與內部流程優化有機地結合起來，更新管理理念，用改革促進管理水平的提高。

5. 力求實效，穩步推進，優質高效完成技改計劃。

2010年公司擬安排固定資產投資項目15項，投資總額12.84億元。項目實施目標為：

秦皇島核島完善化項目的廠房及附屬工程土建施工收尾，實驗大樓主體開始施工，主要設備交付使用，擬安排投資2.28億元；核電常規島完善化項目中的秦皇島基地，大型發電機試驗站、110KV降壓站實現主要生產設備交付使用，擬安排投資1.26億元；核島主設備製造項目全面竣工投產，擬安排投資0.60億元；核電主泵電機製造基地項目，廠房及附屬設施工程收尾，主要設備交付使

4. I , al , l. , h . ld da ad ha , a a .

The Company will continue to carry out the internal control program by fully implementing the internal control manual and forming an initial mechanism for continuously improving internal control. These will further enhance the Company's management and risk control capabilities.

The Company will continue to enhance cost management, increase its sense of costs and enhance its budget control on costs. The Company will also strengthen its quality management emphasizing quality costs.

The Company will vigorously implement information-based application. There will be an organic combination between our information-based work and the optimization of the internal procedure. Moreover, the Company will improve its management philosophy to enhance its management by reform.

5. B a al , a. ad , .. a d l h h l al ad la. ah h- al a d a .

In 2010, the Company plans to invest a total of Rmb1,284 million in 15 items of property, plant and equipment. The objectives are as follows:

The improvement project of nuclear island in Qinhuangdao will complete its civil engineering on factory and auxiliary works, begin constructing the body of the laboratory building and deliver the main equipments for use, of which the total investment is expected to be Rmb228 million. In the Qinhuangdao base for the improvement project of nuclear power conventional island, the large-scale power generators laboratory and 110KV step-down substation will deliver the main equipments for use, of which the total investment is expected to be Rmb126 million. The manufacturing project of the main equipments of nuclear island will be fully put into operation with the total investment expecting to be Rmb60 million. The manufacturing base project of nuclear power main pump generators will complete its factory construction and auxiliary works and deliver the main

董事、監事及高級管理人員
Directors, Supervisors and Senior Management

董事

執行董事

宮晶堃先生，一九五八年七月出生，碩士學位，高級工程師職稱，現任本公司董事長及哈電集團公司董事長。宮先生一九八二年畢業於瀋陽機電學院，後就讀於上海復旦大學工業經濟管理專業，獲碩士學位。一九八二年加入哈電集團。宮先生曾任本集團原電機廠生產處副處長、生產部副部長、水電分廠廠長以及本集團電機公司總經理助理、副總經理等職務。一九九九年任阿城繼電器集團公司和阿城繼電器股份有限公司董事長。二零零零年八月任哈電集團公司副董事長兼總經理，九月任本公司副董事長。二零零六年五月任哈電集團公司董事長，九月二十九日任本公司董事長。

鄒磊先生，一九六六年六月出生，博士學位，高級經濟師職稱，現任本公司執行董事及哈電集團公司董事、總經理。鄒先生一九八八年七月畢業於佳木斯工學院機械設計與製造專業，取得學士學位，後於哈爾濱工業大學取得博士學位。一九八八年八月加入哈電集團。鄒先生曾任原哈爾濱鍋爐廠生產處總調度室調度員、党辦秘書、團委副書記、書記，鍋爐公司管子一分廠黨支部書記、重容分廠廠長、平山分廠廠長、生產長、副總經理、董事長、總經理兼黨委副書記。二零零八年十二月任哈電集團公司黨委常委、董事、總經理。二零零九年二月十一日起任本公司執行董事。

段洪義先生，一九六三年二月出生，工商管理碩士學位，高級經濟師職稱，現任本公司執行董事及哈電集團公司副總經理。段先生一九八二年畢業於哈爾濱電機製造學校機械專業，同年加入哈電集團。曾任本集團原鍋爐廠計劃處綜合計劃員，副處長等職務。段先生一九九四年參加哈電集團股改和本公司股票發行與上市工作，一九九五年起先後任本公司計財部副部長、部長、公司副總會計師以及本集團汽輪機公司監事、副總經理及本集團動力科貿公司副董事長等職務。二零零零年八月任哈電集團公司副總經理，九月任本公司執行董事。

DI EC O

E D

M . G , born in July 1958, senior engineer with a master's degree, now chairman of HE and chairman of the Company. Mr. Gong graduated from Shenyang Institute of Machinery and Electronics in 1982. Later on, he studied in Shanghai Fudan University, majoring in economic management and was conferred a master degree. Mr. Gong joined HE in 1982. He has been vice director of production division, vice manager of production department, manager of hydropower workshop in former Harbin Electric Machinery Works of the Group, and general manager assistant and deputy general manager of the Electric Machinery Company of the Group. Mr. Gong was appointed as chairman of Archeng Relay Group Company and Archeng Relay Company Limited in 1999. In August 2000, he was appointed as vice chairman and general manager of HE and in September 2000, Mr. Gong was appointed as vice chairman of the Company. In May 2006, he was appointed as chairman of HE and on 29th September, chairman of the Company.

M . Z L , born in June 1966, senior economist with a doctor's degree, now director and general manager of HE and executive director of the Company. Mr. Zou graduated from Jiamusi Technical College in July 1988, majoring in mechanical design and manufacture, and was conferred a bachelor degree. Then he obtained a doctor degree from Harbin Institute of Technology. Mr. Zou3a2(3 2(of)18( )]TJ12[illegible].006

吳偉章先生，一九六二年七月出生，博士學位，研究員級高級工程師職稱，現任本公司執行董事、總經理。吳先生一九八八年畢業於清華大學水利學及河流動力專業，獲碩士學位，同年加入哈電集團。曾任本集團電機公司大電機研究所水輪機室副主任、副所長、水電分廠副廠長、電機公司副總工程師兼產品設計部副部長等職務。一九九九年任本集團電機公司副總經理，二零零零年十月任電機公司董事長兼總經理。二零零零年九月任本公司執行董事。吳先生二零零二年獲清華大學博士學位。吳先生還兼任中國電器工業協會大電機分會理事長、中國動力工程水輪機專委會主任委員、中國水輪機標準化技術委員會主任委員、秘書長，哈爾濱工業大學、華中科技大學特聘教授等社會職務。吳先生二零一零年二月任本公司總經理。

Mr. Wu [illegible], born in July 1962, is a researcher & senior engineer with a doctor's degree. He now serves as an executive director and the general manager of the Company. Majoring in Hydraulics and River Dynamics, Mr. Wu graduated from Qinghua University with a master's degree in 1988 and joined HE in the same year. Mr. Wu has been a deputy director and deputy head of the turbine department of Electrical Machinery Institute, a deputy manager of hydropower workshop, a vice chief engineer and a vice manager of the product design department of the Electric Machinery Company of the Group. Mr. Wu was appointed as the deputy general manager and the chairman and general manager of the Electric Machinery Company of the Group in 1999 and in October 2000, respectively. He was appointed as an executive director of the Company in September 2000. Mr. Wu obtained a doctor's degree at Qinghua University in 2002. He also holds lots of social posts, including the director general of the large electrical equipment branch of China Electrical Equipment Industrial Association, a directorate member of the water turbine special committee of China Power Project (中國動力工程), a directorate member and director general of China Water Turbine Standardized Technology Committee (中國水輪機標準化技術委員會) as well as a special-term professor of Harbin Institute of Technology and Huazhong University of Science and Technology. Mr. Wu has been serving as the general manager of the Company since February 2010.

商中福先生，一九六一年三月出生，工商管理碩士學位，研究員級高級工程師，現任本公司執行董事、副總經理。商先生一九八二年畢業於哈爾濱工業大學汽輪機專業，同年加入哈電集團。曾任本集團原汽輪機廠設計研究所副科長、副所長、副總經濟師、副總工程師等職務。一九九八年十月任本集團汽輪機公司副總經理。一九九九年十一月任本集團汽輪機公司董事長兼總經理。二零零零年九月任本公司執行董事。二零零二年二月任本公司副總經理。

Mr. Shang Zhongfu, born in March 1961, is a research & senior engineer and a master of business administration. He now serves as an executive director and deputy general manager of the Company. Majoring in steam turbine, Mr. Shang graduated from Harbin Institute of Technology in 1982 and joined HE in the same year. He has been an assistant section head and deputy head of the Design Research Institute, vice chief economist and vice chief engineer of former Turbine Works of the Group. He was appointed as a deputy general manager and the chairman and general manager of the Turbine Company of the Group in October 1998 and November 1999, respectively. In September 2000, he was appointed as an executive director of the Company and in February 2002, as a deputy general manager of the Company.

獨立董事

孫昌基先生，一九四二年八月出生，研究員級高級工程師。現任本公司獨立董事、中國機械工業聯合會特別顧問、國家核電技術公司籌備組副組長。孫先生一九六六年九月畢業於清華大學，一九六八年參加工作。先後任東方汽輪機廠科長、車間主任、副廠長、廠長等職務。一九九一年一月調任機械工業部生產司副司長，一九九三年四月任國家機械工業部副部長。一九九八年四月任國家機械工業局常務副局長(副部長級)。一九九九年一月起任中國銀行黨委副書記、副行長(副部長級)。一九九九年九月至二零零一年八月兼任中國東方資產管理公司總裁。二零零零年十一月起任中國銀行副董事長，二零零一年九月起兼任中銀香港副董事長，並於二零零三年六月兼任中國銀行紀委書記。自二零零四年八月起專任中銀香港副董事長，兼任中國機械工業聯合會副會長。二零零三年一月當選為中國人民政治協商會議第十屆全國委員會委員。二零零四年十月起兼任國家核電技術公司籌備組副組長。二零零九年十二月任本公司獨立董事。

賈成炳先生，一九四二年七月出生，大學本科學歷，高級工程師職稱，現任本公司獨立董事、中國機械工業聯合會特別顧問、中國鑄造協會理事長等職務。賈先生一九六五年畢業於合肥工業大學鑄造專業，同年七月參加工作。曾任國家機械電子工業部、機械工業部副處長、處長。機械工業部人事勞動司司長、辦公廳主任、機械工業部黨組成員。二零零一年三月起先後任國務院大型企業監事會主席(中國材料工業科工集團、中國船舶工業集團公司、國家開發投資公司)等職務。二零零六年二月任中國機械工業聯合會執行副會長、特別顧問、中國鑄造協會理事長等職務。二零零六年九月任本公司獨立董事。

Independent Directors

Mr. Sun Chang-ji, born in August 1942, researcher & senior engineer, is an independent director of the Company and special advisor for China Machinery Industry Federation, and deputy head of the Preparatory Team for State Nuclear Power Technology Corporation. Mr. Sun graduated from Tsinghua University in September 1966, and started his career in 1968. He worked in Sichuan Oriental Turbine Factory, serving as Section Head, Workshop Director, Deputy Factory Manager and Factory Manager. In January 1991, he was appointed as Deputy Director-general of the production department of the Ministry of Machinery Industry of the PRC, and later he became Vice Minister of the Ministry of Machinery Industry of the PRC in April 1993. In April 1998, he became First Deputy Director-general of the State Administration of Machinery Industry of the PRC (deputy ministerial level). He became Deputy Party Secretary and Vice President (deputy ministerial level) of Bank of China in January 1999, and served concurrently as President of China Orient Asset Management Corporation for the period from September 1999 to August 2001. He became Vice Chairman of Bank of China in November 2000, Vice Chairman of Bank of China (Hong Kong) Limited in September 2001 and Secretary of Commission for Discipline Inspection of Bank of China in June 2003 concurrently. From August 2004, he has been appointed as Vice Chairman of Bank of China (Hong Kong) Limited and Vice Chairman of China Machinery Industry Federation concurrently. He was elected as a member of the 10th CPPCC National Committee in January 2003, and deputy head of the Preparatory Team for State Nuclear Power Technology Corporation in October 2004 concurrently. Since December 2009, he has been an independent director of the Company.

Mr. Jia Cheng-bing, born in July 1942, senior engineer with a bachelor's degree, is an independent director of the Company, special advisor for China Machinery Industry Federation, and president of China Foundry Association. He graduated from Hefei University of Technology in Foundry in 1965, and started his career in July of the same year. He served as chief and deputy chief at Ministry of Machinery Electronics Industry and Ministry of Machine Building Industry, director of Personnel and Labor Division, head of office and Party Commissioner at Ministry of Machine Building Industry. From March 2001, he served as chairman of the Supervisory Committee for various large State Council organizations (China National Materials Industry Group, China State Shipbuilding Corporation, The State Development and Investment Corp.). In February 2006, he was appointed as deputy managing directors and special advisor of China Machinery Industry Federation and president of China Foundry Association. He has been an independent director of the Company since September 2006.

李荷君女士，一九四四年六月出生，大學本科學歷，高級經濟師職稱，現任本公司獨立董事、西南鋁業(集團)有限公司副董事長、中國女企業家協會常務理事、金融理財咨詢委員會委員。李女士一九六六年畢業於中央財政金融學院(現中央財經大學)財政專業，同年八月參加工作。曾任河南省計委副處長、處長，中國建設銀行河南省分行副行長、黨組副書記。一九九三年任中國建設銀行河南省分行行長、黨組書記，河南省投資學會會長。一九九九年任中國信達資產管理公司執行委員會主任委員、審核委員會主任委員。二零零四年起任中國信達資產管理公司專家咨詢委員會委員，西南鋁業(集團)有限公司副董事長、陝西韓城煤礦公司副董事長、中國女企業家協會常務理事、金融理財咨詢委員會委員。二零零六年九月任本公司獨立董事。

于渤先生，一九六零年十月出生，博士學位，教授，博士生導師，現任本公司獨立董事、哈爾濱工業大學經濟與管理學院院長。于先生一九八一年畢業於哈工大工業電氣自動化專業，一九八二年參加工作，曾任哈工大管理學院助教、講師、副教授、教授；二零零零年任哈工大管理學院工商管理系主任，二零零二年任哈工大管理學院MBA教育中心主任，二零零三年任哈工大管理學院院長助理、MBA教育中心主任，二零零八年任哈爾濱工業大學經濟與管理學院院長。于先生還兼任中國能源研究會能源系統工程委員會副主任、全國工商管理碩士(MBA)教育指導委員會委員、中國兵工學會軍工科技管理委員會委員、中國技術經濟研究會理事、北京宇航學會航天技術經濟委員會委員、航天科研管理研究會理事、黑龍江省財政預算理事會理事、黑龍江科學技術顧問委員會工業組專家等社會職務。二零零九年十二月任本公司獨立董事。

M. L H, born in June 1944, senior economist with a bachelor's degree, is an independent director of the Company, vice chairperson of the Board of Southwest Aluminum (Group) Co. Ltd, executive director of China Association of Women Entrepreneurs and committee member of the Financial Advisory Committee. Ms. Li graduated from Central Institute of Finance and Economics (currently known as Central University of Finance and Economics) in Finance and Accounting in 1966, and started her career in August of the same year. She has served as chief and deputy chief of the Planning Commission of Henan Province, Vice President and Deputy Party Secretary of China Construction Bank Henan Branch. In 1993, she became President and Party Secretary of China Construction Bank Henan Branch and director of Henan Provincial Investment Association. In 1999, she became chief commissioner of both the Execute Commission and the Audit Commission for China Cinda Asset Management Corporation. Since 2004, she has been appointed as commissioner of the Expert Advisory Commission of China Cinda Asset Management Corporation, vice chairperson of the Board of Southwest Aluminum (Group) Co. Ltd, vice chairperson of the Board of Shanxi Hancheng Coal Company, executive director of China Association of Women Entrepreneurs and commissioner of Finance Inquiry Commission. She has been an independent director of the Company since September 2006.

M. B, born in October 1960, is a professor with a doctor degree, tutor for doctoral candidates, independent director of the Company, dean of School of Management Harbin Institute of Technology (SMHIT). Mr. Yu graduated from industrial electric automation, Harbin Institute of Technology in 1981, and began his career from 1982. He was a teacher, lecturer, associate professor, professor of School of Management Harbin Institute of Technology; he became director of Management Department of SMHIT in 2000, director of MBA School of SMHIT in 2002, and dean assistant of SMHIT, director of MBA School in 2003, dean of SMHIT since 2008. Mr. Yu is also a deputy director of Energy System Engineering Committee of China Energy Research Society, a member of National MBA Education Committee, a member of Military Technology Administration of China Ordnance Society, a councilman of Chinese Society of Technology Economics, a member of Space Technology Committee of Beijing Society of Astronautics, a councilman of Aerospace Research Society, a councilman of Heilongjiang Provincial Budgetary Council, an industrial expert of Heilongjiang Science and Technology Consultation. He was appointed as independent director of the Company since December 2009.

劉登清先生，一九七零年十一月出生，清華大學管理學博士，現任本公司獨立董事、中國註冊資產評估師、註冊房地產估價師、註冊礦業權評估師，首屆全國十佳青年評估師，現為北京中企華資產評估有限責任公司合夥人、常務副總裁兼首席評估師。現為第十屆全國青聯委員；中國資產評估協會理事；中國資產評估協會首批資深會員；國務院國有資產監督管理委員會、財政部評估項目審核專家組成員；中國證監會第十屆、第十一屆發審委委員；中國資產評估協會資產評估準則技術委員會委員、企業價值評估專業委員會委員、無形資產評估專業委員會委員、中國註冊資產評估師後續教育編委會委員，北京註冊會計師協會資產評估專業委員會委員、宣傳委員會委員，《北京註冊會計師》編委會委員。二零零九年十二月任本公司獨立董事。

M. L D - , born in November 1970, doctor for management of Tsinghua University, independent director of the Company, a CPV, CREA, and CMRA (Certified Mining Rights Appraiser) of China. He is one of first the Top Ten Youth Appraisers; a partner, vice president and chief appraiser of China Enterprise Appraisal Company. He is a member of the Tenth China Youth Federation; a councilman of China Appraisal society; fellow member of China Appraisal society; a member of State-owned Assets Supervision and Administration Commission of the State Council, ("SASAC"), and Project Appraisal Expert Group of the Ministry of Finance; a member of the tenth and eleventh Issuance Verification Committee of the China Securities Regulatory Commission; a member of Appraisal Standard Committee of China Appraisal society; a member of Enterprise Valuation Committee, and Intangible Asset Appraisal Committee, and Continuation Education Committee of CPV; a member of Appraisal Committee of CPA Beijing, and Publicity Committee; a member of Editorial Committee of *CPA Beijing*. He was appointed as independent director of the Company since December 2009.

離任董事

以下董事於二零零九年七月離任董事：

. a D / .

The following directors have resigned from their positions in July 2009:

曲大莊先生，一九五七年三月出生，博士學位，研究員級高級工程師職稱，現任國家核電技術公司黨組成員、副總經理，曲先生一九八二年七月畢業於北京航空學院，後於一九八四年九月就讀於哈爾濱工業大學應用力學專業，獲碩士學位，並於一九九三年九月獲一般力學專業博士學位。曲先生曾任哈爾濱電機廠電機研究所規劃室副主任、主任、副所長，哈爾濱電機廠有限責任公司副總工程師兼電機研究所所長，哈爾濱電機廠有限責任公司副總經理。二零零零年八月任哈電集團公司副總經理。二零零二年任哈電集團公司副總經理、哈爾濱汽輪機廠有限責任公司董事長兼總經理。二零零六年九月八日任本公司總經理，九月二十九日任本公司執行董事。

M. Da-h a , born in March 1957, is a researcher and senior engineer and with a doctor degree, member of Party Committee and deputy general manager of SNPTC. Mr. Qu graduated from Beijing University of Aeronautics and Astronautic in July 1982. He studied at the department of applied mathematics and mechanics of Harbin Institute of Technology from September 1984 and graduated with a master degree, subsequently obtained a doctor degree in astronautic engineering and mechanics in September 1993. Mr. Qu has been deputy director, director and vice superintendent of planning office of the research institute of Harbin Electrical Machinery Plant; deputy chief engineer of the Harbin Electrical Machinery Company Limited and superintendent of the research institute; deputy general manager of Harbin Electrical Machinery Company Limited. In August 2000, he had been deputy general manager of HE. In 2002, he was deputy general manager of HE; chairman of the Board and general manager of Harbin Turbine Company Limited. He was appointed as general manager of the Company on 8th September, 2006, and executive director on 29th September, 2006.

董事會換屆後，以下董事於二零零九年十二月離任董事：

周道炯先生，一九三三年十二月出生，現任中國陶行知基金會理事長，中國投資發展促進會會長，中國財政學會、中國市場經濟學會顧問，北京大學、中國人民大學、中南財經大學、東北財經大學、西南財經大學兼職教授等職務。周先生一九五零年參加工作，先後任安徽省財政廳廳長，省人民政府秘書長，中國建設銀行行長，中國投資銀行董事長，國務院證券委常務副主任，國家開發銀行副行長及中國證券監督管理委員會主席等職務。二零零零年九月起任本公司獨立董事。

丁雪梅女士，一九五九年十月出生，博士學位，大學教授職稱，現任哈爾濱工業大學副校長。丁女士一九八六年畢業於哈爾濱工業大學，獲工學碩士學位，一九九一年赴瑞士洛桑聯邦工業大學留學，一九九五年獲該校工學博士學位，後於該校從事博士後科研工作。丁博士曾先後任哈爾濱工業大學副教授、教授、博士生導師以及研究生院培訓處處長、副院長等職務，一九九八年起任常務副院長。丁博士現兼任中國研究生院院長聯席會執行主席、哈爾濱市科協副主席職務。二零零零年九月起任本公司獨立董事。

姜魁先生，一九五二年一月出生，大學本科學歷，教授級高級工程師職稱，現任中國電力財務有限公司董事長、黨組書記。姜先生畢業於東北農業大學，一九六九年參加工作。姜先生曾任黑龍江省電力設計院技術員，黑龍江省電力工業局教育處副科長、科長、副處長、教育培訓部副主任，黑龍江省電力有限公司總經理工作部主任、副總經濟師、副總經理等職務，二零零五年十一月任黑龍江省電力有限公司總經理。二零零六年九月起任本公司獨立董事。

Upon re-election of the Board, the following directors have resigned from their positions in December 2009:

Mr. Zhou Dajiong, born in December 1933, chairman of Tao Xing-zhi Fund of China, chairman of Investment Committee of China, advisor to Society of Finance of China and Society of Market Economic of China, and part-time professor in Beijing University, People's University of China, Central South Economic and Finance University, Northeast Economic and Finance University and Southwest Economic and Finance University. Mr. Zhou began his career in 1950 and has been the head of Finance Department of Anhui provincial government and secretary-general of provincial government, president of China Construction Bank and chairman of China Investment Bank, deputy executive director of Securities Committee of State Council, deputy president of State Development Bank and chairman of Securities Supervisory & Management Committee of China. He was appointed as independent director of the Company since September 2000.

Ms. Ding Xuemei, born in October 1959, professor and with a doctor degree, now vice chancellor of Harbin Institute of Technology. Ms. Ding graduated from Harbin Institute of Technology in 1986 and was conferred master degree. In 1991, she studied in Lausanne Federal Institute of Industry of Swiss, engaged in research work in this institute after she was conferred doctor degree in 1995. Dr. Ding has been appointed as assistant professor, professor, tutor for doctoral candidates in Harbin Institute of Technology, head of training department of Graduate School and deputy director of Graduate School. She was appointed as the executive deputy director in 1998. Dr. Ding is now the executive chairman of Joint Conference for Directors of Graduate School of China and vice chairman of Harbin Science & Technology Association. She was appointed as independent director of the Company since September 2000.

Mr. Jiang Kui, born in January 1952, senior engineer (professor level) with a bachelor degree, now serves as the chairman and secretary of Party Committee of China Power Finance Co., Ltd. Mr. Jiang graduated from Northeast Agricultural University, and began his career in 1969. Mr. Jiang has been technician of Heilongjiang Electric Power Design Institute; deputy section manager, section manager, deputy section chief of Heilongjiang Electric Power Industry Bureau, education section; deputy director of the education and training department; director of the general manager's office, deputy chief financial official, and deputy general manager of the Heilongjiang Power Co. Ltd. He was appointed as general manager of Heilongjiang Power Co. Ltd. in November 2005. He was appointed as independent director of the Company in September 2006.

董事、監事及高級管理人員(續)
Directors, Supervisors and Senior Management (continued)

監事

股東代表監事

王志森先生，一九五零年出生，大學學歷，高級工程師職稱，現任本公司紀委書記、監事會主席及哈電集團公司黨委常委、紀委書記。王先生於一九七五年十二月清華大學電力工程系電機專業畢業，同年參加工作。曾任機械工業部幹部司企業幹部管理處副處長，機械工業部人勞司綜合處副處長。一九八九年任中國機電報社信息部主任。一九九二年任機電部儀器儀錶綜合技術研究所所長、黨委書記。一九九五年一月任內貿部辦公廳副主任兼部長辦主任、部黨組秘書。一九九五年七月任中國農業機械總公司黨委書記、副總經理。一九九六年任國家體改委辦公廳主任、國務院體改辦秘書行政司司長。一九九八年任華星物產公司黨委書記、紀委書記。一九九九年任中國華星集團公司董事、黨委書記、紀委書記。二零零一年任中國華星集團公司黨委書記、副總經理。二零零七年六月任哈爾濱電站設備集團公司(現「哈爾濱電氣集團公司」)黨委常委、紀委書記，同時任本公司黨委常委、紀委書記。二零零八年三月起任本公司監事會主席。

陳光先生，一九六四年八月出生，研究生學歷，高級工程師職稱，現任本公司股東代表監事、本集團鍋爐公司企業管理發展處處長。陳先生一九八六年畢業於西安交通大學，同年加入哈電集團，曾任本集團鍋爐公司設計處設計員、廠辦秘書，備品配件公司副經理、管二分廠副書記兼工會主席、汽包分廠書記、廠長，管一分廠廠長、安技處處長兼書記等職務，二零零九年八月起任鍋爐公司企業管理發展處處長兼書記。二零零九年十二月任本公司股東代表監事。

PE I O

[illegible]

M[illegible] Zh[illegible], born in 1950, senior engineer with bachelor's degree, is secretary of Discipline Committee and chairman of the Supervisory Committee of the Company, and a member of the Standing Committee of Communist Party and secretary of Discipline Committee of HE. Mr. Wang studied electric power engineering at Qinghua University and graduated in December 1975. He started his career in the same year and was appointed as deputy director of Enterprise Cadre Administration Office of Department of Cadre and deputy director of the general office of Personnel and Labor Department under the Ministry of Machine-Building Industry. He was appointed as director of Information Department of China Electrical Engineering News in 1989, head and secretary of Party Committee of Instrument and Meter Technology Institute under Ministry of Machinery and Electronics Industry in 1992, deputy director of general office and director of the director office of Ministry of Internal Trade and secretary of Party Committee in January 1995, secretary of Party Committee and vice general manager of China National Agricultural Machinery Corporation in July 1995, head of office of State Commission for Economic Restructuring and head of the secretary administration division of the Economic Restructuring Office of the State Council in 1996, secretary of Party Committee and secretary of Discipline Committee of Huaxing Products Corporation in 1998, director, secretary of Party Committee and secretary of Discipline Committee of China Huaxing Group in 1999, secretary of Party Committee and deputy general manager of China Huaxing Group in 2001. In June 2007, he was appointed as a member of the Standing Committee of Communist Party and secretary of Discipline Committee of Harbin Power Plant Equipment Group Corporation (currently known as Harbin Electric Corporation), and a member of the Standing Committee of Communist Party and secretary of Discipline Committee of the Company. He has been the chairman of the Supervisory Committee of the Company since March 2008.

M[illegible] Ch[illegible] G[illegible], born in August 1964, senior engineer with a Master's degree, is a supervisor representing shareholders of the Company and director of the Corporate Management and Development Department of the Boiler Company of the Group. Mr. Chen graduated from Xi'an Jiaotong University in 1986 and joined HE in the same year. He was appointed as a designer of the Design Department of the Boiler Company of the Group, secretary of factory office, deputy manager of the spare parts company, deputy secretary and chairman of Labor Union of No. 2 Pipe Workshop, secretary and head of Drum Workshop, head, director of Security Department and secretary of No. 1 Pipe Workshop. He was appointed as the director and secretary of the Corporate Management and Development Department of the Boiler Company since August 2009. He has been a supervisor representing shareholders since December 2009.

劉智全先生：一九六八年七月出生，工商管理碩士學位，高級會計師職稱，現任本公司副總經理。劉先生畢業於哈爾濱工業大學工業會計專業，獲學士學位，後就讀於哈爾濱工業大學MBA專業，獲碩士學位，一九九一年九月參加工作。曾任本集團哈爾濱鍋爐廠財務處處長助理、副處長、處長，副總會計師兼財務處處長。二零零一年四月任哈爾濱鍋爐廠有限責任公司副總經理。二零零六年九月起任本公司副總經理。

韓建偉先生：一九五五年六月出生，學士學位，研究員級高級工程師職稱，現任本公司副總經理。韓先生一九七三年十月參加工作，一九八二年畢業於哈爾濱工業大學，獲學士學位。曾任本集團哈爾濱鍋爐廠設計處設計員，哈爾濱鍋爐廠用戶服務處安裝員、副處長，哈爾濱鍋爐廠有限責任公司生產長兼生產處長，哈爾濱鍋爐廠有限責任公司副總經濟師，哈爾濱鍋爐廠有限責任公司副總經理，哈爾濱鍋爐廠有限責任公司董事長、總經理，二零零七年十二月起任本公司副總經理。

公司秘書

馬遂先生：一九五七年三月出生，工商管理碩士學位，副教授職稱，現任本公司公司秘書兼辦公室主任。馬先生一九七六年參加工作，一九八二年畢業於東北重型機械學院，同年加入哈電集團，曾於本集團原電機廠長期從事員工培訓和企業策劃工作。先後擔任職工大學副校長、公司辦公室副主任、企業策劃部部長、副總經濟師等職務。二零零三年五月起任本公司辦公室主任，二零零六年三月起兼任董事會秘書局主任，四月起兼任公司秘書。

Mr. Liu Zhi-quan, born in July 1968, is a senior accountant and master of business administration. He now serves as the deputy general manager of the Company. Mr. Liu graduated from Harbin Institute of Technology, majoring in industrial accounting with a bachelor's degree. He subsequently obtained his MBA qualification from the same university. He started his career in September 1991. He has been an assistant of the director, the deputy director and the director of finance department, and the deputy chief accountant and director of finance department of the Boiler Company of the Group. He was appointed as the deputy general manager of the Boiler Company in April 2001. Mr. Liu has been served as deputy general manager of the Company since September 2006.

Mr. Han , born in June 1955, is a researcher & senior engineer with a bachelor's degree. He now serves as the deputy general manager of the Company. Mr. Han started his career in October 1973. He graduated from Harbin Institute of Technology in 1982 with a bachelor's degree. He has been a designer of the design division, an installation worker and the deputy director of the user service division and the head and director of the production division of Harbin Boiler Company Limited of the Group. He has also served as the vice chief economist, the deputy general manager, the chairman and the general manager of Harbin Boiler Company Limited. He has been served as the deputy general manager of the Company since December 2007.

COMPANY SECRETARY

Mr. Ma , born in March 1957, is an associate professor and a master of business administration. He now serves as the company secretary of the Company and the director of office. Mr. Ma started his career in 1976. He graduated from Northeast Heavy Machinery Institute in 1982 and joined HE in the same year. He used to work on staff training and corporate planning at the Group's former electrical machinery plant. He has been the vice chancellor of our Staff College, the deputy director of office, the director of the corporate planning department and the deputy chief economist of the Company. He has been served as the director of office since May 2003, and assumed two additional posts as the director of the secretariat of the Board and the company secretary since March and April 2006, respectively.

董事會報告書
Report of the Directors

董事會欣然提呈本集團2009年年度報告和截至2009年12月31日止年度經審計的財務報表。

The Directors are pleased to submit 2009 annual report and audited financial statements for the year ended 31st December, 2009 of the Group.

主要業務

本公司及其主要附屬公司主要從事各種發電設備的生產、銷售及電站工程服務業務，詳情載於財務報表附註6。

P INCIPLE AC I I IE

The Company and its principal subsidiaries are mainly engaged in manufacturing and sales of various kinds of power equipments and power station engineering services, details of which are set out in Note 6 to the financial statements.

本集團所有業務均以中國為基地，其中約84.89%之集團營業額來自中國。

All the activities of the Group are based in the PRC, where 84.89 per cent of the Group's turnover is derived from.

截至2009年12月31日止年度，本集團產品出口營業額為63,290萬美元，佔總營業額的15.11%。本集團的出口地區主要包括亞洲、非洲、俄羅斯等地區。

The export sales of the Group for the year ended 31st December, 2009 amounted to US$632.90 million, representing 15.11 per cent of the Group's total turnover for the year. The Group's export markets mainly include Asian, African countries and Russia.

B IDIA IE

附屬公司

本公司擁有7家主要附屬公司。哈爾濱電機廠有限責任公司主要從事水輪發電機組、汽輪發電機的生產與銷售；哈爾濱鍋爐廠有限責任公司主要從事電站鍋爐的生產與銷售；哈爾濱汽輪機廠有限責任公司主要從事電站汽輪機的生產與銷售；哈爾濱電站工程有限責任公司主要從事電站項目總承包及電站設備成套業務；哈電集團(秦皇島)重型裝備有限公司主要從事大型火電、核電、燃氣輪機等設備的生產和裝配；哈爾濱電機廠交直流電機有限責任公司主要從事大中型交直流電機、核電主泵電機的生產和銷售；哈電集團哈爾濱電站閥門有限公司主要從事電站閥門的生產和銷售。

於2009年12月31日，本公司主要附屬公司詳情載於本年報財務報表附註44。

業績及分配

本集團截至2009年12月31日止之年度業績載於本年報第60頁的綜合損益表中。

董事會建議本公司2009年度除税及少數股東收益後溢利分配如下：

1. 提取法定盈餘公積金人民幣1,253萬元。

2. 董事會建議向2010年5月3日登記在股東名冊的股東派發2009年度股息每股人民幣0.068元，合共派發股息人民幣9,362萬元。H股股東的股息將以港幣支付，匯率乃按2010年4月9日前五天中國人民銀行公佈的人民幣兌港幣匯率市場價計算，即1元人民幣折合港幣1.1375元，H股股東每股可獲股息0.0773元港幣。

3. 本公司定於2010年5月3日至2010年6月2日（包括首尾兩天）暫停辦理股票過戶登記，2009年末期股息將派發於2010年5月3日已經登記在本公司股東名冊之股東。該股息將於2010年8月6日之前派發。為確保有資格收取2009年度末期股息，所有填妥之過戶文件連同有關股票須於2010年4月30日下午4時30分前送達本公司於香港之過戶登記處香港證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712–1716室。

董事、監事

有關董事及監事的詳情載於本年報《董事、監事及高級管理人員》一節。

FINANCIAL E L AND DI IB ION

The results of the Group for the year ended 31st December, 2009 are set out in the consolidated income statement on page 60 of the annual report.

The Directors propose the distribution of profit after taxation and minority interests for 2009 as follows:

1. To transfer Rmb12.53 million to the statutory surplus reserve.

2. The Directors propose a dividend of Rmb0.068 per share for 2009 for shareholders who registered on shareholder' list before 3rd May, 2010; payment of dividends totally amounted to Rmb93.62 million. Shareholders of H share will be paid in Hong Kong dollar; the exchange rate used is based on average closing rate of the People's Bank of China during the five days preceding the date of 9th April, 2010, which is Rmb1 for HK$1.1375. The dividend for every H share will be HK$0.0773.

3. The Register of members of the Company will be closed from 3rd May, 2010 to 2nd June, 2010, (both days inclusive). Final dividends for 2010 will be distributed to shareholders whose names appear in the Register of members of the Company on 3rd May 2010 before 6th August 2010. In order to qualify for the final dividend for 2009, all completed 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 4:30 p.m., 30th April 2010.

DI EC O AND PE I O

Details of directors and supervisors are set out in the Section "Director, Supervisors and Senior Managers" of the annual report.

董事、監事及高級管理人員的股本權益

於2009年12月31日，本公司各董事、監事及高級管理人員概無在本公司及其／或在任何相關法團(定義見《證券及期貨條例》第ＸＶ部)的股份、相關股份及／或債券證(視情況而定)中擁有任何需根據《證券及期貨條例》第ＸＶ部的第7及第8分部知會本公司及香港聯交所的權益或相關股份或債券證的淡倉(包括根據《證券及期貨條例》該等章節的規定被視為或當作這些董事、監事及高級管理人員擁有的權益或淡倉)，或根據《證券及期貨條例》第352條規定需記錄於本公司保存的登記冊的權益或淡倉，或根據上市規則附錄十中的《上市公司董事進行證券交易的標準守則》須知會本公司及香港聯交所的權益或淡倉。

董事、監事的服務合約

各董事及監事均與本公司訂有服務合約，各董事及監事任期自2009年12月11日起為期三年。除此以外，各董事及監事與本集團任何成員公司之間概無任何既有或建議的服務合約。

董事、監事在重要合約中的權益

年內各董事或監事概無在本公司及其附屬公司訂立的重要合約中直接或間接擁有權益。

董事及監事酬金

截至2009年12月31日止之年度，本公司董事及監事酬金詳情載於本年報財務報表附註11。

DI EC O ', PE I O ' AND ENIO MANAGEMEN ' IN E E IN HE HA E CAPI AL OF HE COMPAN

As at 31st December, 2009, none of the directors, supervisors and senior management of the Company had any interest or short position in the shares, underlying shares and/or debentures (as the case may be) of the Company and/or of any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be notified to the Company and the HKSE pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and short position which any such director, supervisor or senior management is taken or deemed to have under such provisions of the SFO) or which was required to be entered in the Register kept by the Company pursuant to section 352 of the SFO or which was required to be notified to the Company and the HKSE pursuant to the Model Code for Securities Transactions by Directors of Listing Companies as contained in Appendix 10 to the Listing Rules.

DI EC O ' AND PE I O ' E ICE CON AC

There are service contracts between every director, supervisor and the Company, each with a term of three years effective from 11th December, 2009. Besides this, there are no existing and suggesting service contracts between every director, supervisor and any member company of the Group.

DI EC O ' AND PE I O ' IN E E IN CON AC OF IGNIFICANCE

None of the director or supervisor of the Company has any material interest, whether directly or indirectly, in the contracts of significance, to which the Company or any of its subsidiaries is a party during the year.

EM NE A ION OF DI EC O AND PE I O

Details of the remuneration of the directors or supervisors of the Company for the year ended 31st December, 2009 are set out in Note 11 to the financial statements of the annual report.

獲最高酬金的前五名人士

獲最高酬金的前五名人士均為本公司董事及監事。

FIVE HIGHEST PAID PERSONNEL

The five highest paid personnel of the Company during the year are all directors and supervisors.

員工退休及福利計劃

員工退休及福利計劃詳情載於本年報財務報表附註39。

EMPLOYMENT AND BENEFIT SCHEME

Details of the retirement and benefit scheme are set out in Note 39 to the financial statements of the annual report.

固定資產

本集團固定資產的變動詳情載於本年報財務報表附註14。

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in Note 14 to the financial statements of the annual report.

儲備

於2009年12月31日，本集團可供分派的儲備總額為人民幣726,222萬元，本集團年內的儲備變動情況載於財務報表綜合股東權益變動表。

RESERVES

The Group's reserves available for distribution are Rmb7,262.22 million until 31st December, 2009. Movements in the reserves of the Group during the year are set out in the Consolidated Statement of Changes in Equity to the financial statements.

財務摘要

本集團過去五年之財務摘要載於本年報《財務摘要》一節。

FINANCIAL HIGHLIGHTS

The financial highlights of the Group for the last five years are set out in the Section "Financial Highlights" to the annual report.

借款

本集團銀行借款和其他借貸細節載於本年報財務報表附註31。

BORROWINGS

Details of bank loans and other borrowings of the Group are set out in Note 31 to the financial statements of the annual report.

購買、出售及贖回本公司之上市證券

本公司及其附屬公司概無購買、出售及贖回本公司之任何上市債券。

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

優先購買權

根據本公司章程或中國法律，並無優先購買權規定本公司須按持股比例向現有股東提呈發售新股之建議。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association or PRC Law, which would require the Company to issue new shares to the existing shareholders according to their respective proportions of shareholding.

MA O LI IGA ION

There is no major litigation of the Group for the year 2009.

MA E IAL CON AC

The material contracts of the Group for the year are detailed in the Sections "Management Discussion and Analysis" and "Disclosure of Significant Events" of the annual report.

MA O PPLIE AND C OME

1. The aggregate amount of purchal3e during the period attributable to the Group's •1

CONFIRMATION ON CONNECTED TRANSACTION

The Independent Directors of the Company have reviewed the connected transactions (as defined in the Listing Rules) referred to in Note 40 to the financial statements and confirmed that:

1. Such transactions have been entered into by the Company in the ordinary and usual course of its business; and

2. Such transactions have been entered into either (I) on normal commercial terms (which expression will be applied by reference to transactions of a similar nature and to be made by similar entities within PRC) or (II) (where there is no available comparison) on terms that are fair and reasonable so far as the shareholders of the Company are concerned; and

3. Such transactions have been entered into either (I) in accordance with the terms of the relevant agreements governing such transactions or (II) (where there is no such agreement) on terms no less favorable than terms available to third parties.

CONFIRMATION OF INDEPENDENCE OF THE INDEPENDENT NON-EXECUTIVE DIRECTOR

The Company has already received annual confirmation from each independent non-executive director on his/her independence confirming that his/her independence was in compliance with all independence criteria set out in Rule 3.13 of the Listing Rules and he/she is an independent person.

股東人數

於2009年12月31日，本公司股東名冊上持股量最多的首十名股東的持股情況如下：

N MBE OF HA EHOLDE

As at 31st December, 2009, the top ten registered shareholders who hold the most shares were as follows:

股東名稱 Na ha h ld .	股數 N b	持股百分比 P a ha . H ld .	備註 N
1. 哈爾濱電氣集團公司 Harbin Electric Corporation	701,235,000	50.93%	國有法人股 State-owned shares
2. HKSCC Nominees Limited	673,086,598	48.89%	H shares
3. YIP CHOK CUIU	360,000	0.02%	H shares
4. LAM MAN LAI	250,000	0.02%	H shares
5. LU NIM KWOK ALBERT	250,000	0.02%	H shares
6. CHEUNG YUM TIN	200,000	0.02%	H shares
7. CHAN KAM SUEN	100,000	0.01%	H shares
8. HO CHI KUN	100,000	0.01%	H shares
9. KOO CHARLES MOON CHEONG	74,000	0.00%	H shares
10. MOK WING YI	50,000	0.00%	H shares
11. YIH SIU LAI HAR	50,000	0.00%	H shares

H股股東股權分析(根據2009年12月31日股東名冊)

IN E E ' IN HE HA E CAPI AL ANAL I OF HOLDE OF H HA E (ACCO DING O HA EHOLDE LI A 31 DECEMBE , 2009)

範圍		人數 Nb . ha h d .	持股數 Nb . ha h d	佔已發行H股百分比 P a l. d H. ha .
1 – 1,000	1 – 1,000	4	402	0.00%
1,001 – 5,000	1,001 – 5,000	64	170,000	0.03%
5,001 – 10,000	5,001 – 10,000	32	266,000	0.04%
10,001 – 100,000	10,001 – 100,000	31	988,000	0.15%
100,001 – 以上	100,001 above	5	674,146,598	99.79%
合計	Total	136	675,571,000	100%

標準守則

經向董事查詢，證實所有董事在期內均已遵守《上市規則》附錄十規定的《標準守則》之規定。

MODEL CODE

The Company, having made specific enquiry, confirms that all members of the Board complied with the Model Code set out in Appendix 10 of the Listing Rules throughout the period.

企業管治常規守則

本公司在2009年任何時間均已遵守香港聯交所《上市規則》附錄十四《企業管治常規守則》。

CODE ON CO PO A E GO E NANCE P AC ICE

The Company has complied throughout the year of 2009 with all code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules of the Stock Exchange.

結算日後事項

2010年2月5日，本公司召開了第六屆董事會第三次會議，聘任吳偉章先生為本公司總經理。

PO BALANCE HEE E EN

The sixth session Board of the Company convened its third meeting on 5th February, 2010 and appointed Mr.Wu Weizhang as the General Manager of the Company.

核數師

公司現任中國境內核數師為中瑞嶽華會計師事務所有限公司，香港核數師為嶽華會計師事務所有限公司。

A DI O

The current PRC auditor of the Company is China Rightson YueHua Certified Public Accountants Company Limited, and the Hong Kong auditor is Yuehua (Hong Kong) CPA Limited.

承董事會命
董事長
宮晶堃

二零一零年四月九日

By order of the Board
G
Chairman

9th April, 2010

監事會報告書
Report of the Supervisory Committee

To all shareholders:

For the year ended 31st December, 2009 (the year), all members of the Supervisory Committee ("the Supervisory Committee") of Harbin Power Equipment Company Limited ("the Company") carefully fulfilled their Supervisory Committee functions in the best interests of the Company and minority shareholders as a whole in accordance with the regulations of the PRC Company Law, the Listing Rules of The Stock Exchange of Hong Kong Limited and the Articles of Association of the Company. The Supervisory Committee has carried out an all-around supervision on areas including assets allocation, operation management, financial conditions and senior management's work performance of the Company. In addition, the Supervisory Committee participated actively in significant events of the Company, such as the Company's production and management etc. and gave a lot of positive opinions and suggestions, which pushed forward the Company's work to smoothly develop.

For the Company's work during the year, the Supervisory Committee presents the following independent opinions:

1. During the year, the Company strictly complied with the nation's laws and regulations, operated in accordance with the procedures regulating listing companies, and duly executed various resolutions passed at the shareholders' meeting despite the impact of the global financial crisis. With the priority of "maintaining production, expanding markets, adjusting structure,

3. 本監事會對公司的財務制度和有關財務狀況進行了審查，認為公司的財務系統組織機構完整、制度健全，財務工作能夠按照內部控制制度和財務管理制度有序運行。董事會擬提交本次股東周年大會審議的年度財務報告和紅利分配方案等相關資料，均能夠客觀、全面地反映公司的經營業績和資產狀況，紅利分配方案兼顧了股東權益和公司發展的長遠利益，本年度提取的法定盈餘公積金符合法律、法規和公司章程的規定。

4. 本監事會審核了董事會工作報告，認為報告客觀真實地反映了公司在本年度所做的各項工作。

本監事會由衷感謝公司各位同仁及股東的信任和支持，並將積極探索新的監督途徑和方法，制定具體的監督檢查措施，更好地履行監督職能，為全面實現公司二零一零年的生產經營目標而努力工作。

承監事會命
主席
王志森

於中國哈爾濱。二零一零年四月九日

3. The Supervisory Committee has reviewed the Company's financial system and conditions and concludes that the Company's financial system has an integrated structure and the financial works have been operated orderly according to the internal control system and the financial management system. The annual financial report and the dividend payment scheme proposed by the Board of Directors for approval in the Annual General Meeting, have objectively and comprehensively

公司管治報告
Corporate Governance Report

本公司一貫嚴格按照《中華人民共和國公司法》、《中華人民共和國證券法》及中國證監會的有關規定，積極完善公司法人治理結構，規範公司運作。

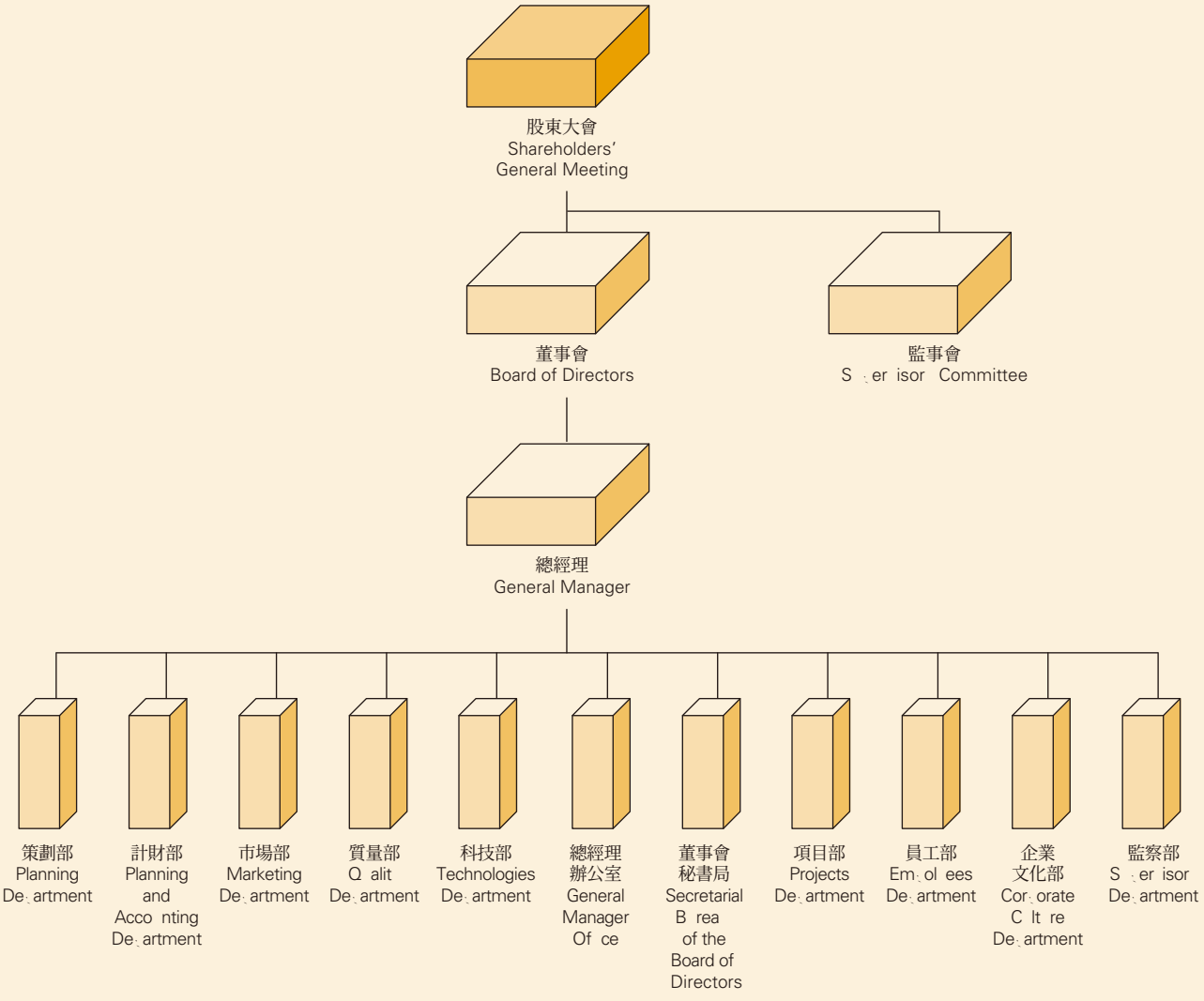
The Company has improved and perfected the Company's corporate governing structure and standardized the Company's operation through strictly complying with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and the relevant provisions of China Securities Regulatory Commission.

於2009年期間，本公司全面遵守了《香港聯合交易所上市規則》附錄十四《企業管治常規守則》的規定。

During the year 2009, the Company fully complied with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited Appendix XIV: Code on Corporate Governance Practices.

管理架構

O GANIZA ION CHA



SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETING

The Company protects shareholder's interests, treats all shareholders equally, and initiates participation of shareholders in corporate governance and management. Shareholders as the owner of the Company enjoy rights as laws and regulations provided and shoulder commensurate obligations. The shareholders enjoy rights to information and rights to decision-making for the Company's important matters. The General Meeting of Shareholders is the organ of authority of the Company, and it exercises its functions and power according to laws.

The Harbin Electric Corporation, a state-owned company registered in the People's Republic of China, is the controlling shareholder of the Company.

In 2009, the Company had an Annual General Meeting and an Extraordinary General Meeting.

BOARD OF DIRECTO

Positions of the Chairperson of the Board of Directors and the General Manager are held by different individuals; their responsibility and duty are distinct and separate. The Chairperson of the Board of Directors presides over meetings of the Board of Directors and reviews on the implementation of resolutions passed by the Board of Directors. The General Manager is responsible for management and coordination of the operation of the Company, implementation of the resolutions passed by the Board of Directors and making decisions on a daily basis.

Biographies of the members of the Board of Directors are included in the Directors, Supervisors and Senior Management section of this Annual Report.

2. Independent Directors

This session of the Company's Board of Directors has five Independent Directors. All the Independent Directors are familiar with the powers and responsibilities of the directors and independent directors of a listed company. During the reporting period, all the Independent Directors attended the meetings of Directors with the attitude of prudent and responsible; they fully utilized their experiences and specialties, contributed greatly towards the improvement and perfection of the corporate governance mechanism and the important decision making processes; they also provided pertinent, objective advices with regard to important decisions and connected transactions of the Company, further standardized the decision making process of

3. 董事會會議

年內本公司共舉行4次董事會會議，討論公司的整體戰略、投資方案、營運及財務表現。本公司獨立董事對本公司決策事項未有異議。會議出席情況如下：

3. M . h B ad D , .

During the year, four Board of Directors' meetings were hold to discuss the overall strategies, investment plans, operation and financial performance of the Company. The Independent Directors have no dissenting opinions regarding any of the Company's resolutions. Attendances of the meetings are as follows:

第五屆董事會議

The Fifth Section of the Board of Directors

董事姓名 Na D , ,		應參加董事會會議次數 A da ' d (N .)	親自出席次數 A da P . (N .)	出席率 A da a
宮晶堃先生	Mr. Gong Jing-kun	2	2	100%
鄒磊先生	Mr. Zou Lei	2	1	50%
曲大莊先生	Mr. Qu Da-zhuang	2	2	100%
段洪義先生	Mr. Duan Hong-yi	2	1	50%
商中福先生	Mr. Shang Zhong-fu	2	2	100%
吳偉章先生	Mr. Wu Wei-zhang	2	2	100%
周道炯先生	Mr. Zhou Dao-jiong	2	2	100%
賈成炳先生	Mr. Jia Cheng-bing	2	2	100%
李荷君女士	Ms. Li He-jun	2	2	100%
丁雪梅女士	Ms. Ding Xue-mei	2	2	100%
姜魁先生	Mr. Jiang Kui	2	0	0%

第六屆董事會議 ***The Sixth Section of the Board of Directors***

董事姓名 Name of Directors		應參加董事會會議次數 Attended (Note)	親自出席次數 Attended (Note)	出席率 Attendance
宮晶堃先生	Mr. Gong Jing-kun	2	2	100%
鄒磊先生	Mr. Zou Lei	2	2	100%
段洪義先生	Mr. Duan Hong-yi	2	2	100%
吳偉章先生	Mr. Wu Wei-zhang	2	2	100%
商中福先生	Mr. Shang Zhong-fu	2	2	100%
孫昌基先生	Mr. Sun Chang-ji	2	2	100%
賈成炳先生	Mr. Jia Cheng-bing	2	2	100%
李荷君女士	Ms. Li He-jun	2	2	100%
于勃先生	Mr. Yu Bo	2	2	100%
劉登清先生	Mr. Liu Deng-qing	2	2	100%

所有董事均能通過公司秘書及時獲得公司董事會必須遵守的法定、監管及其它持續責任的相關資料及最新動向，以確保其能瞭解應盡之職責，保證董事會的程序得以貫徹執行以及適用的法律、法規得以恰當遵守。本公司董事和董事會專門委員會有權根據工作要求聘請獨立專業機構為其服務，由此發生的合理費用由公司承擔。

The relevant information and current development of the statutory, supervisory and other continuous responsibilities of the Company's Board of Directors can be obtained by all Directors through the Secretary of the Company in a timely fashion, so as all Directors understand his/her duties, and the procedures of the Board of Directors are properly implemented and applicable laws and regulations are correctly complied. The Directors and the Board of Directors' special committees have the right to appoint independent professional organizations for their service according to the requirement of their duties; the reasonable costs incurred in those occasions are born by the Company.

本公司已採納香港聯合交易所上市規則附錄十《上市公司董事進行證券交易的標準守則》作為公司董事的標準守則。本公司已向所有董事做出查詢，所有董事已確認在報告期內其已完全遵守《上市公司董事進行證券交易的標準守則》。

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies set out in Appendix X of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited as a model code for Directors of the Company. Specific enquiries have been made of all Directors, who have confirmed their compliance with the Model Code for Securities Transactions by Directors of Listed Companies during the reporting period.

(C) 監事會履行監督職責情況

監事會依照法律和公司章程對本公司董事、高管人員進行監督，認為本公司董事、高管人員依法執行職務，未發現違反法律法規和公司章程的行為，未發現損害本公司利益的行為。

內部監控和內部審核

董事會負責建立及維持本公司內部控制系統，成立審核委員會。本公司內部成立審計部門，定期或有需要時對本公司之財務信息披露、經營和內部控制活動進行檢查、監督，以確保公司對外信息披露的透明度、營運的效益和企業監控機制的有效性。按照財政部、證監會、審計署、銀監會、保監會《企業內部控制基本規範》的要求，本公司於2008年10月31日開始實施內部控制詐齊絲案劉[illegible]

(C) \h l l a 7 . . D7 . b h 7 . . \C

The Supervisory Committee supervised the Directors and senior managers of the Company in accordance with the related laws and the Articles of Association of the Company, and deemed that the Directors and senior managers of the Company carried out their duties lawfully, without any act against the related laws and regulations and the Articles of Association of the Company or the interests of the Company.

IN\E NAL CON\ OL AND IN\E NAL A DI\

The Board of Directors is responsible to establish and maintain the internal control system of the Company, and to establish the Audit Committee. The Company has established the audit department internally, which monitors and supervises the disclosure of financial information by the Company regularly or where necessary, as well as operation and internal control activities, so as to ensure the transparency of information disclosure externally, operation [illegible] control mechanisms. According to the requirement of the basic specification of corporation internal control of the Ministry of Finance, Securities and Futures Commission, the Audit Commission, the China Banking Regulatory Commission and China Insurance Regulatory Commission, the Company had implementation of the internal control assessment project from 31st October, 2008, and employed PricewaterhouseCoopers to provide consulting service about this project.

核數師

2009年12月11日本公司召開第六屆董事會第二次會議，會議根據股東周年大會授權，決定聘任中瑞岳華會計師事務所為公司2009年度境內財務報告的主審計師，聘任岳華(香港)會計師事務所為公司2009年度境外財務報告的核數師。

本公司2009年年度報告所收錄之財務報表分別根據中國會計準則和香港財務報告準則編製，並分別經國內審計師中瑞岳華會計師事務所和國際核數師岳華(香港)會計師事務所審核。

信息披露與監管

本公司不斷加強信息披露和推進投資者關係管理工作，嚴格按照相關法律法規、公司章程及上市規則的信息披露規定，做到信息披露公開、公平、真實、準確、完整、及時，提高本公司的透明度。在加強投資者關係管理工作中，及時發布中期業績報告和年度業績報告，認真接待來訪的投資者、積極參與投資者論壇，並通過舉辦電話會議、舉行業績說明會等活動，向投資者闡述本公司的最新動向和發展前景。本公司信息披露和投資者關係負責機構為董事會秘書局。本公司將嚴格按照境內外證券監管機構的有關法律、法規的要求，嚴格履行各項義務，不斷完善本公司治理結構，提高本公司管理水平。

A DI O

The second meeting for the sixth section of the Board meeting was held on 11th December 2009. During the meeting, it was decided that China Rightson YueHua Certified Public Accountants Company Limited would be appointed as the Chief Auditor for the financial reports prepared according to PRC Accounting Rules and Regulations for the year 2009, and Yuehua (Hong Kong) CPA Limited would be appointed as the auditor for the international financial reports pursuant to the authority of the Shareholders' General Meeting.

The financial statements included in the annual report of the Company for the year 2009 were prepared according to PRC Accounting Rules and Regulations and Hong Kong Financial Reporting Standards, and were audited by China Rightson YueHua Certified Public Accountants Company Limited, the PRC auditor, and Yuehua (Hong Kong) CPA Limited, the international auditor.

I a P b l a ad

The Company continuously improves information publication management and enhances the investor communication management. The Company discloses information on an open, fair, true, accurate, complete and timely ground and strictly in accordance with the related disclosure requirements of relative laws and regulations, the Articles of Association of the Company and Listing Rules, and improves the Company's transparency. In order to improve investor relations, the Company issues its Interim Report and Annual Reports timely, provides quality services to investing visitors and participates in investor forums, and illustrates to the investors the Company's latest development and vision through telephone meetings and performance presentations. The Board secretaries department of the Company is responsible for the information publication and investor relations. The Company will perform its duties, continuously enhance its governance structure and improve its management strictly in accordance with related laws and regulations of securities supervisory organizations at home and abroad.

獨立核數師報告書
Independent Auditor's Report

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審核涉及執行程序以獲取有關綜合財務報表所載金額和披露資料的審核證據。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公允地列報綜合財務報表相關的內部控制，以設計適當的審核程序，但並非對公司的內部控制的有效性發表意見。審核亦包括評價董事所採用的會計政策的合適性及作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。我們相信，我們所獲得的審核證據充足且適當地為我們的審核意見提供了基礎。

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公允地反映　貴公司及貴集團於二零零九年十二月三十一日的財務狀況及貴集團截至該日止年度的溢利及現金流量，並已根據香港公司條例的披露要求妥為編製。

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st December, 2009 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

岳華會計師事務所有限公司
香港執業會計師
香港，二零一零年四月九日

黃江萍會計師
執業證書編號：P04876

EH A CPA LIMI ED
Certified Public Accountants
Hong Kong, 9th April, 2010

ONG KONG PING
Practising Certificate Number: P04876

綜合損益表

C I S

截至二零零九年十二月三十一日止年度

綜合財務狀況表

C S F P

於二零零九年十二月三十一日
At 31st December, 2009

		附註 Notes	2009 人民幣千元 Rmb'000	2008 人民幣千元 Rmb'000
非流動資產	N -			
物業、廠房及設備	Property, plant and equipment	14	**4,261,254**	3,802,837
投資物業	Investment properties	15	**248,724**	271,383
預付土地賃款	Prepaid lease payments	16	**342,018**	350,438
專利權	Patents	17	**98,881**	114,223
遞延稅項資產	Deferred tax assets	18	**133,932**	133,837
於聯營公司之權益	Interests in associates	20	**179,079**	150,536
待銷售性投資	Available-for-sale investments	21	**27,074**	27,074
			5,290,962	4,850,328
流動資產	C			
存貨	Inventories	22	**14,230,160**	12,941,218
應收賬款	Trade debtors	23	**12,168,981**	12,354,226
應收票據	Bills receivable	23	**600,844**	361,324
其他應收款、按金及預付款項	Other debtors, deposits and prepayments	23	**4,852,058**	6,537,067
預付土地租賃款	Prepaid lease payments	16	**10,176**	9,710
建造合同應收款	Amounts due from customers for contract work	24	**947,326**	1,045,979
應收同系附屬公司款項	Amounts due from fellow subsidiaries	25	**76,908**	66,353
有限制存款	Restricted bank deposits		**7,006**	14,568
已抵押存款	Pledged bank deposits	38	**526,229**	484,255
定期存款	Bank deposits	26	**3,553,595**	3,079,921
銀行結存及現金	Cash and cash equivalents	26	**10,612,136**	7,221,676
			47,585,419	44,116,297
流動負債	C			
建造合同應付款	Amounts due to customers for contract work	24	**509,964**	757,056
應付賬款	Trade creditors	27	**10,166,545**	7,715,110
其他應付款及應計費用	Other creditors and accrued charges	27	**3,173,130**	2,055,636
已收按金	Deposits received	28	**15,216,864**	18,656,591
金融衍生工具	Derivative financial instrument	29		3,133
欠同系附屬公司款項	Amounts due to fellow subsidiaries	25	**51,757**	50,069
欠控股公司款項	Advance from holding company	30	**20,478**	13,470
須於一年內償還之借款	Borrowings – due within one year	31	**1,288,579**	870,704
應交稅金	Tax payables	32	**592,313**	375,591
			31,019,630	30,497,360
流動資產淨值	N		**16,565,789**	13,618,937
扣除流動負債後的總資產			**21,856,751**	18,469,265

綜合財務狀況表(續)
Consolidated Statement of Financial Position (continued)

		附註 Notes	2009 人民幣千元 Rmb'000	2008 人民幣千元 Rmb'000
股本及儲備	CAPI AL AND E E E			
股本	Share capital	33	**1,376,806**	1,376,806
儲備	Reserves	34	**7,262,220**	6,759,274
分配於母公司股東權益	Equity attributable to equity holders of the Company		**8,639,026**	8,136,080
少數股東權益	Minority interests		**1,578,236**	1,431,845
權益合計	O AL E I		**10,217,262**	9,567,925
非流動負債	N -			
已收按金	Deposits received	28	**8,118,370**	5,059,506
欠控股公司款項	Advance from holding company	30	**814,020**	306,720
須於一年後償還之借款	Borrowings-due after one year	31	**2,707,099**	3,535,114
			11,639,489	8,901,340
			21,856,751	18,469,265

載於第60頁至141頁之財務報表經由董事會於二零一零年四月九日通過及批准發佈，並由下列董事代表董事會簽署：

The consolidated financial statements on pages 60 to 141 were approved and authorized for issue by the Board of Directors on 9th April, 2010 and are signed on its behalf by:

吳偉章
董事
DIRECTOR

商中福
HANG Zh -
董事
DIRECTOR

財務狀況表

S F P

於二零零九年十二月三十一日
At 31st December, 2009

		附註 Notes	2009 人民幣千元 Rmb'000	2008 人民幣千元 Rmb'000
非流動資產	N -			
物業、廠房及設備	Property, plant and equipment	14	**1,039,374**	927,582
預付土地租賃	Prepaid lease payments	16	**38,024**	34,793
於附屬公司之權益	Interests in subsidiaries	19	**2,413,428**	2,413,428
於聯營公司之權益	Interests in associates	20	**85,105**	60,084
待銷售性投資	Available-for-sale investments	21	**17,879**	17,879
			3,593,810	3,453,766
流動資產	C			
存貨	Inventories	22	**594,751**	435,165
應收賬款	Trade debtors		**433,762**	309,603
其他應收款、按金及預付款項	Other debtors, deposits and prepayments		**393,716**	299,269
預付土地租賃款	Prepaid lease payments	16	**1,252**	754
應收附屬公司款項	Amounts due from subsidiaries	19	**2,347,455**	1,347,351
定期存款	Bank deposits	26		56,254
銀行結存及現金	Cash and cash equivalents	26	**979,068**	453,387
			4,750,004	2,901,783
流動負債	C			
應付賬款	Trade creditors	27	**312,345**	272,010
其他應付款及應計費用	Other creditors and accrued charges	27	**232,609**	136,355
已收按金	Deposits received		**2,239,895**	662,023
欠控股公司款項	Advance from holding company			567
欠附屬公司款項	Amounts due to subsidiaries	19	**310,674**	184,866
須於一年內償還之借款	Borrowings – due within one year	31		97,500
應交稅金	Tax payables	32	**17,521**	26,428
			3,113,044	1,379,749
流動資產淨值	N		**1,636,960**	1,522,034
扣除流動負債後的總資產			**5,230,770**	4,975,800

財務狀況表(續)

綜合權益變動表

C S C I E

截至二零零九年十二月三十一日止年度
For the year ended 31st December, 2009

		於本公司股份持有人之權益 Attributable to shareholders of the Company								
		股本	股本溢價	資本儲備	法定盈餘公積金	其他儲備	保留溢利	總計	少數股東權益	總權益
		人民幣千元 Rmb'000	人民幣千元 Rmb'000	人民幣千元 Rmb'000	人民幣千元 Rmb'000	人民幣千元 Rmb'000	人民幣千元 Rmb'000	人民幣千元 Rmb'000	人民幣千元 Rmb'000	人民幣千元 Rmb'000
於二零零八年一月一日	At 1st January, 2008	1,376,806	1,980,295	709,850	531,614	–	2,614,428	7,212,993	1,199,417	8,412,410
本年度溢利及綜合收益總計	Profit and total comprehensive income for the year	–	–	–	–	–	1,041,837	1,041,837	241,878	1,283,715
收購附屬公司少數股東之權益	Purchase of addition interest in subsidiaries from minority shareholders	–	–	–	–	6,539	–	6,539	(9,460)	(2,921)
轉撥	Transfers	–	–	–	28,413	–	(28,413)	–	–	–
附屬公司註銷之撥回	Reserve released upon de-registration of subsidiaries	–	–	–	(2,844)	–	2,844	–	10	10
股息(附註12)	Dividends (note 12)	–	–	–	–	–	(125,289)	(125,289)	–	(125,289)
於二零零八年十二月三十一日	At 31st December, 2008	1,376,806	1,980,295	709,850	557,183	6,539	3,505,407	8,136,080	1,431,845	9,567,925
本年度溢利及綜合收益總計	Profit and total comprehensive income for the year	–	–	–	–	–	606,206	606,206	151,435	757,641
分派予少數股東的股息	Distribution to minority interest	–	–	–	–	–	–	–	(5,044)	(5,044)
轉撥	Transfers	–	–	–	12,531	–	(12,531)	–	–	–
股息(附註12)										

In accordance with the PRC Company Law, the profit after taxation is applied in the following order:

(1) making up of losses;

(2) allocation to statutory surplus reserve;

(3) allocation to discretionary surplus reserve; and

(4) payment of dividends in respect of ordinary shares.

In accordance with the PRC Company Law and the relevant Articles of Association, the Company and its subsidiaries are required to appropriate amounts equal to 10% of their profit after taxation as determined in accordance with the PRC accounting standards to each of the statutory surplus reserve.

Statutory surplus reserve is part of shareholders' equity and when its balance reaches an amount equal to 50% of the Company's registered capital, further appropriation needs not be made. According to the PRC Company Law, statutory surplus reserve

有關上述(3)及(4)項目在任何年度之分配比例細則將由董事會酌量本公司及其附屬公司的經營情況及發展需要釐定，並須提請股東會批准。

The amount of appropriation in respect of items (3) and (4) above for any year shall be recommended by the directors in accordance with the operational conditions and development requirements of the Company and its subsidiaries and shall be submitted to the shareholders in general meeting for approval.

在尚未彌補虧損及提取法定盈餘公積金及之前，本公司及其附屬公司均不能派發股息。

No dividends shall be paid by the Company and its subsidiaries before they have made up their losses and made allocations to the statutory surplus reserve.

根據財政部於一九九五年八月頒佈有關溢利分配之文件，可分配予股東之金額為根據中國會計準則所計算之金額或根據香港普遍接受之會計準則所計算之金額，兩者以較低者為准。於二零零九年十二月三十一日本公司之可分配儲備為根據香港普遍接受之會計準則所釐定之留存溢利為人民幣431,090,000元(二零零八年：人民幣421,571,000元)。如上文所述，法定公積金亦可於適當時候派發予股東。

Pursuant to a document issued by the Ministry of Finance in August 1995 in respect of profit appropriations, the amount available for distribution to shareholders is the lesser of the amount determined in accordance with the PRC accounting standards and the amount determined in accordance with accounting principles generally accepted in Hong Kong. At 31st December, 2009, the amount available for distribution to shareholders was Rmb431,090,000 (2008: Rmb421,571,000) representing the retained profits of the Company prepared under accounting principles generally accepted in Hong Kong. As also mentioned above, the balance of statutory surplus reserve can also be distributed to shareholders in certain situations.

綜合現金流量表

C S C F

截至二零零九年十二月三十一日止年度
For the year ended 31st December, 2009

		2009 人民幣千元 b'000	2008 人民幣千元 Rmb'000
經營業務	Cah		
除稅前溢利	Profit before taxation	**984,512**	1,573,247
調整：	Adjustments for:		
呆壞賬準備	Allowance for bad and doubtful debts	**548,874**	265,511
存貨跌價準備	Allowance for inventories	**30,776**	52,519
預付土地租賃攤銷	Amortisation of prepaid lease payments	**10,707**	9,710
專利權攤銷	Amortisation of patents	**22,023**	17,160
股息收入	Dividend income	**(1,298)**	(2,737)
物業、廠房及設備折舊	Depreciation of property, plant and equipment	**374,589**	436,996
投資物業折舊	Depreciation of investment properties	**16,060**	16,222
財務支p謎ㄟ陲咎晛冘钘珔e禽妤茶晲鎙踊策н烻鐠陲咎晛冘鑫蚡鰶捸鰼蓨璕恷咝镸錧岌鬙狒		**1 , 2 (9 2 8 , 7 3 3**	
		物業、珇置偡折舊耟	

綜合現金流量表(續)
Consolidated Statement of Cash Flows (continued)

		2009 人民幣千元 Rmb'000	2008 人民幣千元 Rmb'000
經營業務所產生之現金淨額	Cash generated from operations	**4,943,555**	3,039,268
已付股息			

財務報表附註

2. 應用新訂及經修訂的香港財務報告準則(續)

(a) 於**2009**年*已生效且本集團已採納之準則、修訂*(續)

香港會計準則第	

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (HKFRSs) (continued)

(a) ***Standards and amendments effective in 2009 which are relevant to and have been adopted by the Group*** (continued)

HKAS 1 (Revised 2007)	Presentation of Financial Statements
HKAS 23 (Revised 2007)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising On Liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Share-based payment – Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosure about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC)-Int 9 & HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC)-Int 13	Customer Loyalty Programmes
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC)-Int 18	Transfers of Assets from Customers
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 HKAS 39

Except as described below, the adoption of the new and revised HKFRSs has no material effect on the consolidated financial statements of the Group for the current and prior accounting periods.

2. 應用新訂及經修訂的香港財務報告準則(續)

香港會計準則第1號(2007年修訂)財務報表的呈列

香港會計準則第1號(2007年修訂)中有專業術語的變化(包括綜合財務報表的科目修改)以及財務報表內容和版式的改動。

香港財務報告準則8經營分類

香港財務報告準則第8號是一條披露標準,並無導致本集團須重設其報告分部。

有關金融工具的改善性披露

(對香港財務報告準則第7號金融工具:披露的修訂)

對香港財務報告準則第7號金融工具的修訂擴展到與針對金融工具的公平價值判定相關的披露,此修訂也包括與清算風險相關的披露。本集團沒有根據修正案中發佈的過渡性條款提供擴充後披露的對比性資訊。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (HKFRSs) (continued)

HKAS 1 (Revised 2007) Presentation of Financial Statements.

HKAS 1 (Revised 2007) has introduced terminology changes (including revised titles for the consolidated financial statements) and changes in the format and content of the consolidated financial statements.

HKFRS 8 Operating segments.

HKFRS 8 is a disclosure standard. The changes do not affect the Group's segment disclosure.

Improving Disclosures about Financial Instruments.

(Amendments to HKFRS 7 Financial Instruments: Disclosures)

The amendments to HKFRS 7 expand the disclosures required in relation to fair value measurements in respect of financial instruments which are measured at fair value. The amendments also expand and amend the disclosures required in relation to liquidity risk. The Group has not provided comparative information for the expanded disclosures in relation to fair value measurements in accordance with the transitional provision set out in the amendments.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (HKFRSs) (continued)

(b) *Standards, amendments and interpretations in issue but not yet effective and have not been early adopted by the Group*

The Group has not early applied the following new and revised Standards, Amendments and Interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008[1]
HKFRSs (Amendments)	Improvements to HKFRSs 2009[2]
HKAS 24 (Revised)	Related Party Disclosures[5]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[1]
HKAS 32 (Amendment)	Classification of Rights Issues[4]
HKAS 39 (Amendment)	Eligible Hedged Items[1]
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters

2. 應用新訂及經修訂的香港財務報告準則(續)

(b) *仍未生效而本集團亦無提早採納之準則、修訂及對現有準則的詮釋*(續)

集團正評核此等修訂之準則、準則之修訂本及對現有準則之詮釋對集團未來業績及財務狀況之影響。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (HKFRSs) (continued)

(b) ***Standards, amendments and interpretations in issue but not yet effective and have not been early adopted by the Group*** (continued)

The Group has commenced considering the potential impact of the new or revised standards, amendments or interpretations on how its results and financial position are prepared and presented.

3. 主要會計政策概要

除了在會計政策中所述以公允價值計量的金融工具外，該綜合財務報表乃按歷史成本慣例編制。

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則(「香港財務報告準則」)編制。此外，綜合財務報表包括香港聯合交易所證券上市規則及公司條例規定之適用披露事項。

綜合基準

本綜合財務報表包括本公司及本公司所控制的實體(其附屬公司)(包括特殊用途實體)的財務報表。倘本公司有權決定一家實體的財務及經營政策以從其業務活動獲利，即表示該實體受本公司控制。

本年度內購入或出售的附屬公司業績，分別自實際收購日期起或至實際出售日期止(如適用)計入綜合損益表內。

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, that are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

3. 主要會計政策概要(續)

倘有需要，將對附屬公司的財務報表作出調整，以使其會計政策與本集團其他成員公司的會計政策一致。

所有集團內公司間的交易、結餘、收入及開支均於編製綜合賬目時抵銷。

綜合附屬公司淨資產內之少數股東所佔權益與本集團所佔之權益分開列賬。少數股東之權益包括該等權益於原業務合併日期之數額及少數股東應佔該合併日期以來之股本變動。適用於少數股東的虧損超出於附屬公司股權的少數股東權益的數額將與本集團的權益作出分配，惟少數股東具約束力責任及可以其他投資補足虧損者除外。

本集團於附屬公司擁有權之變動並無導致本集團對附屬公司失去控制權，而作為股本交易入賬。本集團之權益及非控股權益之賬面值經調整以反映彼等於附屬公司之有關權益變動。非控股權益之面額與已付或已收代價之公平值間任何差額直接於權益中確認並歸屬於本公司之擁有人。

業務合併

業務收購乃採用收購法入賬。於業務合併轉撥之代價按公平值計量，而計算為本集團轉撥之資產及本集團產生之負債，至J앉쳇鍵注之穴黯有人可本集團利[illegible]

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Changes in the Group's ownership interest in a subsidiary that do not result in the Group losing control over the subsidiary are accounted for as equity transactions. The carrying amounts of the Group's interests and the minority interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

Business combinations

Acquisition of business was accounted for using the purchase method. The cost of the acquisition was measured at the aggregate [illegible] given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that met the relevant conditions for recognition were generally recognised at their fair values at the acquisition date.

3. 主要會計政策概要(續)

業務合併(續)

因收購所產生之商譽乃確認為資產，並初步按成本計量，即業務合併之成本超出本集團所持已確認可識別資產、負債及或然負債公平淨值權益的數額。倘於重新評估後，本集團所持被收購公司的可識別資產、負債及或然負債公平淨值中權益超出業務合併的成本，超出部分則會即時於損益賬內確認。

少數股東所持被收購公司的權益初步按少數股東所持已確認資產、負債及或然負債公平淨值比例計量。

於聯營公司權益

聯營公司是投資者對其有重大影響的實體，不同於附屬公司及合營公司權益。顯著的影響是參與投資物件的財務和經營決策，而不是控制、共同控制這些政策。

聯營公司的經營成果、資產及負債會按權益法計入財務報表內。在權益法下，對聯營公司的投資會在綜合財務狀況表中以成本入帳，並根據本集團在購買後享有聯營公司淨資產份額的變動進行調整，再減去任何個別投資減值進行列報。如聯營公司的損失超過本集團在該聯營公司所佔份額(包括任何長期權益會形成本集團對該聯營公司的淨投資)，本集團對其所佔的進一步損失不予以確認。只有當本集團發生法定或推定義務或者替聯營公司付款時，額外的分佔聯營公司損失及相關負債才會將被確認。

3. IGNIFICAN ACCO N ING POLICIE (continued)

B . . b a . (continued)

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognized.

I . . a. a .

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted thereafter for post-acquisition changes in the Group's share of net assets of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

3. IGNIFICAN ACCO N ING POLICIE (continued)

I . . a. a . (continued)

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and insed listm

3. 主要會計政策概要(續)

收入確認(續)

出售物業的收入於物業的風險及回報轉讓至買方，即有關物業竣工後並將物業交付買家，且能合理確保收取有關應收款時，方予確認。

租金收入按其租賃年期以直線法確認。

服務收入在服務提供時即予確認。

金融資產之利息收入乃根據尚餘本金及適用實際利率按時間基準計量，實際利率乃將金融資產於預計年期內估計日後現金收入貼現至資產賬面淨值之比率。

投資之股息收入乃於股東有權收取款項時入賬。

物業、廠房及設備

除在建工程外，物業、廠房及設備之價值為原值減去折舊、攤銷及累計的減值損失列賬。

在建工程指用作生產或自用的興建中物業、廠房及設備。在建工程以成本(包括資本化的借貸成本)扣除已確認減值虧損列賬。當工程完成或可作擬定用途時，在建工程須合適地分類為物業、廠房及設備。當該等資產可作擬定用途時，按與其他物業資產折舊計算方法相同之基準開始計算折舊。

3. **IGNIFICAN ACCO N ING POLICIE** (continued)

(continued)

Revenue from sales of properties is recognized when the risks and rewards of properties are transferred to the purchasers, which is when the construction of relevant properties has been completed and the properties have been delivered to the purchasers and collectibility of related receivables is reasonably assured.

Rental income is recognized on a straight-line basis over the terms of the relevant lease.

Service income is recognised when services are provided.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

P , a d

Property, plant and equipment other than construction-in-progress are stated at cost less accumulated depreciation and accumulated impairment losses.

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost, including borrowing costs capitalized, less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3. 主要會計政策概要(續)

物業、廠房及設備(續)

除在建工程外，物業產房及設備的折舊是於計入其估計剩餘價值後以直線法按下列年率於其估計可使用年限中撇銷成本。

房屋建築	3.23% – 6.47%
廠房設備及機器	6.47% – 13.86%
傢俬、裝置及設備	10.78% – 19.40%
運輸工具	16.17% – 19.40%

物業、廠房及設備項目於出售或當預期持續使用該資產將不會產生未來經濟利益時終止確認。終止確認該資產時所產生之任何盈虧(以出售所得款項淨額與該項目賬面值之差額計算)將計入終止確認該項目此階段釐定損益中。

投資物業

投資性房地產指為賺取租金收入和／或實現資本增值。

投資性房地產初始按成本計量，包含交易費用。初始確認後，投資性房地產以成本減累計折舊及減值損失後列賬。投資性房地產折舊是根據投資物業之租約年期以直線法計算。

當投資物業出售、永久不再使用或預期不會帶來經濟利益時，該投資物業會被取消確認。因取消確認而獲得的溢利或虧損(按該項資產的出售收入淨額及其賬面值的差額計算)會於取消確認年度的全面收支表內入賬。

3. IGNIFICAN ACCO N ING POLICIE (continued)

P , a d (continued)

Depreciation is provided to write off the cost of items of property, plant and equipment other than construction-in-progress over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method, on the following bases:

Buildings	3.23% – 6.47%
Plant and machinery	6.47% – 13.86%
Furniture, fixtures and equipment	10.78% – 19.40%
Motor vehicles	16.17% – 19.40%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the period in which the item is derecognised.

I .

Investment properties are properties held to earn and/or for capital appreciation.

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is charged so as to write off the cost of investment properties over the lease term using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

3. 主要會計政策概要(續)

預付土地租賃款

預付土地租賃款以成本減累計攤銷及減值損失後列賬。預付土地租賃款按直線法於剩餘可使用年限內攤銷。

建造合同

如果建造合同的結果能夠可靠地估計，應根據完工百分比法在報告日期末確認合同成本。合同完工進度是根據累計實際發生的合期末⿱爫矢獒鎳獚果式般搰髐熄龕鬙鱒。合乞

期末⿱⺈⿱⺈⿱⺈翱后發共末確膈疝⿰⿱口口玄。

3. IGNIFICAN ACCO N ING POLICIE (continued)

P ad a a .

Prepaid land lease payments are stated at cost less accumulated amortization and any impairment losses. The prepaid land lease payments are amortised on the straight-line basis over the unexpired period of the rights.

C . a .

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as amounts due to customers for contract work. Amounts received before the related work is performed are included in the statement of financial position, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated statement of financial position under trade and other receivables.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Foreign currencies

(a) Functional and presentation currency

3. 主要會計政策概要(續)

外幣(續)

( ) 集團公司(續)

(iii) 所有由此產生的匯兌差額確認為權益的獨立組成項目。

於合併過程中，換算海外營運投資及借貸所產生的匯兌差額均計入股東權益。當出售部分海外營運，此前於權益錄得之匯兌差額會被確認為收益表的銷售溢利或虧損。

收購海外實體產生的商譽及公平值調整視為該海外實體的資產和負債，並按資產負債表日期的匯率換算。

借貸成本

直接用作收購、建造或生產合資格資產的融資成本，當資產達到預定可使用狀態或出售時添加到那些資產成本中。於特別借貸的暫時投資所賺取的投資收入，會由借貸成本資本化中減除，決定於其指定資產費用。

所有其他借貸成本於產生期間損益確認。

3. **IGNIFICAN ACCO N ING POLICIE** (continued)

F (continued)

(c) Group compahies (continued)

(iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the profit or loss as part of the gains or losses on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

B

Borrowing costs directly attributed to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

3. 主要會計政策概要(續)

政府補貼

政府補貼按與計劃抵消的成本配對所需期間確認為收入。政府補貼是作為支出或已發生的虧損補償、或是以給予該集團及時的財務支持為目的而獲得的，無末來相關成本，在本階段釐定損益中確認。

退休金

本集團於中國營運的附屬公司的僱員須參與當地市政府營辦的中央退休金計劃。供款於根據中央退休金計劃的規則成為應付時在損益內扣除。

所得稅

所得稅開支指即期應付稅項及遞延稅項之總和。

3. IGNIFICAN ACCO N ING POLICIE (continued)

G a .

Government grants are recognised as revenue over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivables as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

b . .

The employees of the Group which operate in mainland China are required to participate in a central pension scheme operated by the local government. The contributions are charged to the statement of comprehensive income as they become payable in accordance with the rules of the central pension scheme.

a a

Income tax expense represents the sum of the tax currently payable and deferred tax.

詛芧的附屬仁壑渮吾炘琸喬鎑蚓穐轢誰潡逸彔葵戊樌粁栴迓慈逸彔駈慢胝以自駱鴉卦萃$ 榔蓮昊姮盧麼誰潡賚奶所款如認補蹺得拚並琬$

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Harbin Power Equipment Comp2nJL Limited

3. 主要會計政策概要(續)

所得稅(續)

遞延稅項資產和負債是按預期於償還負債或變現資產期間使用的稅率計算，基於報告期末前已制定或實際制定的稅率(稅法)為準，遞延稅項負債和資產的衡量反映了稅項結果符合公司期望在報告期末內彌補或結算資產和負債的賬面值的做法。遞延稅項按損益確認，除了涉及需要在其他綜合損益中或直接在權益中確認的項目，在這種情況下，遞延稅項也在其他綜合收益中或直接在各自權益中確認。

無形資產

( ) 個別收購之無形資產

個別收購之有限可使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損入賬。有限可使用年期之無形資產攤銷乃按直線基準於其估計可使用年期撥備。相反，無限可使用年期之無形資產乃按成本減任何其後累計減值虧損入賬。

取消確認無形資產所產生之損益以出售資產所得款項淨額與賬面值之間之差額計算，並於取消確認資產時在綜合損益表內確認。

3. IGNIFICAN ACCO N ING POLICIE (continued)

a a (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

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(i) Intangible assets acquired separatel

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. Alternatively, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

Gains or losses arising from derecognition of an intangible asset, are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

3. 主要會計政策概要(續)

無形資產(續)

( ) 研究及開發成本

研究活動支出於產生期間確認為開支。

開發(或是內部工程開發階段)所產生之內部形成無形資產，僅在滿足以下條件時方予確認：

- 完成無形資產的技術可行性，從而可以使用或銷售；
- 有意去完成該無形資產從而使之可以使用或銷售；
- 使用或銷售無形資產的能力；
- 將來無形資產怎樣產生經濟效益；
- 使用適當技術、財務和其他資源來完成其發展，並使用和銷售此無形資產；
- 及能夠準確衡量用於開發無形資產的支出。

初步確認內部形成無形資產之金額為無形資產首次符合確認條件之日起產生之費用滾蔘麍굇擦빋讔妐次笠齬嫺□滴齠好賸無 [느瀧뿢蝤膽隤笸롼骫

3. IGNIFICAN ACCO N ING POLICIE (continued)

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(ii) Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible assets arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally- generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

3. 主要會計政策概要(續)

無形資產(續)

( ) 研究及開發成本(續)

於首次確認後，內部產生無形資產根據已個別收購無形資產的相同基準，按成本減累計攤銷及累計減值虧損後列賬。

( ) 於業務合併所收購之無形資產

倘於業務合併所收購之無形資產符合無形資產之定義，且其公平值能可靠衡量，則會與商譽分開識別及確認。該等無形資產之成本為於收購日之公平值。

於首次確認後，具有限可使用年期之無形資產，按成本減累計攤銷及任何累計減值虧損。有限可使用年期之無形資產攤銷乃按直線基準於其估計可使用年期撥備。

( ) 減值

不論是否出現可能減值之跡象，無限使用年期之無形資產及尚未準備作出售之無形資產每年進行減值測試，方法為比較其可收回金額與賬面值。倘資產之可收回金額估計會低於其賬面值，則該資產之賬面值將調低至其可收回金額。減值虧損會即時確認為開支。

倘其後減值虧損撥回，則資產之賬面值將增至重新估計之可收回金額，惟增加後之賬面值不得超過資產於過往年度尚未確認減值虧損時釐定之賬面值。減值虧損撥回會即時確認為收入。

3. **IGNIFICAN ACCO N ING POLICIE** (continued)

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(ii) Research and development expenditure (continued)

Subsequent to initial recognition, internally- generated intangible asset is measured at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

(iii) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are measured at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

(iv) Impairment

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

3. 主要會計政策概要(續)

已落成之待售物業

已落成之待售物業初步以於發展中物業重新分類為落成物業當日之賬面值計量。其後，預付租賃土地部分按攤銷成本減累計減值虧損計量，而樓宇部分按成本及可變現淨值兩者間之較低者列值。可變現淨值指於正常業務狀況下的估計銷售價減銷售費用。

金融工具

當集團實體成為工具合約條文之訂約方時，金融資產及金融負債於綜合財務狀況表確認。金融資產及金融負債初步按公平值計算。因收購或發行金融資產及金融負債(按公平值計入損益之金融資產及金融負債除外)而直接產生之交易成本，於初步確認時加入金融資產或金融負債(視情況而定)之公平值或自金融資產和金融負債(視情況而定)之公平值扣除。因收購按公平值計入損益之金融資產或金融負債而直接產生之交易成本即時於釐定損益中確認。

金融資產

本集團之金融資產可分類為貸款及應收款項以及可供出售金融資產。所有日常買賣之金融資產於交易日確認及不再確認。日常買賣指須根據市場規則或慣例訂立之時間內交收資產之金融資產買賣。

3. **IGNIFICAN ACCO N ING POLICIE** (continued)

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Completed properties held for sale are initially measured at the carrying amount of the property at the date of reclassification from properties under development. Subsequently, the prepaid leasehold land component is measured at amortised cost less accumulated impairment losses; the building component is carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less selling expenses.

F a al . .

Financial assets and financial liabilities are recognized on the consolidated of financial position when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Fihahcial assets

The Group's financial assets are classified into loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

實際利率法

實際利率法乃計算金融資產之攤銷成本以及分配相關期間利息收入之方法。實際利率乃按金融資產之預計年期或適用的較短期間內最初確認資產淨值準確貼現估計未來收取之現金(包括構成實際利率主要部分之所有已付或已收費用、交易成本及其他溢價或折讓)之利率。

債務工具的利息收入按實際利率方法確認。

貸款及應收款項

貸款及應收款項為無活躍市場報價而附帶固定或可釐定付款之非衍生性質金融資產，於首次確認後的每一個結算日，貸款及應收款項(包括應收賬款、應收票據、其他應收款及按金、建造合同應收款N뎠\鼦　甒矜酵纀款項N뎠P°臆梨敘뢿쵇　涎輇葜宙뢿孑已潠瀲筸款M定期筸款C箏住絕筸及現阿)韌㓯　煥彙鮂猰盥葨妧礸狎騍搠嘢茁踊뢷ó(槝孤門力金融資產之뾎

3. **IGNIFICAN \ ACCO N \ING POLICIE** (continued)

F a al . ' . (continued)

Fihahcial assets (continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees points paid or received that from an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade debtors, bills receivable, other debtors and deposits, amounts due from customers for contract work, amounts due from fellow subsidiaries, amounts due from associates, restricted bank deposits, pledged bank deposits, bank deposits and cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment losses (see accounting policy in respect of impairment loss on financial assets below).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就其他所有金融資產而言，減值的客觀證據包括：

- 發行人或對約方出現重大財政困難；或
- 未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

就貿易應收賬款等若干金融資產類別而言，被評估為不會個別減值之資產其後按整體基準進行減值評估。應收賬款組合之客觀減值證據包括本集團之過往收款經驗、組合內延遲還款至超逾平均信貸期，以及與應收賬款逾期有關之全國或地方經濟狀況出現明顯改變。

就按已攤銷成本列賬的金融資產而言，當有客觀證據證明資產已減值，減值虧損於損益中確認，並按資產賬面值與按原實際利率貼現之估計日後現金流量現值之差額計算。

就以成本列賬之金融資產而言，減值虧損之金額按資產賬面值與按類似金融資產當時市場回報率貼現之估計未來現金流量現值之差額計量。有關減值虧損將不會於隨後期間撥回。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade debtors, assets that are assessed not to be impaired individually are assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

與所有金融資產有關之減值虧損會直接於金融資產之賬面值中作出扣減，惟貿易及其他應收賬款除外，其賬面值會透過撥備賬作出扣減。撥備賬內之賬面值變動會於損益賬中確認。當貿易及其他應收賬款被視為不可收回時，其將於撥備賬內撇銷。倘其後收回之前已撇賬的款項，將撥回損益賬內。

就按已攤銷成本列賬之金融資產而言，減值虧損金額如於以後期間減少，而有關減少在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該資產於減值被撥回當日之賬面值不得超過未確認減值時之已攤銷成本。

可供出售股權投資的減值虧損將不會於以後期間撥回損益賬中。任何減值虧損後之公允值上升於權益確認。

金融負債及權益

集團實體發行的金融負債及權益工具乃根據所訂立合約安排的性質與金融負債及權益工具的定義分類。

權益工具乃證明本集團於扣減所有負債後的資產中擁有剩餘權益的任何合約。本集團的金融負債一般歸類為按公平值計入損益的金融負債及其他金融負債。

3. IGNIFICAN ACCO N ING POLICIE (continued)

F a al . (continued)

Fihahcial assets (continued)

Impairment of financial assets (continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade debtors, where the carrying amount is reduced through the use of an allowance account. When a trade or other debtors is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on available-for-sale equity investment will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in equity.

Fihahcial liabilities ahd equit

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The Group's financial liabilities are generally classified into other financial liabilities.

3. 主要會計政策概要(續)

金融工具(續)

金融負債及權益(續)

實際利率法

實際利率法乃一種計算相關期間金融負債攤銷成本與分配利息支出的方法。實際利率乃在金融負債的預計年期或最初確認的賬面值淨值較短期間(如適用)內，將其估計未來現金支出(包括構成實際利率整體部分所支付的所有費用)精確貼現所使用的利率。

利息支出以實際利率基礎確認。

其他金融負債

其他金融負債包括建造合同應付款、應付賬款、其他應付款及應計費用、金融衍生工具、欠同系附屬公司款項、欠控股公司款項、借款、已收按金，乃隨後採用實際利率法按已攤銷成本計量。

損益工具

本公司發行之損益工具乃按已收所得款項(扣除直接發行成本)記賬。

金融衍生工具及對沖

衍生工具於訂立衍生工具合約日期初步以公平值確認，隨後於各結算日按其公平值重新計量。所產生的盈虧即時於損益內確認，除非該衍生工具被指定且為有效的對沖工具，在此情況下，於損益內確認的時間將取決於對沖關係的性質。

3. **IGNIFICAN ACCO N ING POLICIE** (continued)

F a al . . (continued)

Fihahcial liabilities ahd equit (continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Other financial liabilities

Other financial liabilities including amounts due to customers for contract work, trade creditors, other creditors and accrued charges, derivative financial instruments, amounts due to fellow subsidiaries, advance from holding company, borrowings, deposits received, are subsequently measured at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Derivative fihahcial ihstrumehts ahd hedgihg

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Derecognition

The Group derecognises a financial asset only when the contractual rights to receive the cash flows from the assets expire, or when a financial asset is transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred

5. E EN E

Revenue represents the amounts received and receivable for goods sold and services rendered by the Group to outside customers during the year, net of value added tax ("VAT") and sales returns, and is analysed as follows:

		2009 人民幣千元 **b'000**	2008 人民幣千元 Rmb'000
產品銷售	Sales of goods	**20,741,812**	22,976,686
建造合同收入	Revenue from construction contracts	**7,629,850**	6,302,931
出售物業收入	Sales of properties	**202,628**	46,443
租賃收入	Rental income	**40,801**	35,848
服務提供收入			

6. 業務和地區分部(續)

關於這些業務的分部信息列示如下：

2009年

6. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Segment information about these businesses is presented below:

2009

		火電主機設備 Maturity 人民幣千元 b'000	水電主機設備 Maturity 人民幣千元 b'000	電站工程服務 Maturity 人民幣千元 b'000	電站輔機及配套設備 Maturity 人民幣千元 b'000	交直流電機及其他 AC/DC Maturity 人民幣千元 b'000	內部抵銷 Maturity 人民幣千元 b'000	合併 Maturity 人民幣千元 b'000
主營業務收入	SEGMENT							
外部收入	External sales	19,220,791	1,893,429	4,299,673	1,251,301	1,964,328		28,629,522
分部收入	Inter-segment sales	1,736,527					(1,736,527)	
總收入	Total revenue	20,957,318	1,893,429	4,299,673	1,251,301	1,964,328	(1,736,527)	28,629,522

分部間的銷售是以現行市場價格計算的。Inter-segment sales are charged at prevailing market rates.

分部經營成果	SEGMENT RESULTS	2,572,874	437,991	(60,962)	316,106	399,498		3,665,507
未能分攤總部費用	Unallocated corporate expenses							(2,535,378)
財務支出	Finance costs							(180,381)
於聯營公司溢利	Share of results of associates							34,764
除稅前溢利	Profit before taxation							984,512
稅項	Income tax expense							(226,871)
本年度溢利	Profit for the year							757,641
資產	ASSETS							
分部資產	Segment assets	28,354,652	2,438,448	4,576,856	1,498,732	3,133,281		40,001,969
於聯營公司之權益	Interests in associates							179,079
未能分攤總部資產	Unallocated corporate assets							12,695,333
合併總資產	Consolidated total assets							52,876,381
負債	LIABILITIES							
分部負債	Segment liabilities	29,811,273	2,692,148	3,036,218	1,675,755	1,728,146		38,943,540
未能分攤總部負債	Unallocated corporate liabilities							3,715,579
合併總負債	Consolidated total liabilities							42,659,119
其他資料	OTHER INFORMATION							
資本性支出	Capital additions	563,920	99,329	8,094	16,245	171,914	–	859,502
物業、廠房及設備折舊	Depreciation of property, plant and equipment	271,128	43,687	10,329	13,135	36,310	–	374,589
投資物業折舊	Depreciation of investment properties	–	–	–	–	16,060	–	16,060
專利權攤銷	Amortisation of patents	17,813	218	–	1,288	2,704	–	22,023
預付土地租賃款攤銷	Amortisation of prepaid lease payments	8,490	1,296	40	385	496	–	10,707
呆壞賬準備	Allowances for bad and doubtful debts	390,798	46,730	35,622	22,218	53,506	–	548,874

6. B INE AND GEOG APHICAL EGMEN (continued)

2008

	火電主機設備 Main thermal power	水電主機設備 Main hydro power	電站工程服務 Engineering services for power	電站輔機及配套設備 Ancillary equipment for power	交直流電機及其他 AC/DC motors	內部抵銷	合併

6. 業務和地區分部(續)

地區分部

6. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Geographical segments

The Group's operations are located mainly in the People's Republic of China ("PRC"). The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods/services:

		2009 人民幣千元 Rmb'000	2008 人民幣千元 Rmb'000
境內	PRC	**24,303,858**	27,088,569
境外	Overseas	**4,325,664**	2,814,975
總收入	Total revenue	**28,629,522**	29,903,544

The majority of the Group's assets and liabilities are located in the PRC. The assets and liabilities situated overseas account for less than 10% of the Group's assets and liabilities as at 31st December, 2009 and 2008.

7. OTHER INCOME

Included in other income are the following:

		2009 人民幣千元 Rmb'000	2008 人民幣千元 Rmb'000
股息收入	Dividend income	**1,298**	2,737
處置物業、廠房及設備收益	Gain on disposal of property, plant and equipment	**7,805**	3,117
處置投資物業收益	Gain on disposal of investment properties	**510**	–
處置預付土地租賃款收益	Gain on disposal of prepaid lease payments	**8,437**	–
政府補貼	Government subsidy	**252,253**	80,658
利息收入	Interest income	**266,543**	237,545
廢料銷售利潤	Profit from sale of scrap materials	**20,522**	23,279
物業、廠房及設備減值準備回撥	Reversal of impairment loss of property, plant and equipment	**1,714**	6,482
其他	Other income	**9,880**	37,442
總計	Total	**568,962**	391,260

8. FINANCE CO

		2009 人民幣千元 ь'000	2008 人民幣千元 Rmb'000
借款利息支出：	Interest on borrowings:		
－須於五年內全部償還借款	– wholly repayable within five years	**144,131**	126,657
－毋須於五年內全部償還借款	– not wholly repayable within five years	**39,282**	68,668
		183,413	195,325
減：已撥充資本之有關在建工程利息支出	Less: Interest capitalised in construction in progress	**(3,032)**	–
		180,381	195,325

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisaiton rate of 4.86% (2008: Nil) to expenditure on qualifying assets.

9. INCOME A E PEN E

		2009 人民幣千元 ь'000	2008 人民幣千元 Rmb'000
中國所得稅	PRC enterprise income tax		
－本年度	– current year	**239,022**	351,325
－過往年度撥備過剩	– overprovision in prior years	**(12,056)**	(15,061)
		226,966	336,264
本年遞延稅款（附註18）	Deferred tax (note 18.02.062 Tc0 Tw( )Tj/F2 1 Tf42.2339,7356		

9. INCOME TAX EXPENSE (continued)

On 21 November 2008, the Company was named as one of the High and New Technical Enterprise (高新技術企業). According to the PRC Law on Enterprise Income Tax promulgated on 16 March 2007, the Company is entitled to a concessionary rate of income tax at 15% over 3 years, beginning on 1 January 2008.

Except for certain subsidiaries which are subject to an enterprise income tax rate of 15%, other subsidiaries located in Mainland China are subject to the PRC corporate income tax at a rate of 25% (2008: 25%) on its assessable profits.

10. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

		2009 人民幣千元 Rmb'000	2008 人民幣千元 Rmb'000
員工成本(包括董事和監事的薪酬)(附註11)	Staff costs including directors' and supervisors' emoluments (note 11)	**1,172,907**	1,172,098
退休福利計劃	Retirement benefit scheme contributions	**22,448**	39,014
員工總成本	Total staff costs	**1,195,355**	1,211,112
呆壞賬準備	Allowance for bad and doubtful debts	**548,874**	265,511
存貨跌價準備	Allowance for inventories	**30,776**	52,519
專利權攤銷	Amortisation of patents	**22,023**	17,160
預付土地租賃款攤銷	Amortisation of prepaid lease payments	**10,707**	9,710
審計費	Auditors' remuneration	**2,500**	2,500
存貨成本	Cost of inventory sold	**23,013,191**	19,642,081
投資物業折舊	Depreciation for investment properties	**16,060**	16,222
物業、廠房及設備折舊	Depreciation for property, plant and equipment	**374,589**	436,996
金融衍生工具公允價值減值	Loss on fair value change of derivative financial instruments		3,133
出售金融衍生工具損失	Realised loss on disposal of derivative financial instruments	**1,659**	–
物業、廠房及設備減值確認	Impairment loss recognized in respect of property, plant and equipment		1,772
匯兌淨損失	Net foreign exchange loss	**700**	138,656
專利權撇銷	Patent written off		4,613
物業、廠房及設備撇銷	Property, plant and equipment written off	**2,300**	19,803
研究開發費用			

11. DI EC O ' AND PE I O ' EMOL MEN

The emoluments paid or payable to each of the 15 directors and supervisors were as follows:

2009

		* 宮晶堃 M.G -ɥ 人民幣千元 b'000	* 鄒磊 M.Z ɥ L 人民幣千元 b'000	* 段洪義 M.D ɥa H - 人民幣千元 b'000	* 商中福 M. ha Zh -ɥ 人民幣千元 b'000	* 吳偉章 M. ɥ ;ha 人民幣千元 b'000	** 孫昌基 M. ɥ Cha L 人民幣千元 b'000	** 李荷君 M.L H L ɥ 人民幣千元 b'000	** 于渤 M. ɥ B 人民幣千元 b'000	** 賈成炳 M. a Ch b 人民幣千元 b'000	** 劉登清 M.L ɥ D - 人民幣千元 b'000	*** 陳光 M.Ch Ga 人民幣千元 b'000	*** 王志森 M. a Zh : 人民幣千元 b'000	*** 高旭光 M.Ga ɥ-ɥa 人民幣千元 b'000	*** 盧春蓮 M.L ɥ Chɥ -la 人民幣千元 b'000	*** 徐二明 M. ɥ E - 人民幣千元 b'000	2009合計 al 2009 人民幣千元 b'000
酬金	Fees																
其他薪資	Other emoluments																
工資與其他福利費	Salaries and other benefits				464	519						151		129	234		1,497
退休福利計劃	Contributions to retirement benefits schemes				14	14						14		14	14		70
薪酬總額	Total emoluments				478	533						165		143	248		1,567

2008年 2008

		* 宮晶堃 Mr. Gong Jing-kun 人民幣千元 Rmb'000	* 曲大庄 Mr. Qu Da-zhuang 人民幣千元 Rmb'000	* 段洪義 Mr. Duan Hong-Yi 人民幣千元 Rmb'000	* 商中福 Mr. Shang Zhong-fu 人民幣千元 Rmb'000	* 吳偉章 Mr. Wu Wei-zhang 人民幣千元 Rmb'000	** 姜魁 Mr. Jiang Kui 人民幣千元 Rmb'000	** 李荷君 Ms. Li He-jun 人民幣千元 Rmb'000	** 周道炯 Mr. Zhou Dao-jiong 人民幣千元 Rmb'000	** 賈成炳 Mr. Jia Cheng-bing 人民幣千元 Rmb'000	** 丁雪梅 Ms. Ding Xue-mei 人民幣千元 Rmb'000	*** 郎思齊 Mr. Lang En-qi 人民幣千元 Rmb'000	*** 楊旭 Mr. Yang Xu 人民幣千元 Rmb'000	*** 高旭光 Mr. Gao Xu-guang 人民幣千元 Rmb'000	*** 盧春蓮 Ms. Lu Chun-lian 人民幣千元 Rmb'000	*** 陳思 Mr. Chen Si 人民幣千元 Rmb'000	2008合計 Total 2008 人民幣千元 Rmb'000
酬金	Fees	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
其他薪資	Other emoluments																
工資與其他福利費	Salaries and other benefits	–	554	–	490	406	–	–	–	–	–	–	148	131	199	–	1,928
退休福利計劃	Contributions to retirement benefits schemes	–	13	–	13	13	–	–	–	–	–	–	13	13	13	–	78
薪酬總額	Total emoluments	–	567	–	503	419	–	–	–	–	–	–	161	144	212	–	2,006

* Being executive directors of the Group
** Being independent non-executive directors of the Group
*** Being supervisors of the Group

14. 物業、廠房及設備(續)

14. PROPERTY, PLANT AND EQUIPMENT (continued)

本公司

THE COMPANY

		房屋建築 Building 人民幣千元	廠房設備及機器 Plant and machinery 人民幣千元	傢俬、裝置及設備 Furniture, fixtures and equipment 人民幣千元	運輸工具 Motor vehicles 人民幣千元	在建工程 Construction in progress 人民幣千元	總計 Total 人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
成本	COST						
於二零零八年一月一日	At 1st January, 2008	216,503	86,980	38,524	6,586	128,545	477,138
添置	Additions	9	–	370	595	618,207	619,181
轉撥	Transfer	6,147	9,885	2,113	–	(18,145)	–
撇銷	Written off	–	–	–	–	(1,536)	(1,536)
處置	Disposals	(15,869)	(86,981)	(17,125)	(480)	–	(120,455)
於二零零九年一月一日	At 1st January, 2009	206,790	9,884	23,882	6,701	727,071	974,328
添置	Additions	536	–	572	1,538	123,347	125,993
轉撥	Transfer	325,643	174,116	–	–	(499,759)	–
處置	Disposals	–	–	–	(1,423)	–	(1,423)
於二零零九年十二月三十一日	**At 31st December, 2009**	**532,969**	**184,000**	**24,454**	**6,816**	**350,659**	**1,098,898**
累計折舊	DEPRECIATION						
於二零零八年一月一日	At1st January, 2008	28,005	23,321	23,469	3,802	–	78,597
本年度撥備	Charge for the year	23,410	2,821	2,136	665	–	29,032
處置的轉銷	Eliminated on disposals	(15,922)	(23,688)	(20,892)	(381)	–	(60,883)
於二零零九年一月一日	At 1st January, 2009	35,493	2,454	4,713	4,086	–	46,746
本年度撥備	Charge for the year	11,627	764	840	613	–	13,844
處置的轉銷	Eliminated on disposals	–	–	–	(1,066)	–	(1,066)
於二零零九年十二月三十一日	**At 31st December, 2009**	**47,120**	**3,218**	**5,553**	**3,633**		**59,524**
賬面淨值	NET BOOK VALUE						
於二零零九年十二月三十一日	**At 31st December, 2009**	**485,849**	**180,782**	**18,901**	**3,183**	**350,659**	**1,039,374**
於二零零八年十二月三十一日	At 31st December, 2008	171,297	7,430	19,169	2,615	727,071	927,582

15. 投資物業 15. IN E MEN P OPE IE

本集團 HE G O P

		人民幣千元 Rmb'000
成本	COST	
於二零零八年一月一日	At 1st January, 2008	
及二零零九年一月一日	and 1st January, 2009	342,540
處置	Disposal	(7,680
於二零零九年十二月三十一日	**A 31 D b , 2009**	**334,860**
累計折舊及撥備	DEPRECIATION AND IMPAIRMENT	
於二零零八年一月一日	At 1st January, 2008	
本年度撥備	Charge for the year	
於二零零九年一月一日	At 1st January, 2009	
本年度撥備	Charge for the year	
處置的轉銷	Eliminated on disposal	
於二零零九年十二月三十一日	**A 31 D b , 2009**	
賬面淨值	CARRYING AMOUNT	
於二零零九年十二月三十一日	**A 31 D b , 2009**	
		於二零零八年十二月三十一日

董事會認為本集團投資物業之賬面淨值接近於它們的公允價值。

上述投資物業均以5%的比例直線攤銷。

15. 投資物業(續)

以上投資物業的賬面淨值包括：

15. IN E MEN P OPE IE (continued)

The carrying amount of investment properties shown above comprises:

	2009 人民幣千元	2008 人民幣千元
		舊
		在中國持有：
盲烦狂	擱牓篨檖狿睩	舊期租約
盲烦狂	採磟筍篚窀	舊期租約

16. 預付土地租賃款

本集團
人民幣千元
舊

16. P EPAID LEA E PA MEN HE G O P

	栲烷鞢醥
蛾	基楚
於二零零八年一月	遇茄竭蚩炊篣窄縏蠖顑
零零九年	一炊平
顅筈蘋砾炬綪莯鞢娥蠳諉譪騌	
驤鸗蘠	
鉺膹蠮	耟
	490,535
豶諉蘼藜	
娪奘醥	

16. 預付土地租賃款(續)

本集團的預付土地租賃款為中華人民共和國境內的土地使用權。預付土地租賃款根據報告使用需要分析如下：

16. P EPAID LEA E PA MEN (continued)

The Group's prepaid lease payments represent medium-term land use rights in the PRC. They are analysed for reporting purpose as follows:

		2009 人民幣千元 b'000	2008 人民幣千元 Rmb'000
流動部分	Current portion	**10,176**	9,710
非流動部分	Non-current portion	**342,018**	350,438
		352,194	360,148

本公司 HE COMPAN

		人民幣千元 Rmb'000
成本	COST	
二零零八年一月一日及二零零九年一月一日	At 1st January, 2008 and 1st January, 2009	38,809
添置	Additions	4,982
於二零零九年十二月三十一日	**A 31 D b , 2009**	**43,791**
累計攤銷	ACCUMULATED AMORTISATION	
於二零零八年一月一日	At 1st January, 2008	2,507
本年度攤銷	Amortise for the year	755
於二零零九年一月一日	At 1st January, 2009	3,262
本年度攤銷	Amortise for the year	1,253
於二零零九年十二月三十一日	**A 31 D b , 2009**	**4,515**
賬面淨值	NET BOOK VALUE	
於二零零九年十二月三十一日	**A 31 D b , 2009**	**39,276**
於二零零八年十二月三十一日	At 31st December, 2008	35,547

20. IN E E IN A OCIA E (continued)

As at 31st December, 2009, the Group had interests in the following associates:

公司名稱 Na	公司類型 F b. .. .	公司註冊國家／註冊地 Pla / C a / . a	主要經營地 P al a a	本公司持有已發行股本股票類型 Cla . ha h ld	面值之比率 P al al .. d a al/ . d a al h ld b h G	持有表決權 P h ld	主要經營活動 P al a
通用電氣－哈動能源服務(秦皇島)有限責任公司	設立 Established	中華人民共和國 PRC	中華人民共和國 PRC	普通股 Ordinary	41%	41%	為鍋爐廠、汽輪機廠及電機廠涌能源服務 哂損谷鯦む墝眬機廠

20. 於聯營公司之權益(續)

本集團之聯營公司之財務資料撮要如下：

20. IN E E IN A OCIA E (continued)

The summarised financial information in respect of the Group's associates is set out below:

		2009 人民幣千元 Rmb'000	2008 人民幣千元 Rmb'000
總資產	Total assets	**712,129**	741,288
總負債	Total liabilities	**(289,174)**	(392,263)
淨資產	Net assets	**422,955**	349,025
本集團佔聯營公司淨資產	Group's share of net assets of associates	**177,433**	148,897
收入	Revenue	**447,244**	545,762
本年度溢利	Profit for the year	**88,226**	61,563
本年集團從聯營公司獲取的溢利	Group's share of results of associates for the year	**34,764**	23,320

21. A AILABLE-FO - ALE IN E MEN

Available-for-sale investments comprise:

	本集團 HE G O P		本公司 HE COMPAN	
	2009	2008	**2009**	2008
	人民幣千元			

23. ADE DEB O /BILL ECEI ABLE/O HE DEB O , DEPO I AND P EPA MEN

The credit terms given to the customers vary and are generally based on the financial strengths of individual customers. In order to effectively manage the credit risks associated with or0uade debtors, credit evaluations of customers are performed periodically.

		2009 人民幣千元 b'000	2008 人民幣千元 Rmb'000
應收賬款	Tuade debtors	**13,790,913**	13,428,014
減: 減值撥備	Less: Allowance for doubtful debts	**(1,621,932)**	(1,073,788)
		12,168,981	12,354,226
應收票臬Billse			

23. 應收賬款／應收票據／其他應收款／按金及預付款項(續)

應收賬款減值撥備的變動如下：

23. TRADE DEBTORS/BILLS RECEIVABLE/OTHER DEBTORS, DEPOSITS AND PREPAYMENTS (continued)

Movement in allowance for doubtful debts of trade debtors:

		2009 人民幣千元 Rmb'000	2008 人民幣千元 Rmb'000
年初結餘	Balance at beginning of the year	**1,073,788**	824,709
應收賬款減值虧損確認	Impairment losses recognized on receivables	**549,063**	260,978
因無法收回而撇銷的金額	Amounts written off as uncollectible	**(919)**	(11,899)
年末結餘	Balance at end of the year	**1,621,932**	1,073,788

二零零八年十二月三十一日和二零零九年十二月三十一日集團應收賬款和其他應收款的公允價值接近於相應的賬面價值。

The fair value of the Group's trade debtors and other debtors at 31st December, 2009 and 2008 approximates to the corresponding carrying amount.

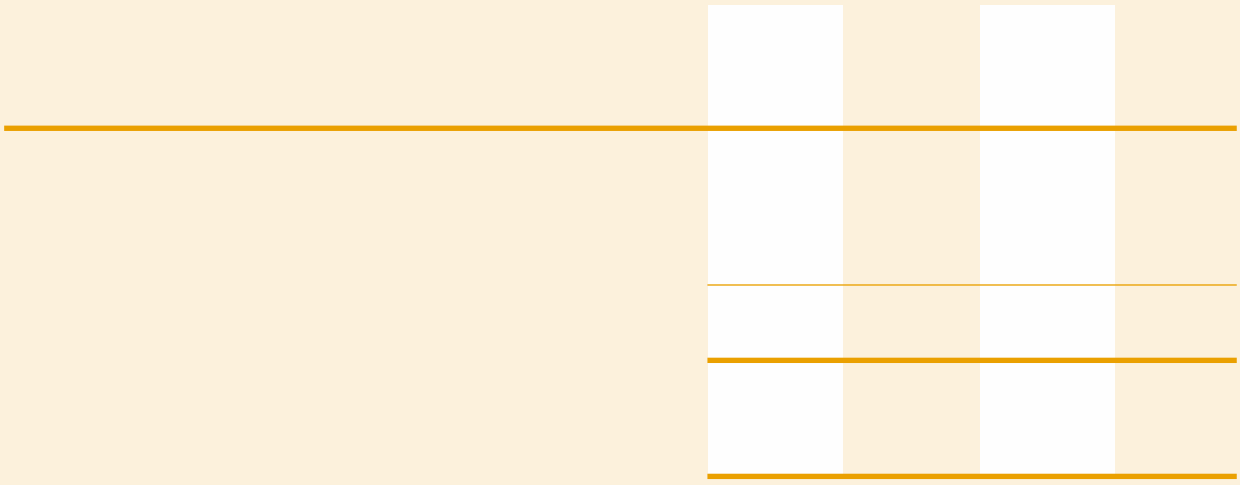
24. 建造合同應收／(應付)款

24. AMOUNTS DUE FROM/(TO) CUSTOMERS FOR CONTRACT WORKS

		本集團 THE GROUP 2009 人民幣千元 Rmb'000	2008 人民幣千元 Rmb'000
於結算日的建造合同：	Contracts in progress at the balance sheet date:		
迄今成本	Contract costs incurred	**10,909,986**	9,489,378
應佔溢利扣除可預見收益／(虧損)	Recognised profits less recognized losses	**175,949**	(40,957)
		11,085,935	9,448,421
減：已收及應收工程進度款項	Less: Progress billings	**(10,648,573)**	(9,159,498)
		437,362	288,923
其中：	Represented by:		
建造合同應收款	Amounts due from customers included in current assets	**947,326**	1,045,979
建造合同應付款	Amounts due to customers included in current liabilities	**(509,964)**	(757,056)
		437,362	288,923

截至二零零八年十二月三十一日和二零零九年十二月三十一日止，並無未付足的建造合同工程款。

As at 31st December, 2009 and 2008, there were no retentions held by customers for contract works.



27. ADE C EDI O /O HE C EDI O AND ACC ED CHA GE

	本集團 HE G O P		本公司 HE COMPAN	
	2009	2008	**2009**	2008
	人民幣千元			

28. 已收按金

本集團

已收按金為在建中合約工程向顧客已收取之進度款項。已收按金中，約有人民幣8,118,370,000元（2008：人民幣5,059,506,000元）為於結算日後十二個月才開始動工之合約按金，故歸入非流動負債。而其餘部份則為於結算日後十二個月內開始動工的在建工程按金，故歸入流動負債。已收按金將會用作抵銷基於完工的合同價。

二零零九年十二月三十一日和二零零八年十二月三十一日的公允價值接近於相應的賬面價值。

28. DEPOSITS RECEIVED

THE GROUP

The amount represents the progress payments received from customers in respect of work in progress. Included in deposits received of approximately Rmb8,118,370,000 (2008: Rmb5,059,506,000) were the progress payments received in respect of contract works to be commenced twelve months from the end of the reporting period and were classified in the statement of financial position as non-current. The remaining balance represents deposit received for contract works to be commenced within one year and were classified as current liabilities. The deposits received will be used to set-off the contract price upon the completion of contract works.

The fair value of the amount at 31st December, 2009 and 2008 approximates to the corresponding carrying amount.

29. 金融衍生工具

29. DERIVATIVE FINANCIAL INSTRUMENTS

		本集團 THE GROUP	
		2009	2008
		人民幣千元	人民幣千元
		Rmb'000	Rmb'000
外幣遠期合約	Foreign currency forward contracts		3,133

於二零零九年十二月三十一日，本集團沒有重要的遠期外匯合約。

At 31st December, 2009, the Group had no outstanding foreign currency forward contract.

30. 欠控股公司款項

本集團

短期

欠控股公司款項結餘為不計息之款項，為人民幣20,478,000元(二零零八年：人民幣13,470,000元)。此款項為無抵押且還款期限為一年內。二零零九年十二月三十一日和二零零八年十二月三十一日的公允價值接近於相應的賬面價值。

長期

欠控股公司款項結餘包括不計息及計息之貸款，分別為人民幣442,450,000元(二零零八年：無)及人民幣371,570,000元(二零零八年：人民幣306,720,000元)。實際年率為4.78厘(二零零八年：6.72厘)。此欠款將無固定還款條件。在報告周期末後的十二個月內，不會被要求歸還此款項。因此被歸納為長期負債。二零零九年十二月三十一日和二零零八年十二月三十一的公允價值接近於賬面價值。

30. AD ANCE F OM HOLDING COMPAN

HE G O P

Curreht

The balances of the advance from holding company is non-interest-bearing, amounting to Rmb20,478,000 (2008: Rmb13,470,000). The amount is unsecured and repayable within one year. The fair value of the amount at 31st December, 2009 and 2008 is approximate to the corresponding carrying amount.

Noh-curreht

The balances of the advance from holding company comprises of non interest-bearing and interest-bearing loans amounting to Rmb442,450,000 (2008: Nil) and Rmb371,570,000 (2008: Rmb306,720,000) respectively with effective interest rate of 4.78% (2008: 6.72%) per annum and have no fixed repayment term. The amount will not be demanded for repayment in the next twelve months of the end of the reporting period and, accordingly, the amounts have been classified as non-current liabilities. Their fair value at 31st December, 2009 and 2008 approximates to their carrying value.

31. 借款 31. BO O ING

		本集團 HE G O P		本公司 HE COMPAN	
		2009 人民幣千元 **ь'000**	2008 人民幣千元 Rmb'000	**2009** 人民幣千元 **ь'000**	2008 人民幣千元 Rmb'000
銀行借款	Bank loans	**3,703,735**	4,190,179		97,500
其他借款	Other loans	**291,943**	215,639	**33,784**	32,784
		3,995,678	4,405,818	**33,784**	130,284
擔保	Secured	**3,708,535**	4,089,725		–
非擔保	Unsecured	**287,143**	316,093	**33,784**	130,284
		3,995,678	4,405,818	**33,784**	130,284
借款還款情況如下：	The borrowings are repayable as follows:				
一年內	Within one year	**1,288,579**	870,704		97,500
一至五年	More than one year but not more than five years	**1,880,570**	2,342,952		–
五年以上	Over five years	**826,529**	1,192,162	**33,784**	32,784
		3,995,678	4,405,818	**33,784**	130,284
減：一年內到期的短期負債	Less: Amounts due within one year classified as current liabilities	**(1,288,579)**	(870,704)		(97,500)
		2,707,099	3,535,114	**33,784**	32,784

31. 借款(續)

銀行貸款的賬面金額以下列貨幣為單位：

31. BO O ING (continued)

The carrying amount of the bank loans are denominated in the following currencies:

		本集團 HE G O P		本公司 HE COMPAN	
		2009	2008	**2009**	2008
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		ь'000	Rmb'000	**ь'000**	Rmb'000
人民幣	Rmb	**3,067,043**	3,489,982	**33,784**	130,284
美元(折人民幣)	USD	**928,635**	915,836		–
		3,995,678	4,405,818	**33,784**	130,284

兩年內所有的集團借款利率在3.51%至6.72%中浮動。合同利率與實際利率相同。

All of the Group's borrowings carrying at rates ranging from 3.51% to 6.72% at both years. The contracted interest rates are equal to the effective interest rates.

於二零零九年十二月三十一日，哈爾濱電氣集團公司(「哈電集團公司」)並無對本集團的銀行借款作擔保(二零零八年：無)。

At 31st December, 2009, none of the Group's bank borrowings are guaranteed by Harbin Electric Corporation ("HE") (2008: Nil).

董事會認為賬面價值接近於它們的公允價值。

The directors consider that the carrying amounts of the borrowings approximate their fair value.

32. 應交稅金

32. A PA ABLE

		本集團 HE G O P		本公司 HE COMPAN	
		2009	2008	**2009**	2008
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		Rmb'000	Rmb'000	**Rmb'000**	Rmb'000
增值稅	Value added tax	**195,702**	(44,714)	**(39,728)**	(21,784)
企業所得稅	Enterprise income tax	**298,577**	381,705	**33,183**	44,758
營業稅	Business tax	**32,048**	(4,315)	**21,948**	1,414
其他	Others	**65,986**	42,915	**2,118**	2,040
應交稅金	Tax payables	**592,313**	375,591	**17,521**	26,428

33. 股本

33. HA E CAPI AL

		2009	2008
		人民幣千元	人民幣千元
		Rmb'000	Rmb'000
已註冊、已發行及繳足：	Registered, issued and fully paid:		
國有法人股每股面值人民幣1元	State owned equity interest shares of Rmb1 each	**701,235**	701,235
H股每股面值人民幣1元	H Shares of Rmb1 each	**675,571**	675,571
		1,376,806	1,376,806

除股利支付的幣種不同以及對中國境內和境外資者的限制不同外，國有法人股和H股在其他權益方面均相同。

Except for the currency in which dividends are paid and restrictions as to whether the shareholders can be PRC investors or foreign investors, state owned equity interest shares and H shares rank pari passu in all respects with each other.

34. 儲備

34. E E E

本集團

HE G O P

本集團本年度及上年度儲備的結餘及變動情況見財務報表第65頁之綜合權益變動表。

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 65 of the financial statements.

本公司

HE COMPAN

		股本溢價	資本儲備	法定盈餘公積金	保留溢利	總計權益
		人民幣千元 Rmb'000	人民幣千元 Rmb'000	人民幣千元 Rmb'000	人民幣千元 Rmb'000	人民幣千元 Rmb'000
於二零零八年一月一日	At 1st January, 2008	1,980,295	709,849	365,542	291,141	3,346,827
本年度綜合收入總額	Total comprehensive income for the year	–	–	–	284,132	284,132
轉撥	Transfer to reserves	–	–	28,413	(28,413)	–
股息	Dividends	–	–	–	(125,289)	(125,289)
於二零零九年一月一日	At 1st January, 2009	1,980,295	709,849	393,955	421,571	3,505,670
本年度綜合收入總額	Total comprehensive income for the year	–	–	–	125,310	125,310
轉撥	Transfer to reserves	–	–	12,531	(12,531)	–
股息	Dividends	–	–	–	(103,260)	(103,260)
於二零零九年十二月三十一日	**A 31 D b , 2009**	**1,980,295**	**709,849**	**406,486**	**431,090**	**3,527,720**

35. 或有負債

35. CONTINGENT LIABILITIES

		2009 人民幣千元 Rmb'000	2008 人民幣千元 Rmb'000
附屬公司為外部第三方的銀行融資提供擔保	Guarantee given to banks and financial institutions in respect of general banking facilities granted to external parties	**5,000**	14,119

36. 經營租賃

36. OPERATING LEASE

集團作為出租人

The Group as lessor

年內物業租賃收入約為人民幣40,801,000元(二零零八年：人民幣35,848,000元)。本集團以出租為目的所持有的物業所產生的租賃收入估算每年持續增長16%。一切所持有的物業均有承租人允諾租賃1至20年。

Property rental income earned during the year was approximately Rmb40,801,000 (2008: Rmb35,848,000). The Group's properties held for rental purposes are expected to generate rental yields of 16% on an ongoing basis. All of the properties held have committed tenants ranging from 1 to 20 years.

截止到報告期末日，本集團和承租人定合約規定將來最低的可收租金：

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease receivables:

		2009 人民幣千元 Rmb'000	2008 人民幣千元 Rmb'000
一年內	Within one year	**45,130**	39,998
一至五年	In the second to fifth year inclusive	**149,913**	143,074
五年後	After five years	**270,400**	128,425
		465,443	311,497

於二零零九年十二月三十一日和二零零八年十二月三十一日，本集團均無經營租賃承擔。

At 31st December, 2009 and 2008, the Group had no commitments under operating leases.

37. 資本承擔

37. CAPI AL COMMI MEN

		2009 人民幣千元 ƀ'000	2008 人民幣千元 Rmb'000
購買物業、廠房及設備的資本支出－已簽約但未於財務報表中撥備	Capital expenditure for the acquisition of property, plant and equipment – contracted for but not provided in the financial statements	**414,039**	315,838

38. 資產抵押

於二零零九年十二月三十一日，本集團抵押若干資產作為所獲一般銀行融資之擔保。該等資產之賬面值如下：

(i) 投資物業為人民幣170,442,000元(二零零八年：人民幣245,814,000元)。

(ii) 銀行存款為人民幣526,229,000元(二零零八年：人民幣484,255,000元)。

(iii) 預付土地租賃款為人民幣34,210,000元V褾融媲罟雨勠蹕炊硉孕珸祐訊ゴ承蚡λ荸猒緹休端嬤蛏酶暥

38. PLEDGE OF A E

At 31st December, 2009, the Group pledged certain assets with the following carrying values to secure the banking facilities granted to the Group:

(i) investment properties of Rmb170,442,000 (2008: Rmb245,814,000).

(ii) bank deposits of Rmb526,229,000 (2008: Rmb484,255,000).

(iii) prepaid lease payments of Rmb34,210,000 (2008: Nil)

39. E I EMEN BENEFI CHEME

In accordance with regulations issued by the local government in 1996, the Group is required to make contributions to a defined contribution retirement fund which is administered by the Harbin Social Insurance Administration Bureau of the local government. The Group is required to contribute 22% of the basic salary of its existing PRC staff, while employees contribute 8% of their basic salary. Apart from the above, the Group is also obliged to pay pensions and retirement benefits during the transition period. During the transition period, pension payments are calculated by reference to the staff's monthly basic salaries and period of service and are paid by the Harbin Social Insurance Administration Bureau and the Group. After the transition period, pension payments will be paid by the Harbin Social Insurance Administration Bureau only by reference to the payable amount of individual saving account and the Group has no material obligation for the pension payments or any post-retirement benefits beyond the annual contributions described above.

40. ELA ED PA AN AC ION

( ) a . a . /b a a h h d a a d
. b. d a .

Pursuant to the services agreements signed with HE, the service fees paid to and received from HE and its subsidiaries amounted to approximately Rmb52,348,000 (2008: Rmb49,223,000) and Rmb9,712,000 (2008: Rmb9,537,000) respectively.

For the year ended 31st December, 2009, the Group

40. 關聯人士交易(續)

與其他國有企業重要的交易／結餘如下：

40. RELATED PARTY TRANSACTION (continued)

Material transactions/balances with other state-controlled entities are as follows:

		2009 人民幣千元 RMB'000	2008 人民幣千元 Rmb'000
銷售	Trade sales	**24,557,871**	28,097,220
採購	Trade purchases	**9,954,418**	6,266,649
其他國有企業應付款	Amounts due to other state-controlled entities	**26,797,577**	10,105,136
其他國有企業應收款	Amounts due from other state-controlled entities	**14,232,523**	7,527,381

此外，本集團在其日常業務中和一些國有銀行和金融機構有不同往來，包括設制保證金，借款和其他一般銀行融資。在看待這些銀行交易的實質上，董事會認為毋需分開披露。

In addition, the Group has entered into various transactions, including deposits placements, borrowings and other general banking facilities, with certain banks and financial institutions which are state-controlled entities in its ordinary course of business. In view of the nature of those banking transactions, the directors are of the opinion that separate disclosure would not be meaningful.

除了上述披露，董事會認為與其他國有企業的交易對於本集團營運沒有重大影響。

Except as disclosed above, the directors are of the opinion that transactions with other state-controlled entities are not significant to the Group's operations.

41. 資本管理

本集團資本管理的首要目標，為確保本集團具備持續發展的能力，且維持穩健的資本比率，以支持其業務運作，爭取最大的股東價值。

本集團根據經濟情況的變動，管理其資本結構並作出調整。為維持或調整資本結構，本集團可能會調整向股東派發的股息、向股東派回資本或發行新股。截至二零零九年十二月三十一日及截至二零零八年十二月三十一日止年度內，並無更改其目標、政策或程序。

41. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31st December 2009 and 2008.

41. 資本管理(續)

本集團以資本負債比率(淨債務除以總資本及淨債務之和)，藉此監控資本的情況。本集團的政策為維持穩健的資本負債比率。淨債務包括計息銀行及其他借款、應付票據及其他應付款項、應計款項，減去現金及現金等值項目。於結算日，資本負債比率如下：

41. CAPITAL MANAGEMENT (continued)

The Group monitors capital using a gearing ratio, which is net debt divided by the total capital plus net debt. The Group's policy is to maintain a stable gearing ratio. Net debt includes interest-bearing bank and other borrowings, bills and other payables, accruals, less cash and cash equivalents. The gearing ratios as at the balance sheet dates were as follows:

		2009 人民幣千元 **Rmb'000**	2008 人民幣千元 Rmb'000
總債務：	Total debts		
建造合同應付款	Amounts due to customers for contract work	**509,964**	757,056
應付賬款	Trade creditors	**10,166,545**	7,715,110
其他應付款及應計費用	Other creditors and accrued charges	**3,173,130**	2,055,636
已收按金	Deposits received	**23,335,234**	23,716,097
欠同系付屬公司款項	Amounts due to fellow subsidiaries	**51,757**	50,069
欠控股公司款項	Advance from holding company	**834,498**	320,190
借款	Borrowings	**3,995,678**	4,405,818
		42,066,806	39,019,976
減：銀行定期存款、結存及現金有限制存款	Less: Bank deposits, cash and bank balances Restricted bank deposits	**(7,006)**	(14,568)
已抵押存款	Pledged bank deposits	**(526,229)**	(484,255)
定期存款	Bank deposits	**(3,553,595)**	(3,079,921)
銀行結存及現金	Cash and bank balances	**(10,612,136)**	(7,221,676)
		(14,698,966)	(10,800,420)
淨債務	Net debt	**27,367,840**	28,219,556
總資本	Equity	**8,639,026**	8,136,080
資本與淨債務	Capital and net debt	**36,006,866**	36,355,636
資本負債比率	Gearing ratio	**76%**	78%

43. FINANCIAL I K MANAGEMEN OB EC I E AND POLICIE

The Group's major financial instruments including available-for-sale investments, trade and other debtors, trade and other creditors, borrowings and bank balances and deposits. The risks associate with and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure approximate measures are implemented on a timely and effective manner.

C d . k

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31st December, 2009 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure th TwGJelo-oupacationies akeon to recvhercvheduhe Inaddsitiok, the(Groupreviewrs tho recvhelabl(amounf)TjT*.4882 Tc.2641

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7,022,676,000e

43. FINANCIAL I K MANAGEMEN OB EC I E AND POLICIE (continued)

L d (continued)

The maturity profile of the Group's financial liabilities as at the end of the financial position is as follows:

HE G O P
2009

	少於1年	1年至2年	2年至5年	5年以上	
	L.. ha	1	2	M ha	總計
	1 a	2 a.	5 a.	5 a.	al
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
	b'000	b'000	b'000	b'000	b'000
建造合同應付款 Amounts due to customers for					

43. 財務風險管理目標及政策(續)

利率風險

本集團所面對之利率變動風險主要是由其固定利率的銀行存款及貸款所致。本集團現時並無利率對沖政策。然而，管理層對利率風險進行監控並將於有需要時考慮對沖重大外幣風險。

本集團因利率變動面臨之利率風險主要與本集團之計息銀行及其他借貸有關。於二零零九年及二零零八年十二月三十一日，倘借貸利率高／低50基點而所有其他變數維持不變，則本年度／去年度溢利將分別減少／增加人民幣5,331,000元及4,579,000元，主要是由於浮動利率借貸利息開支增加／減少所致。

其他價格風險

本集團無需面對任何權益證券風險或商品價格風險。

貨幣風險

本集團有若干應收款項以外幣計值，以致本集團承擔外匯風險。管理層持續監控外匯風險，並於需要時考慮對沖外匯風險。

43. FINANCIAL I K MANAGEMEN OB EC I E AND POLICIE (continued)

I a

The Group's interest rate risk relates primarily to fixed rate bank deposits and borrowings. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arises.

The Group's exposure to interest rate risk for changes in interest rates relates primarily to the Group's interest-bearing borrowings. As at 31st December, 2009, if interest rates on borrowings had been 50 basis points higher/lower with all other variables held constant, profit for the current/prior year would have been Rmb5,331,000 and Rmb4,579,000, lower/higher respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

O h

The Group is not exposed to any equity securities risk or commodity price risk.

C

Certain trade receivables of the Group are denominated in foreign currencies. The management monitors foreign exchange exposure and hedges certain exposure using foreign currency forward contracts. The foreign currency forward contracts do not qualify for hedging accounting.

43. 財務風險管理目標及政策(續)

43. FINANCIAL I K MANAGEMEN \ OB EC \ I E AND POLICIE (continued)

貨幣風險(續)

C , , . (continued)

		2009 人民幣千元 '000	2008 人民幣千元 Rmb'000
其他貨幣計值之金融資產：	Financial assets denominated in foreign currencies:		
應收賬款	Trade debtors	**2,816,687**	3,041,673
銀行結存及現金	Bank balance and cash	**700,145**	629,871
		3,516,832	3,671,544

		2009 人民幣千元 '000	2008 人民幣千元 Rmb'000
其他貨幣計值之金融負債：	Financial liabilities denominated in foreign currencies:		
借款	Borrowings	**928,635**	915,836

		2009 人民幣千元 '000	2008 人民幣千元 Rmb'000
其他貨幣計值之金融資產載列如下：	The financial assets were denominated in the following foreign currencies:		
歐元	EUR	**45,776**	80,083
美元	USD	**3,474,748**	3,529,822
港元	HKD	**17,345**	59,847
其他	Others	**2,157**	1,792
		3,540,026	3,671,544

43. 財務風險管理目標及政策(續)

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

貨幣風險(續)

[illegible] (continued)

		2009 人民幣千元 Rmb'000	2008 人民幣千元 Rmb'000
其他貨幣計值之金融負債載列如下：	The financial liabilities were denominated in the following foreign currencies:		
美元	USD	**928,635**	915,836

下表顯示本集團純利於結算日對人民幣匯率可能的合理變動的敏感度，前提是其他因素不變，而變動的原因是貨幣資產及負債公平值的改變。

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the Rmb exchange rate, with all other variables held constant, of the Group's net profit (due to changes in the fair value of monetary assets and liabilities).

		匯率上升／減少 Increase/ decrease in foreign currency rate	2009 除税前溢利的影響 Effect on profit before taxation 人民幣千元 Rmb'000	2008 除税前溢利的影響 Effect on profit before taxation 人民幣千元 Rmb'000
歐元	EUR	5%	**2,289**	4,004
		-5%	**(2,289)**	(4,004)
美元	USD	5%	**220,169**	222,283
		-5%	**(220,169)**	(222,283)
港元	HKD	5%	**867**	2,992
		-5%	**(867)**	(2,992)

44. 主要附屬公司詳述

截至於二零零九年十二月三十一日，公司在中國建立並營運的主要附屬公司詳情如下：

44. PA IC LA OF P INCIPAL B IDIA IE OF HE COMPAN

Details of the Company's principal subsidiaries as at 31st December, 2009, all of which are incorporated and operating in the PRC, are:

附屬公司名稱 Na .ɣb. d a	註冊資本 . , d .ha a al 人民幣千元 Rmb'000	公司持有註冊資本名義價值比例 P al al , . , d a al h ldb h C a 直接 D l %	 間接 l d l %	主要活動 P al a .
哈爾濱鍋爐廠有限責任公司*	746,853	90.94	–	生產鍋爐 Manufacture of boilers
哈爾濱電機廠有限責任公司*	709,237	87.37	–	生產蒸汽渦輪發動裝置和水渦輪發動裝置 Manufacture of steam turbine generator sets and hydro turbine generator sets
哈爾濱電站工程有限責任公司*	136,000	100	–	為電站提供工程服務 Provision of engineering services for power stations
哈爾濱三利亞股份有限公司**	76,116	81.39	–	非金屬合金表面處理、功能性膜層的開發和應用、電液漆、電解液及相關化工產品生產與銷售 Development, production and sale of plasma-enhanced and electrochemical surface ceramicised light alloy materials, building aluminum templates and boards, industrial special nature materials, electrophoresis paints and electrolyte, relevant chemical products.
哈爾濱動力科技貿易股份有限公司**	27,000	55.55	44.45	貿易 Trading
哈爾濱汽輪機廠有限責任公司*	859,723	62.54	–	生產電站汽輪機 Manufacture of steam turbines
哈爾濱東力房地產開發有限責任公司*	10,000	–	100	房地產開發 Property development
哈電集團哈爾濱電站閥門有限公司*	80,000	100	–	生產閥門 Manufacture of valves
哈電發電設備國家工程研究中心有限公司 *	50,000	60	–	發電設備研發工程化技術 Research and development of power equipment engineerisation technology

44. 主要附屬公司詳述(續)

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

附屬公司名稱 Name	註冊資本 Registered capital 人民幣千元 Rmb'000	公司持有註冊資本名義價值比例 Proportion of nominal value of registered capital held by the Company 直接 Direct %	間接 Indirect %	主要活動 Principal activities
成都三利亞中瓷有限責任公司*	53,127	–	50	輕合金材料、鋁特種工件、輕合金表面陶瓷化處理及相關技術的研究；電子產品、科研所需的原輔材料、零配件及相關產品的生產、加工及銷售 Development, production and sale of electrochemical surface ceramicised light alloy materials and relevant technology; Manufacture, processing and trading of electricity products, relevant raw materials and accessories.
哈動國家水力發電設備工程技術研究中心有限公司*	10,000	–	100	研究及開發水力發電設備技術 Research and development of hydropower generation equipment engineerisation technology
秦皇島哈電置業房地產開發有限公司*	20,000	–	90	房地產開發和租賃 Property development and property rentals
哈爾濱鍋爐廠預熱器有限責任公司*	8,000	–	78	生產工程設備 Manufacture of engineering equipment
哈爾濱哈電地產置業股份有限公司**	20,000	–	35(註) (note)	房地產開發和租賃 Property development and property rentals
哈爾濱汽輪機廠輔機工程有限公司*	60,000	–	100	為渦輪提供工程服務 Provision of engineering service to turbines
哈爾濱樂松購物廣場有限公司*	3,000	–	75	房地產租賃 Property rental

* 有限責任公司
** 股份有限公司

* Limited liabilities company
** Joint stock limited enterprise

註： 根據從擁有哈爾濱哈電地產置業股份有限公司16%註冊資本的股東書面聲明中，其股東將會與集團意見一致，因此本集團能控制一半以上的公司投票權。

Note: According to the written declaration received from certain shareholders who held 16% registered capital of 哈爾濱哈電地產置業股份有限公司, these shareholders would vote for the same decision as the Group and therefore the Group could control more than half of the voting power of the companies.

董事會認為以上表格列示了主要能影響本集團業績或資產之附屬公司。董事會認為載列其他附屬公司之詳情會使此報告篇幅過於冗長。

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

本年度沒有一家附屬公司發生任何債務擔保事項。

None of the subsidiaries had issued any debt securities during the year.

重要事項揭示
Disclosure of Significant Events

1. 股東周年大會

   本公司於2009年6月12日彈

1. **A [illegible] G [illegible] M**

   The 2008 Annual General Meeting of the Company was held in the meeting-room on the 17th Floor, Block B, No.39 Sandadongli Road, Xiangfang District, Harbin, Heilongjiang Province, the People's Republic of China, at 9:00 a.m. on 12th June, 2009 (Friday). All of the proposed resolutions set out in the Notice of Annual General Meeting dated 24th April, 2009 were passed at the meeting.

2. On 4th March, 2009, Harbin Power Plant Equipment Group Corporation, the controlling shareholder of the Company, has changed its name to Harbin Electric Corporation.

3. On 24th April, 2009, the fifth session Board of the Company convened its twelfth meeting to approve Mr. Feng Yong-qiang's resignation from deputy general manager due to change of responsibility.

4. In June 2009, the Company's turn-key desulfurization project of Hebei Xuancheng Power Plant was honored: "National Best Project" and "National High Quality Electric Power Project".

5. On 1st July, 2009, Mr. Qu Da-zhuang, the executive director and general manager of the Company has resigned from executive director and general manager due to change of responsibility.

6. On 21st July, 2009, our first self designed and made bi-cylinder 660 MW Super Critical Gas Turbines, also the first of its kind in the world, has been launched successfully at Hebei Dingzhou Power Plant.

7. On 7th August, 2009, the fifth session Board of the Company convened its thirteenth meeting to review and approve the joint investment by HE Harbin Power Plant Value Company Limited and Vanatome.

重要事項揭示(續)
Disclosure of Significant Events (continued)

8. 2009年12月11日，本公司召開了股東特別大會選舉產生了本公司第六屆董事會成員和第六屆由股東代表出任的監事會成員。會議選舉宮晶堃先生、鄒磊先生、段洪義先生、吳偉章先生、[illegible]福先生為本公司氣饞碖，本흇狗綾褙[illegible]洴狆鱼謥祲韙洴狆备싱臁黐틀닻鯤札栴渤骼骭札劉琛藡骼髓裫褎튕蓊[illegible]綾[illegible]大颼[illegible]生、鄒齍鉢生為本公司殉灞豂瓯嚭装猼，＄裶鬄烄真膀禖숱明骼髓裫蘟立裶鬄烄烅憲議薩귁攣戊松勱表凸事會本鸗鷚蓮[illegible]

10. 2009年12月11日，本公司召開了第六屆監事會第一次會議，通過如下決議：選舉王志森先生為本公司監事會主席。

10. On 11th December, 2009, the sixth session Board of the Company convened its first meeting to pass the following resolution: to elect Mr. Wang Zhi-sen as Chairman of the Supervisory Committee of the Company.

11. 2009年12月29日，本公司與中國建設銀行股份有限公司達成書面協議，建設銀行將其持有的本公司附屬公司哈爾濱電機廠有限責任公司的1,600萬元股權(佔電機公司總股本的2.26%)，及哈爾濱汽輪機廠有限責任公司的7,200萬元股權(佔汽輪機公司總股本的8.37%)轉讓給本公司。轉讓價格為人民幣21,368萬元。收購前後的股權變化情況如下：

11. On 29th December, 2009, the Company and China Construction Bank Corporation ("CCBC") entered into a written agreement, pursuant to which CCBC has agreed to transfer its shareholdings amounting to Rmb16 million in Harbin Electrical Machinery Co. Ltd. ("Electrical Machinery", a subsidiary of the Company), representing 2.26% of the total share capital of Electrical Machinery, and its shareholdings amounting to Rmb72 million in Harbin Turbine Co. Ltd. ("Harbin Turbine", a subsidiary of the Company), representing 8.37% of the total share capital of Harbin Turbine, to the Company. The consideration for the transfer was Rmb213.68 million. Changes in shareholdings before and after the acquisition are as follows:

股東	公司	收購前股權	收購後股權
h a h ld .	Na h a	h a 7 . (%)	h a h ld . a h a 7 . (%)
本公司	汽輪機公司	53,762.29萬股62.53%	60,962.29萬股70.90%
The Company	Turbine Company	537,622,900 shares 62.53%	609,622,900 shares 70.90%
	電機公司	61,966.69萬股87.37%	63,566.69萬股89.63%
	Electrical Machinery Company	619,666,900 shares 87.37%	635,666,900 shares 89.63%
建設銀行	汽輪機公司	7,200萬股8.37%	0
CCBC	Turbine Company	72,000,000 shares 8.37%	0
	電機公司	1,600萬股2.26%	0
	Electrical Machinery Company	16,000,000 shares 2.26%	0

12. 2010年2月5日，本公司召開了第六屆董事會第三次會議，聘任吳偉章先生為本公司總經理。

12. On 5th February, 2010, the sixth session Board of the Company convened its third meeting to engage Mr. Wu Wei-zhang as general manager of the Company.

重要事項揭示(續)
Disclosure of Significant Events (continued)

(7) 2009年8月7日，與山東電建二公司簽訂印度Amravati 2X660MW超臨界燃煤機組，標誌着公司600MW級超臨界汽輪機產品首次進入印度市場。

(8) 2009年10月31日，與中廣核公司簽訂湖北咸寧2台AP1000核電機組常規島設備和1＃機組蒸汽發生器供貨合同。

(9) 2009年11月14日，與印度Lanco公司簽訂印度坎塔克2X660MW超臨界汽輪機和發電機設備供貨合同，是公司首次直接出口600MW主機設備。

(10) 2009年12月24日，與中國電工設備總公司組成聯合體，共同與泰國Banpu等業主單位簽訂老撾洪薩(Hongsa) 3X600MW亞臨界燃煤火電總承包項目。

15. 科研開發情況

2009年12月30日，超臨界1000MW火電重大裝備研製與產業化，獲得中國機械工業科技進步獎特等獎；

2009年12月30日，彎扭葉片與流場性能優化理論在大型汽輪機中的應用，獲得中國機械工業科學技術一等獎。

除以上事項外，本公司未有其他需披露而未披露之重要事項。

(7) On 7th August, 2009, the Company and Shandong Electric power Construction No.2 Company signed a supply contract of 2X660MW supercritical coal-fired units for the Amravati project in India, which marked the first entry our 600MW supercritical turbine products into the Indian market.

(8) On 31st October, 2009, the Company and China Guangdong Nuclear Power Group signed a supply contract of two AP1000 nuclear power conventional island and 1# steam generator for the Xianning project in Hubei.

(9) On 14th November, 2009, the Company and Lanco of India signed a supply contract of 2X660MW supercritical turbine and generator for the Karnataka project in India, which is our first directly export of 600MWmain equipment.

(10) On 24th December, 2009, the Company jointly with CNEEC and Banpu of Thailand signed a turn-key contract of 3X600MW sub-critical coal-fired thermal power for the Hongsa project in Laos.

15. . a h a d D I

On 30th December, 2009, the Company won the special prize of national scientific and technology progress by virtue of the scientific research and industrialization of 1000MW supercritical coal-fired thermal power units.

On 30th December, 2009, the Company won the first prize of national machinery and industrial technology by virtue of the application of twisted blade and flow field performance theory in large turbine.

Save for disclosed above, the Company does not have any other discloseable matters which are material but are not disclosed.

公司資料
Information on the Company

EGI E ED NAME OF HE COMPAN

哈爾濱動力設備股份有限公司

ENGLI H NAME OF HE COMPAN

Harbin Power Equipment Company Limited

EGI E ED ADD E OF HE COMPAN

Block 3

公司資料(續)
Information on the Company (continued)

公司秘書

馬遂

核數師

岳華會計師事務所有限公司

執業會計師
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中瑞岳華會計師事務所有限公司

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100140

法律顧問

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中華人民共和國
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南銀大廈1016室

香港法律
齊伯禮律師行
香港
中環
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歷山大廈
二十樓

上市資料

H股
香港聯合交易所
編號：1133

COMPANY SECRETARY

Ma Sui

AUDITORS

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Certified Public Accountants
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138 Gloucester Road
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[illegible]

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LEGAL ADVISORS

as to PRC Law
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as to Hong Kong Law
[illegible]
20th Floor
Alexandra House
16–20 Chater Road
Central
Hong Kong

LISTING INFORMATION

H Shares
The Stock Exchange of Hong Kong Limited
Stock Code: 1133

公司資料(續)
Information on the Company (continued)

預托股份機構

紐約銀行
美國托存證券
22nd Floor West
110 Barclay Street
New York, NY 10286 USA

DEPO I A

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22nd Floor West
110 Barclay Street
New York, NY 10286 USA

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IN E O ELA ION

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Church Street Station
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股份過戶登記處

香港證券登記有限公司

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HA E EGI E AND AN FE OFFICE

H K . a. L d

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183 Queen's Road East
Wan Chai
Hong Kong

公司資料索閱地點

哈爾濱動力設備股份有限公司
董事會秘書局

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INFO MA ION ON HE COMPAN

A a a a O h B a d D .

Block B, 39 Sandadongli Road
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Harbin
PRC

股東接待日

每月8日、18日、28日(節假日順延)
上午：9:00－11:00
下午：2:00－4:00
電話：86-451-82135717或82135727
傳真：86-451-82135700

HA EHOLDE ECEP ION IME

On 8th, 18th, and 28th (the following day in case a holiday)
From: 9:00 a.m. to 11:00 a.m. and
From: 2:00 p.m. to 4:00 p.m.
Tel: 86-451-82135717 or 82135727
Fax: 86-451-82135700

備查文件
Documents Available for Inspection

1. 本公司二零零九年度報告正本。

2. 本公司經審核之財務報表正本。

1. The original copy of the 2009 Annual Report of the Company.

2. The original copy of the Company's audited financial statements.

股東週年大會通知
Notice of Annual General Meeting

茲通告哈爾濱動力設備股份有限公司(「本公司」)謹定於2010年6月3日(星期四)上午九時在中華人民共和國黑龍江省哈爾濱市香坊區三大動力路39號B座17樓會議大廳，舉行2009年度股東週年大會，以便處理下列事項：

普通事項

1. 審議並批准公司截至2009年12月31日止年度的董事會報告書；

2. 審議並批准公司截至2009年12月31日止年度的監事會報告書；

3. 審議並批准公司2009年1月1日至2009年12月31日期間經審核賬目和核數師報告；

4. 宣布派發公司2009年年度股息每股人民幣0.068元。

特別事項

5. 授權公司董事會有權委任任何人士填補董事會臨時空缺或增任為董事，其任期至本公司下一次股東大會完結時為止。

6. 授權公司董事會決定公司聘任核數師事項及授權公司董事會釐定其酬金。

承董事會命
公司秘書
馬遂

中國哈爾濱，2010年4月9日

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Harbin Power Equipment Company Limited (the "Company") for the year of 2009 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 Thursday, 3rd June, 2010 at 9:00 a.m. for the following purposes:

ORDINARY BUSINESS

1. To consider and approve the Report of the Directors of the Company for the year ended 31st December, 2009;

2. To consider and approve the Report of the Supervisory Committee of the Company for the year ended 31st December, 2009;

3. To consider and approve the audited accounts and the auditor's report of the Company for the period from 1st January, 2009 to 31st December, 2009;

4. To declare the 2009 dividend of Rmb0.068 per share.

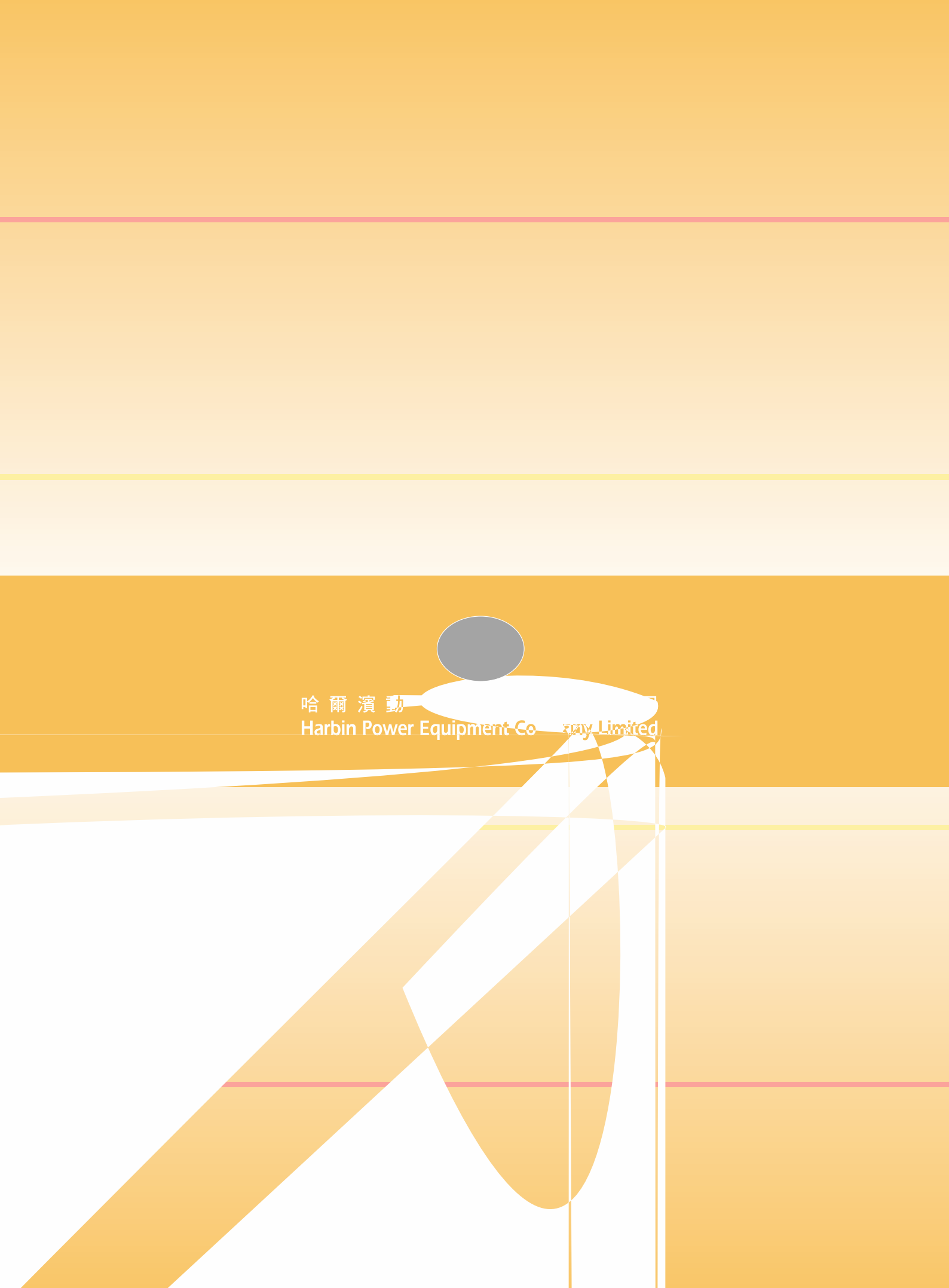
SPECIAL BUSINESS

5. To authorize the Board of Directors of the Company to appoint any person to fill in a casual vacancy in the Board of Directors or as an additional director, his term of office shall expire at the conclusion of the next general meeting of the Company;

6. To authorize the Board of Directors of the Company to determine the appointment of auditors and authorize the Board of Directors of the Company to fix their remuneration.

By order of the Board
Ma Sui
Company Secretary

Harbin, China, 9th April, 2010

哈 爾 濱 動 力 設 備 股 份 有 限 公 司

Harbin Power Equipment Company Limited