

Monthly Return of Equity Issuer on Movements in Securities

| For the month ended (dd/mm/yyyy) : | 30/09/2011 |
|------------------------------------|------------|
| | |

To : Hong Kong Exchanges and Clearing Limited

| Name of Issuer | Harbin Electric Company Limited |
|----------------|---------------------------------|
| Date Submitted | 10th October 2011 |

I. Movements in Authorised Share Capital

| 1. Ordinary Shares | | | |
|--------------------------------------|-------------------------|----------------------------------|-------------------------------------------|
| (1) Stock code : <u>1133</u> Descrip | otion : <u>H Shares</u> | | |
| | No. of ordinary shares | Par value (State currency) | Authorised share capital (State currency) |
| Balance at close of preceding month | 675,571,000 | RMB1.00 | RMB 675,571,000.00 |
| Increase/(decrease) | Nil | | |
| Balance at close of the month | 675,571,000 | RMB1.00 | RMB 675,571,000.00 |
| (2) Stock code : <u>N/A</u> Descrip | otion : <u>State Ow</u> | ned Equity In | terest Shares |
| | No. of ordinary shares | Par value (State currency) | Authorised share capital (State currency) |
| Balance at close of preceding month | 701,235,000 | RMB1.00 | RMB 701,235,000.00 |
| Increase/(decrease) | Nil | | |
| Balance at close of the month | 701,235,000 | RMB1.00 | RMB 701,235,000.00 |

2. Preference Shares

| Stock code :Descr | ription : <u>N/A</u> | | |
|-------------------------------------|--------------------------|----------------------------------|-------------------------------------------------|
| | No. of preference shares | Par value (State currency) | Authorised share capital (State currency) |
| Balance at close of preceding month | | · | |
| Increase/(decrease) | | | |

II. Movements in Issued Share Capital

| | No. of ordi | inary shares | No of preference | No. of other classes |
|------------------------------------------|-------------|--------------|------------------|----------------------|
| | (1) | (2) | shares | of shares |
| Balance at close of preceding month | 675,571,000 | 701,235,000 | | |
| Increase/ (decrease) during the month | Nil | Nil | | |
| Balance at close of the month | 675,571,000 | 701,235,000 | | |

III. Details of Movements in Issued Share Capital

| Share Options (under | Share Option | Schemes of the | Issuer) | | | |
|----------------------|--------------|---------------------|----------------|-------------|----------------------|--------------------------|
| Particulars of share | | | | | No. of new shares of | |
| option scheme | | | | | issuer issued during | issuer which may be |
| including EGM | | | | | the month pursuant | issued pursuant thereto |
| approval date | | Movement dur | ing the month | | thereto | as at close of the month |
| (dd/mm/yyyy) and - | | 110 (01110111 0011 | | | _ | |
| class of shares | | | | | | |
| issuable | Granted | Exercised | Cancelled | Lapsed | | |
| 1. | | | | | | |
| | | | | | | |
| | | | | | | |
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| | | | | | | |
| (/ /) | | | | | | |
| shares | | | | | | |
| (Note 1) | | | | | | |
| | | | | | | |
| 2. | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| (/ /) | | | | | | |
| shares | | | | | | |
| (Note 1) | | | | | | |
| | | | | | | |
| 3. | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| (/ /) | | | | | | |
| shares | | | | | | |
| (Note 1) | | | | | | |
| | | Te | otal A. (Ordin | ary shares) | N/A | |
| | | | | | | |

Shara Options (under Shara Option Schemes of the Issuer)

Total A. (Ordinary shares) N/A hc 0 T8 13375204 Tm08

Warrants to Issue Shares of the Issuer which are to be Listed No. of new No. of new shares of shares of issuer issued issuer which may be issued during the month pursuant pursuant thereto as at Currency of Nominal value at Exercised Nominal value thereto close of the Description of warrants nominal close of during the at close of the month (Date of expiry - dd/mm/yyyy) value preceding month month month 1. (/ /) Stock code (if listed) Class of shares issuable (Note 1) Subscription price EGM approval date (if applicable) (dd/mm/yyyy) (/ /)2. (/ /) Stock code (if listed) Class of shares issuable (Note 1) Subscription price EGM approval date (if applicable) (dd/mm/yyyy) <u>3</u>. / / () Stock code (if listed) Class of shares issuable (Note 1) Subscription price EGM approval date (if applicable) (dd/mm/yyyy) 4. (/ / Stock code (if listed) Class of shares issuable (Note 1) Subscription price EGM approval date (if applicable) (dd/mm/yyyy) (/ /) Total B. (Ordinary shares) N/A (Preference shares) N/A (Other class) N/A

For Main Board and GEM listed issuers

| C | | 1:1 | | For Main Board | and GEM liste | d issuers |
|-----------------------------------------------------------------------------------------------|-------------|------------------------------------------|----------------------------------|------------------------------------|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| Convertibles (i.e. Convertible in Class and description | | Amount at close of preceding month | Converted during the month | Amount at close of the month | No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of issuer which may be issued pursuant thereto as at close of the month |
| 1. | _ | | | | | |
| | _ | | | | | |
| | | | | | | |
| Stock code (if listed) Class of shares issuable (<i>Note 1</i>) Subscription price | | | | | | / |
| EGM approval date (if applicable) (dd/mm/yyyy)) | (/ /) | | | / | | |
| <u>2.</u> | _ _ | | | | | |
| Stock code (if listed) Class of shares issuable (<i>Note 1</i>) Subscription price | | · | | | | |
| EGM approval date (if applicable) (dd/mm/yyyy) <u>3.</u> | (/ /) | _ / | | | | |
| | _ | | | | | |
| Stock code (if listed) Class of shares issuable (<i>Note 1</i>) Subscription price | | <u> </u> | | | | |
| EGM approval date (if applicable) (dd/mm/yyyy) 4. | (/ /) | | | | | |
| | _ _ _ | | | | | |
| Stock code (if listed) Class of shares issuable (<i>Note 1</i>) Subscription price | | · | | | | |
| EGM approval date (if applicable) (dd/mm/yyyy) | (/ /) | | Fotal C (Ordin | nary shares) N/A | , | |
| | | - | | ence shares) N/A | | |
| | | | | Other class) N/A | | |

For Main Board and GEM listed issuers Any other Agreements or Arrangements to Issue Shares of the Issuer which are to be Listed, including Options (other than under Share Option Schemes)

| Full particulars including EGM approval date (dd/mm/yyyy), if applicable, and class of shares issuable: | No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of issuer which may be issued pursuant thereto as at close of the month |
|---------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| 1 | | |
| 2 | | |
| 3. | | |
| shares (Note 1) Total D. (Ordinary shares) (Preference shares) (Other class) | N/A N/A N/A | |

| | Type of Issue | ssued Share Capital | | | | No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of issuer which may be issued pursuant thereto as at close of the month |
|----|---------------|------------------------------|--------------------------------------------|-------|---|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| | | | Class of shares issuable | | | | |
| | | | (Note 1) | | , | | |
| 1. | Rights issue | At price : State currency | Issue and allotment date : (dd/mm/yyyy) | (/ / |) | | |
| | | | EGM approval date: (dd/mm/yyyy) | (/ / |) | | |
| | | | | | | | |
| | | | Class of shares issuable (<i>Note 1</i>) | | | | |
| 2. | Open offer | At price : State | Issue and allotment date : (dd/mm/yyyy) | (/ / |) | | |
| | | | EGM approval date: (dd/mm/yyyy) | (/ / |) | | |
| | | | | | | | |
| | | | Class of shares issuable (Note 1) | | | | |
| 3. | Placing | At price : State | Issue and allotment date : (dd/mm/yyyy) | (/ / |) | | |
| | | | EGM approval date: (dd/mm/yyyy) | (/ / |) | | |
| | | | | | | | |
| | | | Class of shares issuable (<i>Note 1</i>) | | | | |
| 4. | Bonus issue | | Issue and allotment date : (dd/mm/yyyy) | (/ / |) | | |
| | | | EGM approval date: (dd/mm/yyyy) | (/ / |) | | |
| | | | | | | | |
| | | | | | | | |

| | Type of Issue | F | For Ma | <u>in Boa</u> | rd and GEM lis No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of |
|----|-----------------------------------------------|--------------------------------------------|--------|---------------|----------------------------------------------------------------------------------------------------------|----------------------|
| | | | | | | |
| | | Class of shares issuable (Note 1) | | | | |
| 5. | Scrip dividend At price : State currency — | Issue and allotment date : (dd/mm/yyyy) | (/ | /) | | |
| | | EGM approval date: (dd/mm/yyyy) | (/ | /) | | |
| | | | | | | |
| | | Class of shares repurchased (Note 1) | | | | |
| 6. | Repurchase of shares | Cancellation date : (dd/mm/yyyy) | (/ | /) | | |
| | | EGM approval date: (dd/mm/yyyy) | (/ | /) | | |
| | | | | | | · |
| | | Class of shares redeemed (<i>Note 1</i>) | | | | |
| 7. | Redemption of shares | Redemption date : (dd/mm/yyyy) | (/ | /) | | |
| | | EGM approval date: (dd/mm/yyyy) | (/ | /) | | |
| | | | | | | |
| | | Class of shares issuable (Note 1) | | | | |
| 8. | Consideration issue At price : State currency | Issue and allotment date : (dd/mm/yyyy) | (/ | /) | | |
| | | EGM approval date: (dd/mm/yyyy) | (/ | /) | | |
| | | | | | | |
| | | | | | | |

| | | | I | For Main Boar | d and GEM lis | |
|-----|---------------------------|------------------|--------------------------------------------|-----------------------------------|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| | Type of Issue | | | | No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of issuer which may be issued pursuant thereto as at close of the month |
| | | | Class of shares issuable (<i>Note 1</i>) | | | |
| 9. | Capital reorganisation | | Issue and allotment date : (dd/mm/yyyy) | (/ /) | | |
| | | | EGM approval date: (dd/mm/yyyy) | (/ /) | | |
| | | | | | | |
| | | | Class of shares issuable (Note 1) | | | |
| 10. | Other (Please specify) | At price : State | Issue and allotment date : (dd/mm/yyyy) | (/ /) | | |
| | | | EGM approval date: (dd/mm/yyyy) | (/ /) | | |
| | | | Total E. (0 | Ordinamy chara | $(a) \mathbf{N}/\mathbf{A}$ | |
| | | | | Ordinary share reference share | | |
| | | | `````````````````````````````````````` | (Other clas | | |

| Total increase / (decrease) in ordinary shares during the month (i.e. Total of A to E): | (1) | 0 | | |
|------------------------------------------------------------------------------------------------------------------|-----|-----|--|--|
| | (2) | 0 | | |
| Total increase / (decrease) in preference shares during the month (i.e. Total of A to E): | | N/A | | |
| Total increase / (decrease) in other classes of shares during the month (i.e. Total of A to E): | | N/A | | |
| (These figures should be the same as the relevant figures under II above ("Movements in Issued Share Capital").) | | | | |

| Remarks | (if | any) |): |
|---------|-----|------|----|
|---------|-----|------|----|

| Submitted by: <u>Ma Sui</u> | |
|--------------------------------------------------------|--|
| Title: Company Secretary | |
| (Director, Secretary or other duly authorised officer) | |
| | |

Notes :

- 1. State the class of shares (e.g. ordinary, preference or other).
- 2. If there is insufficient space, please append the prescribed continuation sheet.