Monthly **Return of Equity**

For the month ended (dd/mm/yy) **31/12/2011**

To : Hong Kong Exchanges and Clearing Limited

Name of Issuer: Harbin Electric Company Limited

Date Submitted: 4th January 2012

I. Movements in Authorised Share Capital

1. Ordinary Shares

(1) Stock code : 1133 Description : H Shares

	No. of ordinary shares	Par value (State c	Authorised share capital (State c
Balance at close of preceding month	675,571,000	7	
		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 : _____ Description : N/A

	No. of preference shares	Par value (State c	Authorised share capital (State c
Balance at close of preceding month			
Increase/(decrease)			
Balance at close of the month			

3. Other Classes of Shares

Stock code : _____ Description : N/A

	No. of other classes of shares	Par value (State c	Authorised share capital (State c
Balance at close of preceding month			
Increase/(decrease)			
Balance at close of the month			

Total authorised share capital at the end of the month (State c rency : u r) RMB 1,376,806,000.00

Other Movements in Issued Share Capital

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
1. Rights issue	At price : State currency _____	Class of shares issuable (Note 1 _____) Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)		_____	_____
2. Open offer	At price : State currency _____	Class of shares issuable (Note 1 _____) Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)		_____	_____
3. Placing	At price : State currency _____	Class of shares issuable (Note 1 _____) Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)		_____	_____
4. Bonus issue		Class of shares issuable (Note 1 _____) Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)		_____	_____

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
9. Capital reorganisation	Class of shares issuable (Note 1 _____)		
	Issue and allotment date : (dd/mm/yyyy) (/ /)		
	EGM approval date: (dd/mm/yyyy) (/ /)		

Remarks (if any):

Submitted by: Nie Chuan-bo

Title: Board Secretary Buraeu Deputy Director

(Director, Secretary or other duly authorised officer)

Notes :

1. State the class of shares (e.g. ordinary, preference or other

2.