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哈电集团
HARBIN ELECTRIC CORPORATION

哈尔滨电气股份有限公司

HARBIN ELECTRIC COMPANY LIMITED

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

(Stock Code: 1133)

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

In reference to the <(Temporary) Rules for the Operation of Special Committees of the Board of Directors> of Harbin Electric Company Limited (“the Company”), the terms of reference of the audit committee of the board of directors of the Company are as follows:

1. To resolve on the engagement or termination of the external auditors;
2. To determine the auditing fee;
3. To supervise and implement the internal auditing system of the Company;
4. To facilitate the communications between the internal and external auditors;
5. To monitor the Company’s compliance with the accounting standards and rules of the stock exchange;
6. To audit the interim and annual results of the Company, and to discuss any issues with the internal and external auditors;
7. To supervise the internal control system of the Company and to audit the major connected transactions;
8. To review and supervise the existing and potential risks of the Company;
9. To carry out other duties as authorized or delegated by the board of directors.

By Order of the Board
Liu Zhi-quan
Company Secretary

15 May 2012,
Harbin, PRC

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