

Resolution Announcement for the 1st Session of the 6th Board Meeting of Directors of Shanghai Mechanical & Electrical Industry Co., Ltd.

The company's board of directors and all the directors guarantee that the report do not have any false records, misleading statement or significant omission, and individually and collectively undertake the responsibility for the correctness, accuracy and completeness of its content.

The Notice of the Company's 1st Session of the 6th Board Meeting of Directors was sent in written form to the supervisors on May 12th, 2009. The Meeting was convened at the Radisson Plaza Xing Guo Hotel Shanghai on May 21st, 2009 with 11 out of 11 supervisors participating. Presided over by Chairman Xu Jianguo, the Meeting accorded with the related laws, rules, regulations and articles of association. Supervisors and related persons attended the meeting. The following were reviewed and approved at the meeting:

- I. Election of Mr. Xu Jianguo as chairman of the Company's Sixth Board of Directors.
- II. Election of Mr. Fan Bingxun and Mr. Zhu Bin as vice chairmen of the Company's Sixth Board of Directors.
- III. Proposals on the members of the special committees of the board of directors.

The members of the special committees are adjusted due to election of the new board of directors. The detail of the adjustment is as follows:

1. The members of the Strategy Committee:

Chairman: Xu Jianguo. Committee members: Fan Bingxun, Zhu Bin, Chen Hong, Ye Fucui, Wang Fanghua, Sun Zheng

2. The members of the Remuneration and Assessment Committee.

Chairman: Wang Fanghua; Committee members: Zhu Bin, Liu Zhenduo, Sun Zheng, Wang Zhiqiang.

3. The members of the Audit Committee:

Chairman: Sun Zheng; Committee members: Lu Honggui, Wang Fanghua, Wang Zhiqiang, Zhang Renji.

4. The members of the Nomination Committee:

Chairman: Wang Zhiqiang; Committee members: Fan Bingxun, Zhu Bin, Wang Fanghua, Sun Zheng.

- IV. Appointment of Mr. Chen Hong as the Company's General Manager.
- V. Appointment of Mr. Si Wenpei as the secretary of the Company's board of directors.
- VI. Appointment of Mr. Xing Huihua as the representative of the Company's securities business.

All the above proposals were approved by the directors attended the meeting.

All the matters above are announced hereby.

The Board of Directors of Shanghai Mechanical & Electrical Industry Co., Ltd.

May 22nd, 2009

Enclosed: Resumes

Mr. Xu Jianguo, born in 1951, master's degree in economics, senior economist. He assumed successively Assistant to Director, Deputy Director and Secretary of CPC committee of Shanghai Light Industry Bureau, Deputy Director of Shanghai Economic Committee, Head of Baoshan District of Shanghai, Head of Huangpu District of Shanghai, Deputy Secretary of Shanghai Municipal Government and Director of Shanghai Economic Committee, is now the Board Chairman of Shanghai Electric (Group) Corporation, Shanghai Electric Group Co., Ltd and Shanghai Mechanical & Electrical Industry Co., Ltd., and the Chief Executive Officer of Shanghai Electric Group Co., Ltd..

Mr. Fan Bingxun, born in 1946, bachelor's degree, senior economist. He was Vice Factory Director and Party Secretary of Shanghai Great Wall Elevator Factory. Now, he is Vice Board Chairman of Shanghai Mechanical & Electrical Industry Co., Ltd., and the Board Chairman of Shanghai Mitsubishi Elevator Co., Ltd..

Mr. Zhu Bin, born in 1961, MBA, senior engineer. He was Vice Director of the Power Generation Department at Shanghai Electric (Group), Executive Board Director and General Manager of Power Station Auxiliary Equipment Works Co., Ltd., Executive Vice President of Shanghai Electric Power Generation Group. Now, he is Assistant to President of Shanghai Electric Group Co., Ltd., and Vice Board Chairman of Shanghai Mechanical & Electrical Industry Co., Ltd..

Mr. Chen Hong, born in 1954, MBA, senior economist. He was General Manager of Shanghai Instrument Electronics Import and Export Co., Vice President of SVA Co., Ltd., Vice President of SVA (Group) Co., Ltd., Board Director and General Manager of Shanghai Electric International Economic & Trading Co., Ltd. He is currently Board member and General Manager of Shanghai Mechanical & Electrical Industry Co., Ltd..

Mr. Si Wenpei, born in 1964, MBA, accountant. He was the manager of the Finance Department of Shanghai Wood-base Panel Machinery Plant and Chief Financial Officer of Shanghai Wood-base Panel Machinery Co., Ltd. He is currently secretary of the board of directors and chief accountant of Shanghai Mechanical & Electrical Industry Co., Ltd..

Mr. Xing Huihua, born in 1969, bachelor's degree. He was the assistant to the director and deputy director of the Securities Business Department of Shanghai Mechanical & Electrical Industry Co., Ltd. He is currently the representative of the Securities Business and the director of the Securities Business Department of Shanghai Mechanical & Electrical Industry Co., Ltd..