

**Resolution Announcement for the 1<sup>st</sup> Session of the 6<sup>th</sup> Board  
Meeting of Supervisors of Shanghai Mechanical & Electrical  
Industry Co., Ltd.**

The Notice of the Company's 1<sup>st</sup> Session of the 6<sup>th</sup> Board Meeting of Supervisors was sent in written form to the supervisors on May 12<sup>th</sup>, 2009. The Meeting was convened at the Radisson Plaza Xing Guo Hotel Shanghai on May 21<sup>st</sup>, 2009 with 5 out of 5 supervisors participating. Presided over by Chairman Yu Yingui and attended by the persons involved as nonvoting delegates. The Meeting accorded with the related laws, rules, regulations and articles of association.

The meeting passed the following solutions:

Mr. Yu Yingui will be Chief Supervisor

All the above proposals were approved by the supervisors participated in the meeting.

All the matters above are announced hereby.

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

May 22<sup>nd</sup>, 2009

Enclosed: Resumes

Mr. Yu Yingui, born in 1950, Master's degree, senior economist. He once engaged into Vice General Manager and General Manager of Shanghai Diesel Engine Co., Ltd.. Now, he is Executive Director and Financial Director of Shanghai Electric Group Co., Ltd., Chief Supervisor of Shanghai Mechanical & Electrical Industry Co., Ltd..