

股份代號 Stock Code: 1133

目錄

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公司簡介

Overview of the Company

哈爾濱電氣股份有限公司(「本公司」, 前稱哈爾濱動力設備股份有限公司, 2011年7月1日正式更名)是由中華人民共和國(「中國」)製造大型發電設備歷史最悠久的製造商 — 哈爾濱電氣集團公司(原哈爾濱電站設備集團公司)及其所屬原哈爾濱電機廠、哈爾濱鍋爐廠、哈爾濱汽輪機廠(習慣稱為「三大動力」)重組而成。「三大動力」始建於二十世紀五十年代。本公司於一九九四年十月六日在中國哈爾濱註冊成立。一九九四年十二月十六日, 其股票在香港聯合交易所(「香港聯交所」)上市交易。

於二零一一年十二月三十一日, 本公司總股本為1,376,806,000股, 其中在香港聯交所流通的H股為675,571,000股。

本公司及其附屬公司(「本集團」)是中國國內規模最大的發電設備製造商之一, 其主要業務包括:

- 火電主機設備: 單機容量最大達1,000MW級之鍋爐、汽輪機及汽輪發電機, 中國之最大清潔煤燃燒設備製造基地、CFB、PFBC等, 占國內市場份額超過30%;
- 水電主機設備: 單機容量最大達800MW級之水力發電機組, 占國內市場份額超過50%;
- 核電主機設備: 單機容量最大達1,000MW等級之核電廠核島及常規島設備;
- 氣電成套設備: 9F級、9E級燃氣輪機及燃氣蒸汽聯合循環機組;
- 清潔能源: 風力發電設備、太陽能光熱發電、潮流能發電、海水淡化等產品的研製開發與生產;

Harbin Electric Company Limited (the “Company”, formerly known as Harbin Power Equipment Company Limited, which duly changed its name on 1 July 2011) was formed through the restructuring of Harbin Electric Corporation (formerly known as Harbin Power Plant Equipment Group Corporation), which is the oldest large-scale power plant equipment manufacturer in the People’s Republic of China (the “PRC”) and its three affiliates: Harbin Electrical Machinery Works, Harbin Boiler Works and Harbin Turbine Works (the “three major power factories”). These three major power factories were founded in the 1950s. The Company was established in Harbin, PRC on 6 October, 1994. The shares of the Company were listed on the Stock Exchange of Hong Kong Limited (the “HKSE”) on 16 December, 1994.

As at 31 December, 2011, the total share capital of the Company comprised of 1,376,806,000 shares, of which 675,571,000 shares were H shares traded on the HKSE.

The Company and its subsidiaries (the “Group”) are the largest manufacturer of power plant equipment in the PRC. The Group’s principal activities include:

- Thermal power main equipments: boilers, steam turbines and steam turbine generators with single unit capacity up to 1,000MW, the largest manufacturing base in the PRC for clean coal combustion equipment, CFB, PFBC, etc, accounting for 30% market share in the PRC;
- Hydro power main equipments: hydro power generators units with single unit capacity up to 800MW class, accounting for more than 50% market share in the PRC;
- Nuclear power main equipments: nuclear island and conventional island equipments for nuclear power plants with single unit capacity up to 1,000MW class;
- Complete set of steam power equipment: 9F class and 9E class gas turbine and combined gas and steam cycle set;
- Clean energy: R&D and production of products such as wind power, solar energy, hydro power and desalination;

公司簡介(續) Overview of the Company (continued)

- 其他產品：電站配套輔機、工業鍋爐、工業汽輪機、控制設備、交流電機、直流電機、電站閘門、壓力容器及軸流風機等；
- 電站工程總承包；
- 火電及水電設備成套服務；
- 電站設備進出口業務；
- 電站設備產品售後服務；
- 成套發電設備的工程化技術研究與開發；
- 發電設備及其配套產品的研究與開發；
- 技術轉讓、技術諮詢和技術服務；
- 脫硫脫銷等環保工程業務。

本集團匯集了國內一流的科研、技術、管理精英人才，擁有先進的生產和科研試驗設備，研究開發能力、生產製造能力和電站承建能力在中國發電設備製造商中居前列。

本集團地處聞名中外的中國哈爾濱，被譽為「動力之鄉」。

- Other products: ancillary equipment for power stations, industrial boilers, industrial steam turbines, control devices, AC/DC motors, valves for power stations, pressure vessels and axial compressor, etc;
- Turn-key construction of power station projects;
- Contract supply of complete sets of thermal and hydro power equipment;
- Import and export of equipment for power stations;
- After sales service for power station equipment products;
- R&D of engineering technology for turnkey power equipment;
- R&D of power equipment and its ancillary products;
- Technology transfer, technical consultation and services;
- Environmental protection engineering services, such as desulfation and denitrification.

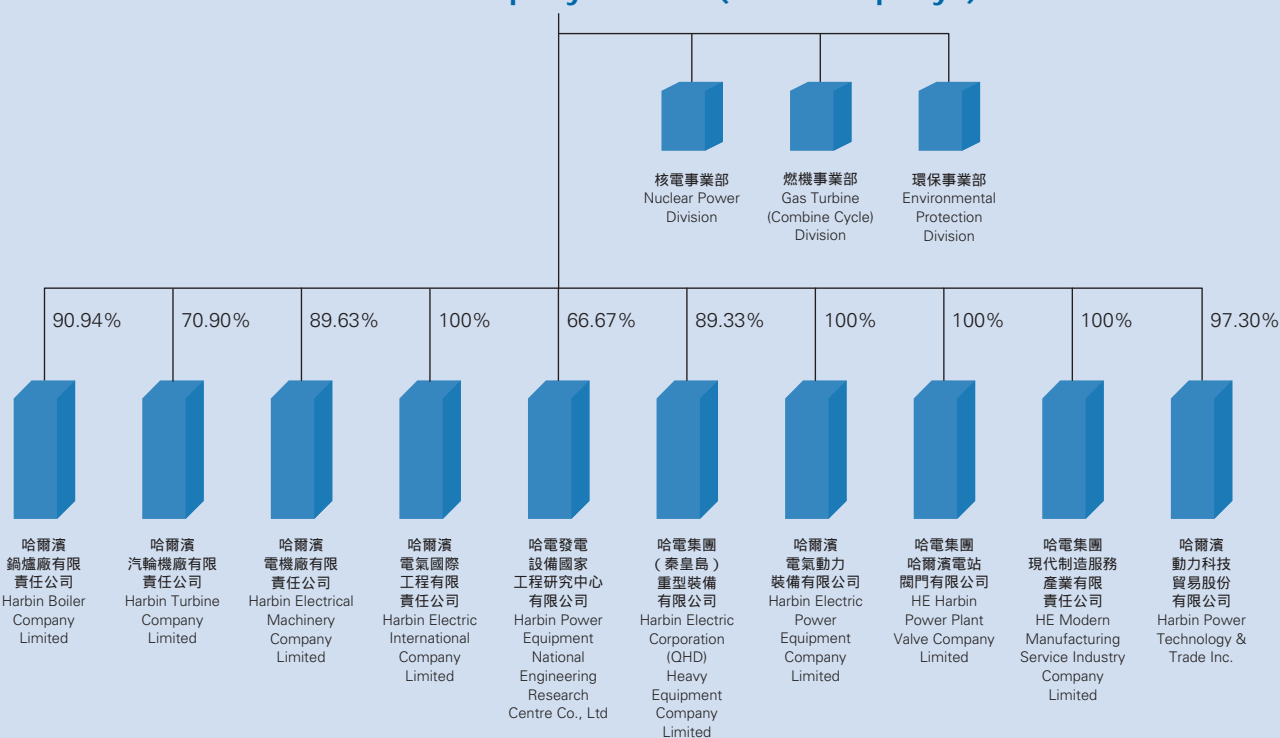
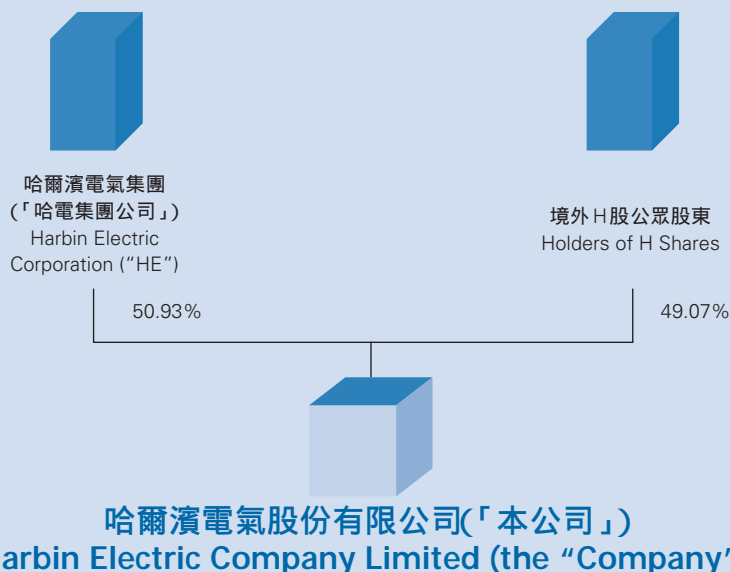
The Group possesses a pool of top talents in scientific research, technology and management, as well as a comprehensive range of advanced production and research facilities. Its capabilities in research and development, production and manufacturing and power station construction are among the best in the power plant equipment manufacturing industry in the PRC.

The Group is located in Harbin, the PRC, which is known as the “City of the Power”.

公司簡介(續) Overview of the Company (continued)

公司架構及主營業務

CORPORATE STRUCTURE AND MAIN BUSINESS LINE



財務摘要 Financial Highlights

營業額 Turnover

2007	2008	2009	2010	人民幣千元
				30,000,000
				25,000,000
				20,000,000
				15,000,000
				10,000,000
				5,000,000
				0

除稅前溢利 Profit before taxation

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財務摘要(續) Financial Highlights (continued)

本集團五年之業績、資產及負債概列如下：

The summary of results, assets and liabilities of the Group for the last five years are as follows:

	Unit 單位	2011	截至十二月三十一日止年度 Year ended 31 December,			
			2010 (重列) (restated)	2009	2008	2007
營業額 Turnover	人民幣千元 RMB'000	28,487,782	29,172,224	28,629,522	29,903,544	27,648,584
除稅前溢利 Profit before taxation	人民幣千元 RMB'000	1,639,960	1,361,901	984,512	1,573,247	2,115,820
本公司股份持有人應佔溢利 Profit attributable to equity shareholders of the Company	人民幣千元 RMB'000	1,228,661	1,001,108	606,206	1,041,837	1,527,979
資產總值 Total assets	人民幣千元 RMB'000	50,396,051	50,756,109	52,876,381	48,966,625	42,090,490
負債總值 Total liabilities	人民幣千元 RMB'000	37,872,817	39,592,267	42,659,119	39,398,700	33,678,080
非控股權益 Non-controlling interests	人民幣千元 RMB'000	1,921,614	1,462,394	1,578,236	1,431,845	1,199,417
本公司股份持有人應佔權益 Equity attributable to equity shareholders of the Company	人民幣千元 RMB'000	10,601,620	9,701,448	8,639,026	8,136,080	7,212,993
每股淨資產 Net assets per share	人民幣元 RMB	7.7	7.05	6.27	5.91	5.24
每股盈利 Earnings per share	人民幣元 RMB	0.892	0.727	0.44	0.757	1.123

財務摘要(續) Financial Highlights (continued)

主要業務

本公司主要作為投資控股公司並提供企業管理服務予其附屬公司，以及銷售各種發電設備。

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company and provides corporate management services to its subsidiaries, together with sales of various kinds of power equipment.

按主要產品分類營業額及營業利潤貢獻 Turnover and contribution to operating profit by major product categories	截至2011年12月31日止年度 Year ended 31 December, 2011		截至2010年12月31日止年度 Year ended 31 December, 2010	
	營業額 Turnover 人民幣千元 RMB'000	營業利潤貢獻 Contribution to operating profit 人民幣千元 RMB'000	營業額 Turnover 人民幣千元 RMB'000 (重列) (restated)	營業利潤貢獻 Contribution to operating profit 人民幣千元 RMB'000 (重列) (restated)
火電主機設備 Main thermal power equipment	17,295,041	3,842,950	17,984,152	2,534,295
水電主機設備 Main hydro power equipment	3,162,786	958,992	2,599,998	619,133
電站工程服務 Engineering services for power stations	5,104,920	278,315	5,060,211	170,478
電站輔機及配套設備 Ancillary equipment for power stations	719,100	286,505	919,028	307,563
交直流電機及其他產品與服務 AC/DC motors and other products and services	2,205,935	343,872	2,608,835	558,336
	28,487,782	5,710,634	29,172,224	4,189,805
其他業務收益 Profit from other activities		330,779		303,521
未分配到主要產品之費用 Expenses not allocated to major products		(4,401,453)		(3,131,425)
除稅前溢利 Profit before taxation		1,639,960		1,361,901

董事長報告書 Chairman's Statement



尊敬的各位股東：

本人謹代表董事會欣然提呈本集團截至2011年12月31日止年度之全年業績報告。

2011年，歐債危機進一步蔓延，全球經濟增長明顯放緩，中國經濟保持了平穩較快發展的良好局面，GDP增長達到9.2%。國際電力市場有一定需求，但政治經濟的不確定性因素影響日益加大；中國電力消費需求增長趨緩，發電裝機容量繼續增加，清潔能源比重上升。身處中國「十二五」規劃開局之年，發電設備製造企業面臨著更加激烈的市場競爭。

值得欣喜的是，本集團的經營規模繼續穩定，盈利水平穩步提升，成功實現中規

Dear shareholders,

On behalf of the Board, I am pleased to present the Group's annual report for the year ended 31 December 2011.

In 2011, the European debt crisis has been spreading around. In contrast to the apparent slowdown in the global economy, China's economy enjoyed a stable and relatively rapid development posting a 9.2% GDP growth. Although the demand for power supply from international market remained, impact stemming from political and economic uncertainties has become more significant. Growth in demand for power consumption in China slowed down while installed capacity kept rising and so did the proportion of clean energy. During a year ushering in the "Twelfth Five Year Plan", fiercer competition among the power generating equipment manufacturers is anticipated.

It is heartening to note that the Group's operating scale has become steady and profitability recorded healthy growth. That kicks off the "Twelfth Five Year Plan" with a good start. The Group recorded a sales income of RMB28,488 million, representing a decrease of 2.35% over the previous year. Net profit attributable to shareholders of the Company amounted to RMB1,229 million, representing a growth of 22.73% over the previous year. The value of new contracts amounted to RMB44,611 million, representing an increase of 5.22% over the previous year, among which RMB24,482 million was attributable to export sales which made up 54.88% of the total contract value, hitting another new high.

董事長報告書(續) Chairman's Statement (continued)

In 2011, the Group sped up its adjustment to product structure with initial results. The construction of the main plant at a wind farm in Zhenjiang was completed and 4 contracts for wind power products at an aggregate contract value of RMB881 million were awarded. The Group commands the largest share in the hybrid equipment market has introduced model 9FB03 and model 6FA into the domestic market of China. By signing the contracts for seawater desalination projects with Datang Wushashan power plant and Cuddalore in India respectively, we have further penetrated the large scale seawater desalination and water treatment sectors. We also took a monumental step in the development of photovoltaic power generation by signing a strategic cooperation agreement. Production of nuclear island products has commenced and some of them are ready for delivery. The Group has been engaged in developing new products and new technologies, winning over 100 patent authorizations and a number of R&D awards at provincial level.

During the "Twelfth Five Year Plan" period, China will adhere to the

董事長報告書(續) Chairman's Statement (continued)

展望2012年，世界經濟復蘇的不穩定性、不確定性上升，國際金融危機的影響還會持續存在，市場環境仍然極具挑戰。中國政府提出了「穩中求進」的工作總基調和一系列更有效的宏觀調控策略，將確保中國經濟保持平穩較快發展。同時，本集團將進一步增強危機意識，積極主動地防範風險，審慎合理地支配資金，不斷加強內部建設，持續提高運營質量，全力維護股東的利益。

面對各位股東的期望，本集團對未來充滿信心，董事會將與全體員工一起，提振凝聚力、向心力和戰鬥力，提升市場開拓能力，提升自主創新能力，提升集團管控能力，提升企業管理水平，奮發進取，創新圖強，努力推動2012年發展更上一層樓，務求以更加優異的業績回饋各位股東。

藉此，感謝各位股東對本集團的關注與信任，同時亦感謝董事會成員、管理團隊、全體員工、合作夥伴及廣大用戶的支持和貢獻。

董事長
宮晶堃

於中國•哈爾濱，二零一二年三月十七日

Looking forward to 2012, the instability and uncertainty concerning a global economic recovery will grow and the fallout of the international financial crisis remains. Market conditions will remain highly challenging. The PRC government has pronounced a general direction of "progress amid stability" and a series of more effective austerity measures to maintain a stable and relatively rapid development in its economy. At the same time, the Group will further enhance its awareness of crisis to fend off risks in an active manner. Besides, it will endeavor to safeguard shareholders' interests through prudent and rational allocation of funds, constant strengthening of existing construction and ongoing improvement to operation quality.

Bearing shareholders' expectations in mind, the Group has full confidence in its future. The Board will work closely with our staff with great cohesion and good fighting spirit to strengthen the Group's capability of market development, self-initiated innovation, control and management, and corporate governance. We will do everything possible to strive for excellence and propel the Group's 2012 results to a new high in return for shareholders' support.

Last but not least, I would like to express my gratitude to our shareholders for their concern and trust, to my colleagues on the Board, senior management and staff of all levels, business associates and our clients for their support and contribution.

Chairman
Gong Jing-kun

Harbin, the PRC, 17 March 2012

管理層論述與分析 Management Discussion and Analysis

(貨幣名稱除特殊標註外均為人民幣)
(Unless otherwise stated, all amounts are denominated in Renminbi)

This section must be read in conjunction with the financial statements and notes to the financial statements as set out elsewhere in this annual report.

MACRO ECONOMY AND INDUSTRY DEVELOPMENT

In 2011, the European debt crisis has been worsening and spreading around. Developed countries saw a feeble recovery and emerging economies a slowdown in growth. The PRC government insisted upon its course of austerity measures, stable economic growth, price control and structural adjustment to ensure a stable and faster economic development, culminating a 9.2% GDP growth.

China has stepped up its efforts to adjust the energy structure by lowering the proportion of thermal power and increasing that of clean energy such as hydropower, wind power and solar power. In light of the incident in Fukujima, the pace for the development of nuclear power was slowed down. Growing demand from abroad has made up for the lack of domestic demand.

In 2011, power consumption across China grew at 11.74% over the previous year. Installed capacity of the power generating units nationwide has reached 1,055,760MW by the end of the year, representing a growth of 9.25% over the previous year.

NEW CONTRACTS

In 2011, at the backdrop of the complicated economic development

管理層論述與分析(續) Management Discussion and Analysis (continued)

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水電產品優勢進一步鞏固，簽訂了江蘇溧陽6台250MW抽水蓄能水電機組及猴子岩4台425MW水輪發電機組合同。

氣電產品市場佔有率行業領先，成功將9FB03和6FA兩款機型引入中國市場。

風電產品成功打開國內市場，中標4個風電場項目。

核電產品簽訂田灣3、4號機組常規島設備供貨合同。

海水淡化產品取得大唐烏沙山和印度古德洛爾兩個「出生證」項目。

環保產品首次實現出口，簽訂老撾洪薩3台600MW火電機組脫硫島合同。

國際市場取得新簽訂單244.82億元，佔訂單總額的54.88%，再創歷史新高。

生產與服務

2011年，本集團發電設備產品產量為22,332.2MW，比上年同期增加3.60%，其中電站鍋爐完成23,010MW，比上年同期下降11.74%；電站汽輪機完成20,257MW，比上年同期下降2.74%；汽輪發電機完成15,297MW，比上年同期下降14.73%；水輪發電機組完成7,035.20MW，比上年同期增加94.53%。

Our competitive edge in hydropower equipment has further strengthened. The Group has signed contracts for 6 units of 250MW pumped-storage hydroelectric power generators in Liyang, Jiangsu and 4 units of 425MW water turbine power generators in Houziyan.

The Group commands a leading position in the hybrid equipment market and has introduced model 9FB03 and model 6FA into the domestic market of China.

The wind power equipment segment has succeeded in opening up the domestic market and won 4 contracts for wind farm projects.

The nuclear power equipment segment has signed a supply contract of conventional island for the power generating units 3 and 4 of Tianwan Nuclear Power Plant.

The seawater desalination segment has secured two 'birth certificate' projects respectively from Datang Wushashan power plant and Cuddalore in India.

The Group's environment-friendly equipment tapped the export market by signing a contract for selling 3 units of 600MW thermal power desulfation island.

New contracts obtained from the international markets set new record high, totalling RMB24.482 billion, or 54.88% of total contract value.

PRODUCTION AND SERVICES

The total output of the Group's power equipment for 2011 reached 22,332.2MW, representing an increase of 3.60% over the previous year, among which the total capacity of utility boilers amounted to 23,010MW, decreasing by 11.74% over the previous year. The total capacity of steam turbines for power plant recorded 20,257MW, decreasing by 2.74% over the previous year. The total capacity of steam turbine generators was 15,297MW, decreasing by 14.73% over the previous year. The total capacity of hydropower turbo-generator units totaled 7,035.20MW, increasing by 94.53% over the previous year.

管理層論述與分析(續) Management Discussion and Analysis (continued)

(貨幣名稱除特殊標註外均為人民幣)
(Unless otherwise stated, all amounts are denominated in Renminbi)

面對部分項目交貨計劃調整、設備交貨集中、資金緊張等不利因素，為更好地完成年度生產任務，本集團結合實際情況，採取積極有效的應對措施，通過加大項目管理和生產組織力度，提升工藝水平，合理排產，滿足了客戶的要求。特別是多項核島產品順利開工，海陽1號堆芯補水箱已產成並發運。

科研開發與技術引進

2011年，本集團繼續加大科研開發力度，全年獲得專利授權102項；完成科研課題241項，獲各類獎項20項，其中，《三峽全空冷巨型水輪發電機組研製》獲得國家科技進步二等獎。

技術引進和消化吸收工作進展順利。核電方面，已掌握了多個AP1000關鍵部件設計製造技術；氣電方面，已完成9FA燃機技術轉化工作，並與GE公司簽訂了9FB03型燃機技術轉讓協議；風電方面，已完成2.75MW風機技術轉化工作，樣機正在製造中；海水淡化方面，「大型低溫多效蒸發海水淡化裝置與系統」的技術方案順利通過中國機械工業聯合會評審；燃壓方面，基本完成了樣機生產的技術準備工作，關鍵部件燃燒室正式投產。

改革與管理

建立目標責任績效考核體系並實施，保證了年度主要指標和重點工作的完成。同時，制定了新產品、新產業開發計劃和激勵政策，產品結構調整取得良好效果。

Notwithstanding such negative factors as rescheduling of delivery timetable, concentration of delivery and tight availability of funds, in order to accomplish our production target for the year, we have taken practical situation into account before taking effective measures in response and finished our jobs to customers' satisfaction by strengthening our capabilities in management and production, upgrading technology and arranging reasonable production schedule. As a number of nuclear island products have commenced production, the production of core makeup tank for Haiyang nuclear power unit 1 was completed and delivered.

R&D AND TECHNOLOGY INTRODUCTION

In 2011, the Group continued to increase its input in R&D. During the year, the Group was granted 102 patent authorizations. Besides, 241 R&D projects were completed and 20 accolades from various disciplines awarded, among which the 《三峽全空冷巨型水輪發電機組研製》 won the second prize of National Science and Technology Progress Award.

The introduction and absorption of technology has made impressive headway. As to nuclear power, we have secured the knowhow of designing and manufacturing a number of AP1000 components. As to hybrid equipment, we have completed the technology transfer of the 9FA combustion engines and signed an agreement of technology transfer with GE in connection with the 9FB03 combustion engines. As to wind power, we have completed the technology transfer of the 2.75MW wind turbines and prototyping gets under way. As to seawater desalination, technical proposal in connection with the "large-scale multi-purpose seawater evaporation and desalination equipment and system operating at low temperatures" obtained approval from the China Machinery Industry Federation. As to compressors, technical preparation for prototyping has been largely completed and production of the combustion chamber, a main component, has commenced.

REFORM AND MANAGEMENT

The establishment and implementation of a performance-based appraisal system ensures the annual target and goal can be met. At the same time, policies in respect of new products, new business and incentive were formulated and adjustment to product structure achieved positive results.

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發佈並實施《內部控制手冊》，建立內部控制自我評價機制，組織開展過程控制活動，推動內控體系有效運行和持續改進，並在此基礎上，有序推進全面風險管理。

培養全體員工敬業愛崗的職業精神，營造「專注事業、專心工作、專業水平」的氛圍。建立了專業職務序列評聘體系，開展了專業職務序列評聘工作。

通過優化設計、提高材料利用率、降低存貨和強化現金流管理等措施，加強了成本控制，提高了經濟運行質量。同時，通過實行集中招標採購，規範了物資採購程序，降低了採購成本。

溢利

2011年，本集團實現本公司股東應佔淨溢利122,866萬元，比上年同期增加22.73%；每股溢利人民幣0.89元，比上年同期增加0.16元；期末本公司股東應佔資產淨值為1,060,162萬元，比年初增加90,017萬元；每股資產淨值為7.70元，比年初增加0.65元。

期內，本集團溢利增加的主要原因是由於毛利提升所致。

股息

董事會建議派發2011年度股息為每股0.14元(含適應稅率)人民幣(2010年度為每股0.14元)，與上年持平。

By issuing an internal control manual and effecting the procedures therein, introducing a self-assessment mechanism to internal control, organizing control on development and promoting efficient operation of and on-going improvement to the internal control system, a comprehensive risk management is running in an orderly fashion.

The Group has been striving to promote a positive atmosphere in the workforce by emphasizing the attitude of "dedication, concentration and professionalism". We have set up a professional hierarchy as a reference for assessment and recruitment.

Through optimization of design, higher utilization of materials, lower inventory level and enhanced management of cash flows, cost control is tightened and operation is being run in a more cost-effective way. Meanwhile, consolidated procurement by tender has effectively regulated the purchase process and lowered the purchase costs.

PROFIT

In 2011, net profit of the Group attributable to the shareholders of the Company was RMB1,228.66 million, an increase of 22.73% over the previous year; earnings per share were RMB0.89, an increase of RMB0.16 over the previous year; net asset as at the end of the period attributable to the shareholders of the Company were RMB10,601.62 million, an increase of RMB900.17 million compared to the beginning of the year; net asset per share was RMB7.70, an increase of RMB0.65 compared to the beginning of the year.

During the period, the increase of Group profit was mainly attributable to increased gross profit.

DIVIDEND

A dividend of RMB0.14 per share (appropriate tax included) for 2011 (2010: RMB0.14 per share) was proposed by the board of directors, which remained unchanged as last year.

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毛利及毛利率

2011年，本集團主營業務實現毛利為571,063萬元，比上年同期增加36.30%，毛利率為20.05%，比上年同期上升5.69個百分點。其中，火電主機設備毛利為384,295萬元，比上年同期增加130,866萬元，毛利率為22.22%，比上年同期增長8.13個百分點；水電主機設備毛利為95,899萬元，比上年同期增加33,986萬元，毛利率為30.32%，比上年同期增長6.51個百分點；電站工程服務毛利為27,832萬元，比上年同期增加10,784萬元，毛利率為5.45%，比上年同期增長2.08個百分點；電站輔機及配套產品毛利為28,650萬元，比上年同期減少2,106萬元，毛利率為39.84%，比上年同期增長6.37個百分點；交直流電機及其他產品與服務的毛利為34,387萬元，比上年同期減少21,447萬元，毛利率為15.59%，比上年同期下降5.81個百分點。

期間費用

2011年，本集團發生營業費用55,804萬元，比上年同期增加4,925萬元，增幅為9.68%。

2011年，本集團發生管理費用304,018萬元，比上年同期增加28,530萬元，增幅為10.36%。

期間費用增加的主要原因是：人工費用、銷售服務費用、折舊費和研發費用增加所致。

GROSS PROFIT AND GROSS PROFIT MARGIN

In 2011, the gross profit from the principal business activities of the Group was RMB5,710.63 million, an increase of 36.30% over the previous year. The gross profit margin was 20.05%, an increase of 5.69 percentage points over the previous year. Among them the gross profit from thermal power main equipment was RMB3,842.95 million, an increase of RMB1,308.66 million over the previous year. The gross profit margin for thermal power main equipment was 22.22%, an increase of 8.13 percentage points over the previous year. The gross profit from hydropower main equipment was RMB958.99 million, an increase of RMB339.86 million over the previous year. The gross profit margin for hydropower main equipment was 30.32%, an increase of 6.51 percentage points over the previous year. The gross profit from power plant engineering services was RMB278.32 million, an increase of RMB107.84 million over the previous year. The gross profit margin for power plant engineering services was 5.45%, an increase of 2.08 percentage points over the previous year. The gross profit from ancillary equipment for power stations was RMB286.50 million, a decrease of RMB21.06 million over the previous year. The gross profit margin for ancillary equipment for power stations was 39.84%, an increase of 6.37 percentage points over the previous year. The gross profit from the AC/DC motors and other products and services was RMB343.87 million, a decrease of RMB214.47 million over the previous year. The gross profit margin for the AC/DC motors and other products and services was 15.59%, a decrease of 5.81 percentage points over the previous year.

EXPENSES DURING THE PERIOD

The Group's expenses for operation activities during 2011 amounted to RMB558.04 million, an increase of RMB49.25 million or 9.68% over the previous year.

Expenses for administration activities during 2011 amounted to RMB3,040.18 million, an increase of RMB285.30 million or 10.36% over the previous year.

The increase in expenses during the period was mainly due to the increase in staff costs, sales services expenses, depreciation charges and R&D expenses.

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利息支出

2011年，本集團發生財務費用7,255萬元，比上年同期減少6,699萬元。

資金來源及借款情況

本集團營運及發展所需資金主要有三個來源：股東資金、客戶貸款和銀行借款。本集團借款乃根據具體項目而安排，除特殊情況外，借款一般由旗下各子公司分別籌措，但屬於資本投資性借款須先由母公司批准。由於近兩年本集團訂單及預收貨款大幅度增加，本集團營運資金充裕，償還了絕大部分營運資金貸款。截至2011年12月31日，本集團借款總額為189,586萬元(2010年12月31日為220,996萬元)，均為按國家規定利率從各商業銀行及國家政策性銀行取得的借款。其中，須於一年內償還的借款為58,162萬元，比年初減少4,538萬元；須於一年後償還的借款為131,424萬元，比年初減少26,872萬元。

存款及現金流量

截至2011年12月31日，本集團銀行存款及現金為851,928萬元，比年初減少403,090萬元。期內，本集團經營業務現金流出淨額為227,366萬元；投資業務現金流出淨額為67,211

131,42,42

INTEREST EXPENSE

In 2011, the Group has incurred financial charges of RMB72.55 million, a decrease of RMB66.99 million over the previous year.

FUNDING AND BORROWINGS

The Group has three major funding sources for operation and development, namely shareholder's funds, trade receivables from customers and bank borrowings. The Group arranges borrowings for each specific project. Except for some special situations, loans will be raised individually by the Group's subsidiaries. However, prior approval from the parent company is required in respect of borrowings raised for capital investments. As the number of orders and advance receipts increased significantly during the past two years, the Group had abundant working capital and has thus repaid substantially all of the loans for working capital. As at 31 December, 2011, the total sum of the Group's borrowings was RMB1,895.86 million (31 December, 2010: RMB2,209.96 million). The Group's bank borrowings are loans from various commercial banks and the State's policy banks with interest rates stipulated by the state. Among the Group's borrowings, the amount due within one year was RMB581.62 million, a decrease of RMB45.38 million compared to the beginning of the year. The amount of the Group's borrowings due after one year was RMB1,314.24 million, a decrease of RMB268.72 million compared to the beginning of the year.

DEPOSITS AND CASH FLOW

As at 31 December, 2011, bank deposits and cash of the Group amounted to RMB8,519.28 million, a decrease of RMB4,030.90 million compared to the beginning of the year. During the period, net cash outflow from operating activities of the Group amounted to RMB2,273.66 million. Net cash outflow from investment activities amounted to RMB672.11 million and net cash outflow from financing activities was RMB241.67 million.

ASSET STRUCTURE AND ITS MOVEMENTS

As at 31 December, 2011, total assets of the Group amounted to RMB50,396.05 million, a decrease of RMB360.06 million (or 0.71%) compared to the beginning of the year, among which current assets were RMB42,739.58 million, representing 84.81% of the total assets, and non-current assets were RMB7,656.47 million, representing 15.19% of the total assets.

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負債

截至2011年12月31日，本集團負債總額為3,787,282萬元，比年初減少171,945萬元。其中，流動負債總值為2,902,265萬元，佔負債總值的76.63%；非流動負債總值為885,017萬元，佔負債總值的23.37%，截止2011年12月31日本集團的資產負債率為75.15%。

股東權益

截至2011年12月31日，本公司股東應佔權益總額為1,060,162萬元，比年初增加90,017萬元；每股資產淨值為7.70元。期內，本集團淨資產收益率為12.10%。

資本與負債比率

截至2011年12月31日，本集團的資本槓桿比率（非流動負債比股東權益總額）為0.83：1，年初為1.05：1。

或有負債及抵押

截至2011年12月31日，本集團有13,116萬元抵押銀行存款用於流動資金貸款。

資本開支及所持重大投資情況

2011年，本集團用於基本建設和技術改造的資本開支總額為15.30億元。投資建設項目進展情況如下：

1,000MW等級核電輔機技術改造項目和新建水力模型試驗站技術改造項目已於年內完工；

LIABILITIES

As at 31 December, 2011, the Group's total liabilities amounted to RMB37,872.82 million, a decrease of RMB1,719.45 million compared to the beginning of the year, among which total current liabilities were RMB29,022.65 million, representing 76.63% of the total liabilities, and total non-current liabilities were RMB8,850.17 million, representing 23.37% of the total liabilities. As at 31 December, 2011, the gearing ratio of the Group was 75.15%.

SHAREHOLDERS' EQUITY

As at 31 December, 2011, the total equity attributable to the shareholders of the Company amounted to RMB10,601.62 million, an increase of RMB900.17 million compared to the beginning of the year; the net asset per share was RMB7.70. During the period, the net asset return rate of the Group was 12.10%.

GEARING RATIO

As at 31 December, 2011, gearing ratio of the Group (non-current liabilities over total shareholders' equity) was 0.83:1 as compared to that of 1.05:1 at the beginning of the year.

CONTINGENT LIABILITIES AND PLEDGE OF ASSET

As at 31 December, 2011, the Group pledged its bank deposits in the amount of RMB131.16 million to secure loans for liquidity.

CAPITAL EXPENDITURES AND MAJOR INVESTMENTS

In 2011, the Group has a total capital expenditure of RMB1,530 million invested in infrastructure constructions and technological upgrades. The particulars of the investments and construction projects are as follows:

The technological upgrade projects for 1,000MW nuclear power ancillary equipment and the newly-built hydropower model laboratory were completed during the year;

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核電常規島國產化完善項目、核島主設備製造建設項目、核島主設備製造自主化完善項目、主泵電機製造基地建設項目、核電反應堆冷卻劑泵製造技術改造項目和煤化工、IGCC及大型化工設備技術改造項目已全面進入收尾階段；

科研基地一期工程，30MW燃壓機組批量化生產技術改造項目，以及鍋爐產品試驗室、工藝試驗室、材料試驗室建設項目按計劃順利進行。

2012年，本集團計劃投資9.92億元。主要用於科研基地一期工程、30MW燃壓機組批量化生產技術改造等項目。

2011年5月11日，本集團以每股6.74元的價格認購了大唐國際發電股份有限公司非公開發售A股2億股，總金額13.48億元，禁售期一年。

截止2011年12月31日，本公司持有股票情況如下：

大唐國際發電股份有限公司2億股(A股)，禁售期一年；

國電電力發展股份有限公司1.6億股(A股)；

華能國際電力股份有限公司0.98億股(A股)。

The improvement project for domestic nuclear production at conventional islands, the manufacturing and construction project of the main equipment for nuclear island, the self-reliance and improvement project of the main equipment for nuclear island, the construction project of manufacturing base for main pump generators, the manufacturing technology upgrade project for nuclear power reactor-cooling agent pump units as well as the technological upgrade projects for coal chemicals, IGCC and large-scale chemical engineering equipment have reached their final stages;

As regards Phase I of the scientific research base, the technological upgrade project for mass production of 30MW fuel gas compressor units as well as the construction projects for boiler laboratory, technological laboratory and material laboratory have been carried out as scheduled.

In 2012, the Group intends to commit an investment of RMB992 million, which will be mainly used for Phase I of the scientific research base and the technological upgrade project for mass production of 30MW fuel gas compressor units.

On 11 May, 2011, the Group subscribed for 200 million A shares of Datang International Power Generation Co., Ltd. under private offering at a price of RMB6.74 per share, totaling RMB1,348 million. The shares were subject to a locked-up period of one year.

As at 31 December, 2011, the shareholdings by the Company were as follows:

200 million A shares of Datang International Power Generation Co., Ltd., with a locked-up period of one year;

160 million A shares of GD Power Development Co., Ltd.;

98 million A shares of Huaneng Power International, Inc..

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匯率波動風險及相關對沖

本集團亦擁有部分外幣存款，於2011年12月31日，本集團外幣存款折合人民幣為79,055萬元。本集團出口及以外幣結算之業務，存在匯兌風險。

募集資金運用

本集團募集資金已用完，2011年無募集資金使用情況。

員工及薪酬

截止2011年12月31日，本集團擁有在崗員工20,106人，薪酬總額為15.69億元。本集團不斷豐富人才招聘形式，多渠道引進優秀人才，加大培養和培訓力度，拓展員工提升空間。

展望

2012年，世界經濟形勢總體仍將嚴峻複雜，經濟復蘇的不穩定性、不確定性上升。中國經濟受國際金融危機影響下行壓力加大，增速可能回落，預計GDP將增長7.5%。

面對複雜多變的國際政治經濟環境和國內經濟運行新情況、新變化，中國政府堅持穩中求進的工作總基調，加強和改善宏觀調控，保持經濟平穩較快發展。國家著力推動能源結構調整，在做好生態保護和移民安置的前提下積極發展水電，在確保安全的基礎上高效發展核電，促進天然氣產業協調發展，積極有序發展風電，積極發展太陽能。全年預計新增發電裝機容量70,000MW左右。

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group has certain amount of deposits that are denominated in foreign currencies. As at 31 December, 2011, the amount of the Group's deposits in foreign currencies was equivalent to RMB790.55 million. The export business and foreign currencies settled businesses expose the Group to exchange risk.

USE OF FUND-RAISING PROCEEDS

The Group has fully utilized its fund-raising proceeds and no other usage of fund-raising proceeds was recorded in 2011.

STAFF AND REMUNERATION

As at 31 December, 2011, the Group had a workforce of 20,106 employees and the total remuneration amounted to RMB1,569 million. The Group endeavors to introduce more recruitment tactics to attract high-caliber talents and puts additional efforts in staff training to provide our staff with opportunities for growth and development.

PROSPECT

For 2012, severity and complexity will remain a phenomenon of the global economy with an economic recovery becoming increasingly uncertain. The fallout of international financial crisis will exert downward pressure on the Chinese economy which may lose some steam with an expected slowdown in GDP growth of 7.5%.

Facing with a complex and volatile political and economic environment abroad, and the new situations and changes in the domestic economy, the PRC government remains adamant on its stance of striving for progress without compromising stability, strengthening and improving austerity measures as well as maintaining a steady yet faster pace of economic development. The PRC will step up its efforts in adjusting energy structure by actively developing hydropower provided that sufficient measures for environment protection as well as relocation and settlement are in place, effectively developing nuclear power with adequate safety assurance, promoting the development of natural gas industry, developing wind power in a proactive and orderly manner, and actively developing solar power. It is expected that annual installed capacity will increase by approximately 70,000MW.

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2012年是實施「十二五」規劃承上啟下的重要一年，本集團有信心在董事會的領導下，銳意進取，攻堅克難，調整結構、提升管理，努力開創公司持續發展新局面，全力為投資者創造更高回報！

2012年本集團將重點做好以下工作：

提高用戶滿意度，全力開拓市場

樹立全員營銷理念，各項工作服務於市場開發。精心設計、精心製造、精心服務，著力提高用戶的滿意度，積極響應用戶在節能降耗、提高效率方面提出的新要求，滿足用戶對性能指標、質量保證、工期進度和高效服務等全方位的需求，整合和調動營銷資源，發揮集團整體優勢，為市場開發提供有力支持。

鞏固傳統市場，提高大型火電市場份額，保持大型水電市場優勢，全力開發核電市場。繼續開拓燃機、環保產品市場，積極開發IGCC、燃壓、太陽能光熱發電、風電、海水淡化等新產品市場。通過EPC工程、主機出口和現代服務製造業的帶動，大力開拓國際市場和服務市場。

從嚴控制成本，提高運行質量

積極應對複雜經濟形勢，加強成本控制工作。提高全員成本意識，將成本分解到設計、採購、生產、銷售等各個環節進行管理和控制。

2012 marks the beginning of the “Twelfth Five year Plan”. Under the leadership of the Board, the Group is confident that we will be able to achieve impressive progress, overcome difficulties, adjusting structure, enhancing management, facilitating on-going development of the Company, and creating greater value for our investors.

The Group will focus on accomplishing the following tasks in 2012:

Enhancing customer satisfaction and developing markets with full strength

Under the concept of “total marketing”, all our efforts are directed to market development. We strive for higher customer satisfaction by providing meticulous design, production and services, actively responding to their demands for energy saving, reduction of wastage and higher efficiency, and meeting their requirements for performance, quality assurance, construction progress and efficient services. Besides, to provide powerful support for market development, we integrate and re-allocate our marketing resources to maximize the Group’s overall strength.

We will consolidate our presence in the conventional market by gaining a bigger share in the thermal power market, maintaining our competitiveness in the hydropower market and developing the nuclear power market with full strength. We will also continue to develop the markets for combustion engines and environment-friendly products as well as such new products as IGCC, compressors, photovoltaic power generation, wind power, seawater desalination, etc.. Driven by the exportation of EPC projects and main equipment as well as the provision of up-to-date services for the manufacturing sectors, we have taken a big step in exploring the overseas markets and the service markets.

Tightening cost control and enhancing operating efficiency

We will tighten cost control to actively cope with the complex economic environment. By promoting the “total cost” model, we manage and control by allocating the costs to the design, procurement, production and sales segments.

管理層論述與分析(續) Management Discussion and Analysis (continued)

(貨幣名稱除特殊標註外均為人民幣)
(Unless otherwise stated, all amounts are denominated in Renminbi)

嚴格執行預算管理，加強資金管控，及時回收貨款，減少不必要支出，壓縮日常性支出，進一步降低存貨，開源節流，提高資金使用效率。

發揮招標中心平臺作用，擴大集中採購物資的範圍和種類，降低採購成本。挖掘內部潛能，減少分包數量，降低分包價格，控制分包費用支出。

加快科技創新，推進調整結構

以市場需求和國家政策為導向，持續推動科技進步和產品升級，在對引進技術進行消化吸收的同時，加強自主創新，不斷擴大技術優勢。做好大容量火電、水電機組性能和方案研究工作，為產品改進、升級提供技術支持；做好AP1000核電關鍵設計、製造技術研究，提升核電產品自主設計和製造能力；做好9FB燃氣輪機技術轉化工作，保障在手合同順利執行。

以科技創新為動力，加快產業結構調整步伐，大力培育新興產業，建立新的經濟增長點。在煤化工、海水淡化、太陽能光熱發電、燃壓機組等新產品研發方面實現突破，為本集團長遠發展奠定基礎。

組建本集團核電設計院，逐步提升核電產品成套設計和供貨能力，完善核電產業鏈，促進核電業務發展壯大。

We will perform strict budget management to step up control on cash flows. Measures adopted include timely recovery of receivables, reduction of unnecessary expenses, squeeze on overhead, further reduction of inventory, and optimal utilization of funds by tapping new resources while reducing expenditure.

Capitalizing on the benefits of tendering process, we will lower procurement cost by expanding the scope of procurement. We will also fully utilize in-house capacity to reduce the amount of outsourcing operations and cut down on outsourcing prices to contain the expenditure on outsourcing.

Speeding up technology innovation and pushing through structure adjustment

Bearing market demand and national policies in mind, we will continue on our course of technology advancement and product upgrading. To sharpen our competitive edge in terms of technology, we will step up

管理層論述與分析(續) Management Discussion and Analysis (continued)

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加快燃壓基地建設，依託已簽約項目，邊建設邊生產，儘快完成樣機試製工作。

We will accelerate the construction of a manufacturing base for compressors. Taking advantage of the contracted projects, construction and production will be effected simultaneously to expedite the prototyping process.

加快鎮江風電基地建設，做好技術轉化和吸收工作，做好設備安裝調試工作，做好投產準備工作。

We will also accelerate the construction of a wind farm in Zhenjiang with particular attention being paid to technology transfer and absorption, installation and fine-tuning of equipment, and pre-commissioning preparations.

切實提升管理，夯實發展基礎

Enhancing management and developing fundamentals in a pragmatic way

本集團把2012年定位為「管理提升年」，將工作質量和產品質量管理放在突出位置，用工作質量和產品質量的提升，保證工作效率和經濟效益的提高。

The Group has marked 2012 as its "Management Enhancement Year". Quality of workflow and products is placed high on the priority list to attain a higher degree of efficiency and economic benefits.

全面加強質量管理，以科技進步保證性能質量，以制度體系保證產品質量，以高效誠信保證服務質量。

Under the comprehensive quality enhancement directive, performance will be assured by technology advancements, product quality by effective system and service quality by efficiency and integrity.

提高項目風險意識，掌握項目實際動態，調整項目執行策略，保證合同兌現率。

We will closely monitor the inherent risks and actual progress of the projects so as to effect timely adjustment to our implementation strategies and ensure contracts will be honoured.

按照控制總量和精幹高效的原則，進一步深化人力資源開發工作，加強員工隊伍建設，加大培訓、監督、考核的工作力度，加強執行力建設。

Under the principle of total control and high precision, the Group will further deepen its development of human resources by expanding its workforce, strengthening personnel training, supervision and assessment as well as optimizing its execution capabilities.

按照必要節儉和嚴格控制的原則，對正在實施的基本建設和投資項目進行系統總結與檢查，做好項目的後評估工作。

Under the principle of necessary prudence and tight control, the Group will conduct systematic reviews and examinations as well as post-assessments on the infrastructure and investment projects underway.

提高本集團在節能減排方面對社會的貢獻，做好企業自身節能、環保工作，節約成本，提高效率。

The Group will make greater contribution to the society in terms of conservation of energy and reduction of emission by applying the same principle to itself in environmental protection, cost-saving and effectiveness enhancement.

董事、監事及高級管理人員

Directors, Supervisors and Senior Management

董事

非執行董事

宮晶堃先生，一九五八年七月出生，博士學位，高級工程師職稱，現任本公司董事長及哈電集團公司董事長。宮先生一九八二年畢業於瀋陽機電學院，後就讀於哈爾濱工業大學，獲博士學位。一九八二年加入哈電集團。宮先生曾任本集團原電機廠生產處副處長、生產部副部長、水電分廠廠長以及本集團電機公司總經理助理、副總經理等職務。一九九九年任阿城繼電器集團公司和阿城繼電器股份有限公司董事長。二零零零年八月任哈電集團公司副董事長兼總經理，九月任本公司副董事長。二零零六年五月任哈電集團公司董事長，九月二十九日任本公司董事長。

鄒磊先生，一九六六年六月出生，博士學位，高級經濟師職稱，現任本公司董事及哈電集團公司董事、總經理。鄒先生一九八八年七月畢業於佳木斯工學院機械設計與製造專業，取得學士學位，後於哈爾濱工業大學取得博士學位。一九八八年八月加入哈電集團。鄒先生曾任原哈爾濱鍋爐廠生產處總調度室調度員、黨辦秘書、團委副書記、書記，鍋爐公司管子一分廠黨支部書記、重容分廠廠長、平山分廠廠長，鍋爐公司生產長、副總經理、董事長、總經理兼黨委副書記。二零零八年十二月任哈電集團公司黨委常委、董事、總經理。二零零九年二月十一日起任本公司董事。

DIRECTORS

Non-executive Directors

Mr. Gong Jing-kun, born in July 1958, a senior engineer with a doctor's degree, now chairman of the Company and HE. Mr. Gong was graduated from Shenyang Institute of Machinery and Electronics in 1982. Later on, he obtained a doctor degree from Harbin Institute of Technology. Mr. Gong joined HE in 1982. He has been deputy director of production division, deputy manager of production department, manager of hydropower workshop in the former Harbin Electric Machinery Works of the Group, and general manager assistant and deputy general manager of the Electric Machinery Company of the Group. Mr. Gong was appointed as chairman of Archeng Relay Group Company and Archeng Relay Company Limited in 1999. In August 2000, he was appointed as deputy chairman and general manager of HE and in September 2000, Mr. Gong was appointed as deputy chairman of the Company. In May 2006, he was appointed as chairman of HE and on 29 September, chairman of the Company.

Mr. Zou Lei, born in June 1966, a senior economist with a doctor's degree, a director of the Company and director and general manager of HE. Mr. Zou was graduated from Jiamusi Technical College in July 1988, and was conferred a bachelor's degree in mechanical design and manufacture. Then he obtained a doctorate degree from Harbin Institute of Technology. Mr. Zou joined HE in August 1988 and was the dispatcher, Party office secretary, league deputy secretary, secretary in dispatching room of production division in the former Harbin Boiler Works, Party branch secretary of pipe first branch factory, factory director of heavy vessel workshop, factory director of Pingshan branch factory, production director, deputy general manager, chairman, general manager and Party committee deputy secretary of Harbin Boiler Company Limited. In December 2008, Mr. Zou was elected as standing committee member of the Party Committee, director and general manager. He has been a director of the Company since 11 February 2009.

董事、監事及高級管理人員(續) Directors, Supervisors and Senior Management (continued)

段洪義先生，一九六三年二月出生，工商管理碩士學位，高級經濟師職稱，現任本公司董事及哈電集團公司副總經理。段先生一九八二年畢業於哈爾濱電機製造學校機械專業，同年加入哈電集團。曾任本集團原鍋爐廠計劃處綜合計劃員，副處長等職務。段先生一九九四年參加哈電集團股改和本公司股票發行與上市工作，一九九五年起先後任本公司計財部副部長、部長、公司副總會計師以及本集團汽輪機公司監事、副總經理及本集團動力科質公司副董事長等職務。二零零零年八月任哈電集團公司副總經理，九月任本公司董事。

執行董事

吳偉章先生，一九六二年七月出生，博士學位，研究員級高級工程師職稱，現任本公司執行董事、總經理。吳先生一九八八年畢業於清華大學水利學及河流動力專業，獲碩士學位，同年加入哈電集團。曾任本集團電機公司大電機研究所水輪機室副主任、副所長、水電分廠副廠長、電機公司副總工程師兼產品設計部副部長等職務。一九九九年任本集團電機公司副總經理，二零零零年十月任電機公司董事長兼總經理。二零零零年九月任本公司執行董事。吳先生二零零二年獲清華大學博士學位。吳先生還兼任中國電器工業協會大電機分會理事長、中國動力工程水輪機專委會主任委員、中國水輪機標準化技術委員會主任委員、秘書長，哈爾濱工業大學、華中科技大學特聘教授等社會職務。吳先生二零一零年二月任本公司總經理。

Mr. Duan Hong-yi, born in February 1963, is a senior economist with an MBA degree. He now serves as a director of the Company and deputy general manager of HE. Majoring in mechanical engineering, Mr. Duan was graduated from Harbin Electrical Machinery College in 1982 and joined HE in the same year. Mr. Duan has been a comprehensive planner and deputy manager of the planning department of the former Boiler Works of the Group. In 1994, he participated in the reorganization of HE to be a shareholding enterprise and the issuance and listing of the Company's shares. Since 1995, he has been a vice director and the director of the planning and accounting department and a deputy chief accountant of the Company, a supervisor and a deputy general manager of the Turbine Company of the Group, and a vice chairman of Harbin Power Technology & Trade Inc. of the Group. He was appointed as a deputy general manager of HE in August 2000 and a director of the Company in September 2000.

Executive Directors

Mr. Wu Wei-zhang, born in July 1962, is a senior engineer at researcher level with a doctor's degree. He now serves as an executive director and the general manager of the Company. Majoring in Hydraulics and River Dynamics, Mr. Wu was graduated from Tsinghua University with a master's degree in 1988 and joined HE in the same year. Mr. Wu has been a deputy director and deputy head of the turbine department of Electrical Machinery Institute, a deputy manager of hydropower workshop, a deputy chief engineer and a deputy manager of the product design department of the Electrical Machinery Company of the Group. Mr. Wu was appointed as the deputy general manager of the Electrical Machinery Company of the Group in 1999 and then the chairman and general manager in October 2000 respectively. He was appointed as an executive director of the Company in September 2000. Mr. Wu obtained a doctorate degree at Tsinghua University in 2002. He also holds various social posts, including the director general of the large electrical equipment branch of China Electrical Equipment Industrial Association, a directorate member of the water turbine special committee of China Power Project (中國動力工程), a directorate member and secretary general of China Water Turbine Standardized Technology Committee (中國水輪機標準化技術委員會) as well as an adjunct professor of Harbin Institute of Technology and Huazhong University of Science and Technology. Mr. Wu has been serving as the general manager of the Company since February 2010.

董事、監事及高級管理人員(續) Directors, Supervisors and Senior Management (continued)

商中福先生，一九六一年三月出生，工商管理碩士學位，研究員級高級工程師，現任本公司執行董事、副總經理。商先生一九八二年畢業於哈爾濱工業大學汽輪機專業，同年加入哈電集團。曾任本集團原汽輪機廠設計研究所副科長、副所長、副總經濟師、副總工程師等職務。一九九八年十月任本集團汽輪機公司副總經理。一九九九年十一月任本集團汽輪機公司董事長兼總經理。二零零零年九月任本公司執行董事。二零零二年二月任本公司副總經理。

獨立董事

孫昌基先生，一九四二年八月出生，研究員級高級工程師。現任本公司獨立董事、中國機械工業聯合會特別顧問、國家核電技術公司專家委副主任。孫先生一九六六年九月畢業於清華大學，一九六八年參加工作。先後任東方汽輪機廠科長、車間主任、副廠長、廠長等職務。一九九一年一月調任機械工業部生產司副司長，一九九三年四月任國家機械工業部副部長。一九九八年四月任國家機械工業局常務副局長(副部長級)。一九九九年一月起任中國銀行黨委副書記、副行長(副部長級)。一九九九年九月至二零零一年八月兼任中國東方資產管理公司總裁。二零零零年十一月起任中國銀行副董事長，二零零一年九月起兼任中銀香港副董事長，並於二零零三年六月兼任中國銀行紀委書記。自二零零四年八月起專任中銀香港副董事長，兼任中國機械工業聯合會副會長。二零零三年一月當選為中國人民政治協商會議第十屆全國委員會委員。二零零四年十月起兼任國家核電技術公司籌備組副組長。二零零九年十二月任本公司獨立董事。

Mr. Shang Zhong-fu, born in March 1961, is a senior engineer at researcher level with an MBA degree. He now serves as an executive director and deputy general manager of the Company. Majoring in steam turbine, Mr. Shang was graduated from Harbin Institute of Technology in 1982 and joined HE in the same year. He has been an assistant section head and deputy head of the Design Research Institute, deputy chief economist and deputy chief engineer of the former Turbine Works of the Group. He was appointed as a deputy general manager of the Turbine Company of the Group in October 1998 and then the chairman and general manager in November 1999 respectively. In September 2000, he was appointed as an executive director of the Company and in February 2002, as a deputy general manager of the Company.

Independent Directors

Mr. Sun Chang-ji, born in August 1942, a senior engineer at researcher level, is an independent director of the Company and special advisor to China Machinery Industry Federation, and deputy head of the advisory committee for State Nuclear Power Technology Corporation. Mr. Sun was graduated from Tsinghua University in September 1966, and started his career in 1968. He worked in Sichuan Oriental Turbine Factory, serving as Section Head, Workshop Director, Deputy Factory Manager and Factory Manager. In January 1991, he was appointed as Deputy Director-general of the production department of the Ministry of Machinery Industry of the PRC, and later he became Vice Minister of the Ministry of Machinery Industry of the PRC in April 1993. In April 1998, he became First Deputy Director-general of the State Administration of Machinery Industry of the PRC (deputy ministerial level). He became Deputy Party Secretary and Vice President (deputy ministerial level) of Bank of China in January 1999, and served concurrently as President of China Orient Asset Management Corporation for the period from September 1999 to August 2001. He became Vice Chairman of Bank of China in November 2000, Vice Chairman of Bank of China (Hong Kong) Limited in September 2001 and Secretary of Commission for Discipline Inspection of Bank of China in June 2003 concurrently. From August 2004, he has been appointed as Vice Chairman of Bank of China (Hong Kong) Limited and Vice Chairman of China Machinery Industry Federation concurrently. He was elected as a member of the 10th CPPCC National Committee in January 2003, and deputy head of the Preparatory Team for State Nuclear Power Technology Corporation in October 2004 concurrently. Since December 2009, he has been an independent director of the Company.

董事、監事及高級管理人員(續) Directors, Supervisors and Senior Management (continued)

賈成炳先生，一九四二年七月出生，大學本科學歷，高級工程師職稱，現任本公司獨立董事、中國機械工業聯合會特別顧問、中國鑄造協會理事長等職務。賈先生一九六五年畢業於合肥工業大學鑄造 鞞詞 鞞鞞 鞞鞞

Mr. Jia Cheng-bing, born in July 1942, a senior engineer with a bachelor's degree, is an independent director of the Company, special advisor to China Machinery Industry Federation, and president of China Foundry Association. He was graduated from Hefei University of Technology in Foundry in 1965, and started his career in July of the same year. He served as chief and deputy chief at Ministry of Machinery Electronics Industry and Ministry of Machine Building Industry, director of Personnel and Labor Division, head of office and Party Commissioner at Ministry of Machine Building Industry. From March 2001, he served as chairman of the Supervisory Committee for various large State Council organizations (China National Materials Industry Group, China State Shipbuilding Corporation, The State Development and Investment Corp.). In February 2006, he was appointed as deputy managing directors and special advisor to China Machinery Industry Federation and president of China Foundry Association. He has been an independent director of the Company since September 2006.

Ms. Li He-jun, born in June 1944, a senior economist with a bachelor's degree, is an independent director of the Company, vice chairperson of the Board of Southwest Aluminum (Group) Co. Ltd, executive director of China Association of Women Entrepreneurs and committee member of the Financial Advisory Committee. Ms. Li was graduated from Central Institute of Finance and Economics (currently known as Central University of Finance and Economics) in Finance and Accounting in 1966, and started her career in August of the same year. She has served as chief and deputy chief of the Planning Commission of Henan Province, Vice President and Deputy Party Secretary of China Construction Bank Henan Branch. In 1993, she became President and Party Secretary of China Construction Bank Henan Branch and director of Henan Provincial Investment Association. In 1999, she became a directorate member of both the Executive Committee and the Audit Committee for China Cinda Asset Management Corporation. Since 2004, she has been appointed as a committee member of the Expert Advisory Committee of China Cinda Asset Management Corporation, vice chairperson of the Board of Southwest Aluminum (Group) Co. Ltd, vice chairperson of the Board of Shaanxi Hancheng Coal Company, executive director of China Association of Women Entrepreneurs and committee member of Finance Advisory Committee. She has been an independent director of the Company since September 2006.

董事、監事及高級管理人員(續) Directors, Supervisors and Senior Management (continued)

于渤先生，一九六零年十月出生，博士學位，教授，博士生導師，現任本公司獨立董事、哈爾濱工業大學經濟與管理學院院長。于先生一九八一年畢業於哈爾濱工業大學工業電氣自動化專業，一九八二年參加工作，曾任哈爾濱工業大學管理學院助教、講師、副教授、教授；二零零零年任哈爾濱工業大學管理學院工商管理系主任，二零零二年任哈爾濱工業大學管理學院MBA教育中心主任，二零零三年任哈爾濱工業大學管理學院院長助理、MBA教育中心主任，二零零八年任哈爾濱工業大學經濟與管理學院院長。于先生還兼任中國能源研究會能源系統工程委員會副主任、全國工商管理碩士(MBA)教育指導委員會委員、中國兵工學會軍工科技管理委員會委員、中國技術經濟研究會理事、北京宇航學會航天技術經濟委員會委員、航天科研管理研究會理事、黑龍江省財政預算理事會理事、黑龍江科學技術顧問委員會工業組專家等社會職務。二零零九年十二月任本公司獨立董事。

劉登清先生，一九七零年十一月出生，清華大學管理學博士，現任本公司獨立董事、中國註冊資產評估師、註冊房地產估價師、註冊礦業權評估師，首屆全國十佳青年評估師，現為北京中企華資產評估有限責任公司合夥人、常務副總裁兼首席評估師。現為第十屆全國青聯委員；中國資產評估協會理事；中國資產評估協會首批資深會員；國務院國有資產監督管理委員會、財政部評估項目審核專家組成員；中國證監會第十屆、第十一屆發審委委員；中國資產評估協會資產評估準則技術委員會委員、企業價值評估專業委員會委員、無形資產評估專業委員會委員、中國註冊資產評估師後續教育編委會委員，北京註冊會計師協會資產評估專業委員會委員、宣傳委員會委員，《北京註冊會計師》編委會委員。二零零九年十二月任本公司獨立董事。

Mr. Yu Bo, born in October 1960, is a professor with a doctor degree, tutor for doctoral candidates, independent director of the Company, dean of School of Management at Harbin Institute of Technology (SMHIT). Mr. Yu was graduated from industrial electric automation, Harbin Institute of Technology in 1981, and began his career from 1982. He was a tutor, lecturer, associate professor, professor of SMHIT. He became director of Management Department of SMHIT in 2000, director of MBA School of SMHIT in 2002, and assistant to dean of SMHIT, director of MBA School in 2003, dean of SMHIT in 2008. Mr. Yu is also a deputy director of Energy System Engineering Committee of China Energy Research Society, a member of National MBA Education Committee, a member of Military Technology Administration of China Ordnance Society, a councilor of Chinese Society of Technology Economics, a member of Space Technology Committee of Beijing Society of Astronautics, a councilor of Aerospace Research Society, a councilor of Heilongjiang Provincial Budgetary Council, an industrial expert of Heilongjiang Science and Technology Consultation Committee. He has been appointed as independent director of the Company since December 2009.

Mr. Liu Deng-qing, born in November 1970, is a doctor in management studies of Tsinghua University, independent director of the Company, a CPV, CREA, and CMRA (Certified Mining Rights Appraiser) of China. He is one of the first Top Ten Youth Appraisers; a partner, vice president and chief appraiser of China Enterprise Appraisal Company. He is a member of the Tenth China Youth Federation; a councilor of China Appraisal Society; fellow member of China Appraisal society; a member of State-owned Assets Supervision and Administration Commission under the State Council ("SASAC"), and Project Appraisal Expert Group of the Ministry of Finance; a member of the tenth and eleventh Issuance Verification Committee of the China Securities Regulatory Commission; a member of Appraisal Standard Committee of China Appraisal Society; a member of Enterprise Valuation Committee, and Intangible Asset Appraisal Committee, and Continuation Education Committee of CPV; a member of Appraisal Committee of CPA Beijing, and Publicity Committee; a member of Editorial Committee of CPA Beijing. He has been appointed as independent director of the Company since December 2009.

董事、監事及高級管理人員(續) Directors, Supervisors and Senior Management (continued)

監事

股東代表監事

王志森先生，一九五零年出生，大學學歷，高級工程師職稱，現任本公司紀委書記、監事會主席及哈電集團公司黨委常委、紀委書記。王先生於一九七五年十二月畢業於清華大學電力工程系電機專業，同年參加工作。曾任機械工業部幹部司企業幹部管理處副處長，機械工業部人勞司綜合處副處長。一九八九年任中國機電報社信息部主任。一九九二年任機電部儀器儀錶綜合技術研究所所長、黨委書記。一九九五年一月任內貿部辦公廳副主任兼部長辦主任、部黨組秘書。一九九五年七月任中國農業機械總公司黨委書記、副總經理。一九九六年任國家體改委辦公廳主任、國務院體改辦秘書行政司司長。一九九八年任華星物產公司黨委書記、紀委書記。一九九九年任中國華星集團公司董事、黨委書記、紀委書記。二零零一年任中國華星集團公司黨委書記、副總經理。二零零七年六月任哈爾濱電氣設備集團公司(現「哈爾濱電氣集團公司」)黨委常委、紀委書記，同時任本公司黨委常委、紀委書記。二零零八年三月起任本公司監事會主席。

SUPERVISORS

Supervisors representing shareholders

Mr. Wang Zhi-sen, born in 1950, a senior engineer with bachelor's degree, is secretary of Discipline Committee and chairman of the Supervisory Committee of the Company, and a member of the Standing Committee of Communist Party and secretary of Discipline Committee of HE. Mr. Wang studied electric power engineering at Tsinghua University and was graduated in December 1975. He started his career in the same year and was appointed as deputy director of Enterprise Cadre Administration Office of Department of Cadre and deputy director of the general office of Personnel and Labor Department under the Ministry of Machine-Building Industry. He was appointed as director of Information Department of China Electrical Engineering News in 1989, head and secretary of Party Committee of Instrument and Meter Technology Institute under Ministry of Machinery and Electronics Industry in 1992, deputy director of general office and director of the director office of Ministry of Internal Trade and secretary of Party Committee in January 1995, secretary of Party Committee and vice general manager of China National Agricultural Machinery Corporation in July 1995, head of office of State Commission for Economic Restructuring and head of the secretary administration division of the Economic Restructuring Office of the State Council in 1996, secretary of Party Committee and secretary of Discipline Committee of Huaxing Products Corporation in 1998, director, secretary of Party Committee and secretary of Discipline Committee of China Huaxing Group in 1999, secretary of Party Committee and deputy general manager of China Huaxing Group in 2001. In June 2007, he was appointed as a standing committee member and secretary of Discipline Committee of Harbin Power Plant Equipment Group Corporation (currently known as Harbin Electric Corporation), and a standing committee member and secretary of Discipline Committee of the Company. He has been the chairman of the Supervisory Committee of the Company since March 2008.

董事、監事及高級管理人員(續) Directors, Supervisors and Senior Management (continued)

陳光先生，一九六四年八月出生，研究生學歷，高級工程師職稱，現任本公司股東代表監事、本集團鍋爐公司企業管理發展處處長。陳先生一九八六年畢業於西安交通大學，同年加入哈電集團，曾任本集團鍋爐公司設計處設計員、廠辦秘書，備品配件公司副經理、管二分廠副書記兼工會主席、汽包分廠書記、廠長，管一分廠廠長、安技處處長兼書記等職務，二零零九年八月起任鍋爐公司企業管理發展處處長。二零零九年十二月任本公司股東代表監事。

職工代表監事

盧春蓮女士，一九五九年三月出生，大學學歷，高級工程師職稱，現任本公司職工代表監事和本集團電機公司副總工程師兼大電機研究所副所長。盧女士一九八二年畢業於哈爾濱電工學院絕緣材料專業，同年加入哈電集團。曾任本集團電機公司大電機研究所絕緣材料研究室工程師、副主任以及電機公司線圈分廠技術室主任、線圈分廠廠長等職務，二零零二年起任電機公司線圈分廠廠長，二零零三年九月任本公司職工代表監事，二零零八年三月任電機公司副總工程師，二零零九年四月任電機公司大電機研究所副所長。

高旭光先生，一九七一年六月出生，學士學位，高級工程師職稱，現任本公司職工代表監事、總經理辦公室主任、董事會秘書局主任。高先生畢業於哈爾濱工業大學電化學專業，獲學士學位，一九九四年七月參加工作。高先生曾任哈爾濱汽輪機廠有限責任公司總經理辦公室副主任、董事會秘書、企業發展研究中心主任、哈爾濱汽輪機廠有限責任公司黨委組織部部長。二零零三年任本公司職工代表監事。

Mr. Chen Guang, born in August 1964, a senior engineer with a post-graduate degree, is a supervisor representing shareholders of the Company and director of the Corporate Management and Development Department of the Boiler Company of the Group. Mr. Chen was graduated from Xi'an Jiaotong University in 1986 and joined HE in the same year. He was appointed as a designer of the Design Department of the Boiler Company of the Group, secretary of factory office, deputy manager of the spare parts company, deputy secretary and chairman of Labor Union of No. 2 Pipe Workshop, secretary and head of Drum Workshop, head, director of Security Department and secretary of No. 1 Pipe Workshop. He has been appointed as the director of the Corporate Management and Development Department of the Boiler Company since August 2009. He has been a supervisor representing shareholders of the Company since December 2009.

Supervisors representing staff and workers

Ms. Lu Chun-lian, born in March 1959, a senior engineer with bachelor's degree, is a supervisor representing staff and workers of the Company and deputy chief engineer of the Electric Machinery Company and deputy director of the Electric Machinery Institute of the Group. Ms. Lu studied Insulation Material in Harbin Institute of Electrical Engineering and was graduated in 1982. She joined HE in the same year and was appointed as an engineer and deputy director of Insulation Material Research Office under Electrical Machinery Research Institute and head of coil factory in the Electric Machinery Company. She has been the head of coil workshop in the Electric Machinery Company since 2002, supervisor representing staff and workers of the Company since September 2003, deputy chief engineer of the Electric Machinery Company since March 2008, and deputy director of the Electric Machinery Institute under the Electric Machinery Company since April 2009.

Mr. Gao Xu-guang, born in June 1971, a senior engineer with bachelor's degree, is a supervisor representing staff and workers of the Company, director of general manager's office and director of the secretariat of the Board. Mr. Gao studied Electrochemistry in Harbin Institute of Technology and was graduated with a bachelor's degree. He started his career in July 1994. He was appointed as deputy director of the general manager's office, secretary of the Board and director of Corporate Development Center of Harbin Turbine Company Limited and head of Organization Department of the Party Committee of Harbin Turbine Company Limited. He has been a supervisor representing staff and workers of the Company since 2003.

董事、監事及高級管理人員(續) Directors, Supervisors and Senior Management (continued)

獨立監事

徐二明先生，一九四九年十二月出生，博士學位，教授，博士生導師，現任本公司獨立監事、中國人民大學研究生院副院長。徐先生一九七八年畢業於中國人民大學工業經濟系並留校參加工作，曾任助教、講師、副教授、教授。一九九一年任中國人民大學中加大學管理教育項目辦公室主任，後任中國人民大學工業經濟系副主任(兼)、中國人民大學工商管理教育中心副主任(兼)和中國人民大學外國經濟管理研究所副所長。一九九六年任中國人民大學工商管理學院副院長，一九九七年任院長，二零零六年六月起任中國人民大學研究生院副院長。現任中國人民大學第十屆校學術委員會副秘書長，中國人民大學第三屆校務委員會委員，兼任國務院學位委員會第六屆工商管理學科評議組成員，中國企業管理研究會副會長，北京現代企業研究會會長，中國電信股份有限公司獨立非執行董事，享受國務院政府特殊津貼。還曾任國務院學位委員會第五屆工商管理學科評議組副召集人，全國MBA教育指導委員會委員，教育部高校工商管理類教學指導委員會主任委員。徐二明教授被國內浙江大學等十余所大學聘為兼職教授，並先後在美國布法羅紐約州立大學(New York State University at Buffalo)、斯克蘭頓大學(The University of Scranton)、澳大利亞悉尼科技大學(University of Technology, Sydney, Australia)、日本國立九州島大學以及香港理工大學任教。二零零九年十二月任本公司獨立監事。

Independent Supervisor

Mr. Xu Er-ming, born in December 1949, a professor and supervisor of Ph.D. candidates with a doctorate degree, is an independent supervisor of the Company and Deputy Dean of the Graduate School of the Renmin University of China. Mr. Xu was graduated from the Department of Industrial Economics of Renmin University of China in 1978 and stayed at the university after his graduation, where he worked as a tutor, lecturer, associate professor and professor. He was appointed as the director of office for Canada-China Management Education Program of the Renmin University of China in 1991, and later the deputy director of the Department of Industrial Economics, the deputy director of the Center for Business Administration Education and the deputy director of Institute of Foreign Economic Management of the Renmin University of China at the same time. He was appointed as the Deputy Dean of Business Administration School of the Renmin University of China in 1996 and the Dean in 1997. He has been appointed as the Deputy Dean of the Graduate School of the Renmin University of China since June 2006. He is now Deputy Secretary-General of the Tenth Session of the Academic Committee, and a member of the Third Session of the University Affairs Committee of the Renmin University of China, a member of the Sixth Session of the Business Administration Academic Appraisal Group of the Academic Degree Committee of the State Council, Vice Chairman of the Chinese Enterprise Management Research Association, and Chairman of Beijing Contemporary Enterprise Research Association, independent non-executive director of China Telecom Corporation Limited. He is entitled to the State Council's special government allowances. He has also been appointed as Associate Convener of the Fifth Session of the Business Administration Academic Appraisal Group of the Academic Degree Committee of the State Council, a member of the Advisory Committee of National MBA Education, and a director of the Advisory Committee for University Business Administration Education led by Ministry of Education. Professor Xu is an adjunct professor at over 10 universities in China including Zhejiang University, and has been teaching at New York State University at Buffalo, the University of Scranton, the University of Technology, Sydney, Australia, the Kyushu University, Japan and Hong Kong Polytechnic University. He has been an independent supervisor of the Company since December, 2009.

董事、監事及高級管理人員(續) Directors, Supervisors and Senior Management (continued)

高級管理人員

張海權先生，一九六一年九月出生，工商管理碩士學位，高級工程師職稱，現任本公司副總經理。張先生一九八四年畢業於哈爾濱電工學院，同年加入哈電集團。曾任本集團原鍋爐廠機修分廠工程師，廠黨委辦公室秘書及主任助理等職務。張先生一九九四年參加哈電集團股改及本公司股票發行與上市工作。一九九四年十一月起先後任本集團鍋爐公司總經理辦公室副主任、計劃處副處長及企業管理處處長、審計法律處處長等職務。一九九八年調任哈電集團公司及本公司黨委常委、組織部部長；一九九九年調任哈電集團所屬企業——阿城繼電器集團公司及阿城繼電器股份有限公司黨委書記、副董事長。二零零零年十月起任本公司副總經理。

劉智全先生，一九六八年七月出生，博士學位，高級會計師職稱，中國註冊會計師，現任本公司副總經理。劉先生畢業於哈爾濱工業大學工業會計專業，獲學士學位，後就讀於哈爾濱工業大學，獲博士學位，一九九一年九月參加工作。曾任本集團哈爾濱鍋爐廠財務處處長助理、副處長、處長，副總會計師兼財務處處長。二零零一年四月任哈爾濱鍋爐廠有限責任公司副總經理。二零零六年九月起任本公司副總經理。二零一二年一月起兼任本公司公司秘書。

SENIOR MANAGEMENT

Mr. Zhang Hai-quan, born in September 1961, is a senior engineer with an MBA degree. He now serves as the deputy general manager of the Company. Mr. Zhang was graduated from Harbin Institute of Electrical Engineering in 1984 and joined HE in the same year. He has been an engineer of the enginery repairing workshop, the secretary and an assistant to the director of the Communist Party Committee Office of the former Boiler Works of the Group. In 1994, Mr. Zhang participated in the reorganization of HE to be a shareholding enterprise and the issuance and listing of the Company's shares. Since November 1994, he has been appointed as the deputy director of the general manager office, the deputy director of the planning department and director of the enterprise management department, and the director of the auditing and law department of the Boiler Company of the Group. In 1998, he was transferred to be a member of the HE's and the Company's Standing Communist Party Committee and director of the organization department. In 1999, Mr. Zhang was appointed as the secretary of the Communist Party Committee and vice chairman of Archeng Relay Group Company and Archeng Relay Company Limited under HE. He has been serving as the deputy general manager of the Company since October 2000.

Mr. Liu Zhi-quan, born in July 1968, is a senior accountant and certified public accountant in China with a doctor's degree. He now serves as the deputy general manager of the Company. Mr. Liu was graduated from Harbin Institute of Technology, majoring in industrial accounting with a bachelor's degree. He subsequently obtained a doctorate degree from the same university. He started his career in September 1991. He has been an assistant to the director of finance department of the Boiler Company of the Group, the deputy director and the director, and the deputy chief accountant and head of finance department of the Group. He was appointed as the deputy general manager of the Harbin Boiler Company Limited in April 2001. Mr. Liu has been serving as deputy general manager of the Company since September 2006 and assumed the post as the company secretary of the Company since January 2012.

董事、監事及高級管理人員(續) Directors, Supervisors and Senior Management (continued)

韓建偉先生，一九五五年六月出生，學士學位，研究員級高級工程師職稱，現任本公司副總經理。韓先生一九七三年十月參加工作，一九八二年畢業於哈爾濱工業大學，獲學士學位。曾任本集團哈爾濱鍋爐廠設計處設計員，哈爾濱鍋爐廠用戶服務處安裝員、副處長，哈爾濱鍋爐廠有限責任公司生產長兼生產處長，哈爾濱鍋爐廠有限責任公司副總經濟師，哈爾濱鍋爐廠有限責任公司副總經理，哈爾濱鍋爐廠有限責任公司董事長、總經理，二零零七年十二月起任本公司副總經理。

曲哲先生，一九六二年七月出生，研究生學歷，高級工程師職稱，現任本公司副總經理。曲先生一九八八年八月畢業於哈爾濱船舶工程學院，獲碩士學位，同年加入哈電集團。曲先生曾任哈爾濱電站設備進出口公司助理工程師、駐巴基斯坦商務代表、工程師等職務，一九九四年二月任該公司副總經理，一九九四年十一月起任哈爾濱電站工程有限責任公司經營開發部副經理，巴基斯坦烏奇聯合循環電站工程項目副總經理兼經營開發部副經理，公司副總工程師，總經理助理等職務。一九九九年十一月任哈爾濱電站工程有限責任公司常務副總經理，二零零三年四月任總經理，二零零七年九月任董事長兼黨委書記，二零一零年六月起任本公司副總經理。

Mr. Han Jian-wei, born in June 1955, is a senior engineer at researcher level with a bachelor's degree. He now serves as the deputy general manager of the Company. Mr. Han started his career in October 1973. He was graduated from Harbin Institute of Technology in 1982 with a bachelor's degree. He has been a designer of the design division, an installation worker and the deputy director of the customer service division and the head and director of the production division of Harbin Boiler Company Limited of the Group. He has also served as the deputy chief economist, the deputy general manager, the chairman and the general manager of Harbin Boiler Company Limited. He has been serving as the deputy general manager of the Company since December 2007.

Mr. Qu Zhe, born in July 1962, is a senior engineer with a post-graduate degree. He now serves as the deputy general manager of the Company. Mr. Qu was graduated from Harbin Shipbuilding Engineering Institute with a master's degree in August 1988 and joined HE in the same year. He has been an assistant engineer, business representative in Pakistan and engineer of Harbin Power Station Equipment Import And Export Company, and served as the deputy general manager of the company since February 1994. Since November 1994, he was appointed as the deputy manager of operation and development department of Harbin Power Engineering Company Limited, deputy general manager and deputy manager of operation and development department of cycle power plant project in UCH, Pakistan, deputy chief engineer, assistant to general manager of the company. He served as the executive deputy general manager of Harbin Power Engineering Company Limited in November 1999, general manager of the company in April 2003, and chairman and Party Secretary in September 2007 respectively. Mr. Qu has been serving as deputy general manager of the Company since June 2010.

董事會報告書

Report of the Directors

董事會欣然提呈本集團2011年年度報告和截至2011年12月31日止年度經審計的財務報表。

主要業務

本公司及其主要附屬公司主要從事各種發電設備的生產、銷售及電站工程服務業務，詳情載於財務報表附註10。

本集團所有業務均以中國為基地，其中約79.03%之集團營業額來自中國。

截至2011年12月31日止年度，本集團產品出口營業額為94,832.56萬美元，佔總營業額的20.97%。本集團的出口地區主要包括亞洲、非洲等地區。

附屬公司

本公司擁有10家主要附屬公司。哈爾濱電機廠有限責任公司主要從事水輪發電機組、汽輪發電機的生產與銷售；哈爾濱鍋爐廠有限責任公司主要從事電站鍋爐的生產與銷售；哈爾濱汽輪機廠有限責任公司主要從事電站汽輪機的生產與銷售；哈爾濱電氣國際工程有限責任公司主要從事電站項目總承包及電站設備成套業務；哈電集團(秦皇島)重型裝備有限公司主要從事大型火電、核電、燃氣輪機等設備的生產和裝配；哈爾濱電氣動力裝備有限公司主要從事大中型交直流電機、核電主泵電機的生產和銷售；哈電集團哈爾濱電站閘門有限公司主要從事電站閘門的生產和銷售；哈電發電設備國家工程研究中心有限公司主要從事發電設備研發工程化技術；哈爾濱動力科技貿易股份有限公司主要從事貿易；哈電集團現代製造服務產業有限責任公司主要從事電站維修、改造、備品供應等服務業務。

The Directors are pleased to submit 2011 annual report and the audited financial statements of the Group for the year ended 31 December 2011.

PRINCIPAL ACTIVITIES

The Company and its principal subsidiaries are mainly engaged in the manufacture and sales of various kinds of power equipment and power station engineering services, details of which are set out in Note 10 to the financial statements.

All the activities of the Group are based in the PRC, where 79.03% of the Group's turnover is derived from.

The export sales of the Group for the year ended 31 December 2011 amounted to USD948.3256 million, representing 20.97% of the Group's total turnover for the year. The Group's export markets mainly include Asian and African countries.

SUBSIDIARIES

The Company has ten principal subsidiaries. Harbin Electrical Machinery Company Limited is mainly in the field of manufacture and sales of water turbine generator units and steam turbine generator units. Harbin Boiler Company Limited is mainly in the field of manufacture and sales of boilers for power stations. Harbin Turbine Company Limited is mainly in the field of manufacture and sales of steam turbine for power stations. Harbin Electric International Company Limited is mainly in the field of the turnkey construction of power station projects and complete set of power station equipment. Harbin Electric Corporation (QHD) Heavy Equipment Company Limited is mainly in the field of manufacture and assembly of equipment such as large scale thermal power, nuclear power and gas turbine. Harbin Electric Power Equipment Company Limited is mainly in the field of manufacture and sales of medium-to-heavy-duty AC/DC motors and nuclear power main pump motors. HE Harbin Power Plant Valve Company Limited is mainly in the field of manufacture and sales of valves for power stations. Harbin Power Equipment National Engineering Research Center Co., Ltd is mainly in the field of research and development of power equipment engineerisation technology. Harbin Power Technology & Trade Inc. is mainly in the field of trading. HE Modern Manufacturing Service Industry Company Limited is mainly in the field of service businesses like power station maintenance, reconstruction, and supply of equipment.

董事會報告書(續) Report of the Directors (continued)

附屬公司(續)

於2011年12月31日，本公司主要附屬公司詳情載於本年報財務報表附註44。

業績

本集團截至2011年12月31日止之年度業績載於本年報第58頁的綜合損益表中。

股息

董事會建議派發2011年度股息為每股0.14元(含適應稅率)人民幣(2010年度為每股0.14元)。

H股股東的股息將以港幣支付，匯率乃按2012年3月17日前五天中國人民銀行公佈的人民幣兌港幣匯率市場價計算，即1元人民幣折合港幣1.2259元，H股股東每股可獲股息0.1716元港幣。

暫停過戶

本公司定於2012年5月23日至2012年5月25日(包括首尾兩天)暫停辦理股票過戶登記，2011年末期股息將派發於2012年5月23日已經登記在本公司股東名冊之股東。該股息將於2012年7月13日之前派發。為確保有資格收取2011年度末期股息，所有填妥之過戶文件連同有關股票須於2012年5月22日下午4時30分前送達本公司於香港之過戶登記處香港證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

SUBSIDIARIES (continued)

As at 31 December 2011, details of the Company's principal subsidiaries are set out in Note 44 to the financial statements in the annual report.

RESULTS

The results of the Group for the year ended 31 December 2011 are set out in the consolidated income statement on page 58 of the annual report.

DIVIDEND

A dividend of RMB0.14 per share (appropriate tax included) for 2011 (2010: RMB0.14 per share) was proposed by the Directors.

Dividends payable to shareholders of H share will be paid in Hong Kong dollar at the average of the exchange rates quoted by the People's Bank of China for the five days preceding 17 March 2012, which is RMB1 for HK\$1.2259. The dividend for every H share will be HK\$0.1716.

CLOSURE OF REGISTER

The Register of members of the Company will be closed from 23 May 2012 to 25 May 2012 (both dates inclusive). Final dividend for 2011 will be distributed by 13 July, 2012 to shareholders whose names appear in the Register of members of the Company on 23 May 2012. In order to qualify for the final dividend for 2011, all completed transfers accompanied with the relevant share certificates must be lodged with the Company's Registrar, namely Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on 22 May 2012.

董事會報告書(續)

Report of the Directors (continued)

DIVIDEND TAX

Pursuant to the “PRC Individual Income Tax Law” (《中華人民共和國個人所得稅法》), the “PRC Implementation Regulations of the Individual Income Tax Law” (《中華人民共和國個人所得稅法實施條例》), the “Notice of the State Administration of Taxation in relation to the Administrative Measures on Preferential Treatment Entitled by Non-residents under Tax Treaties (Tentative)” ([Guo Shui Fa 2009] No.124) (《國家•

董事會報告書(續)

Report of the Directors (continued)

股息稅(續)

H股個人股東為與中國簽訂高於10%但低於20%股息稅率的稅收協議的國家的居民，本公司將按相關稅收協議實際稅率代扣代繳個人所得稅；

H股個人股東為與中國簽訂20%股息稅率的稅收協議的國家的居民、與中國並沒有簽訂任何稅收協議的國家的居民以及在任何其他情況下，本公司將代扣代繳20%的個人所得稅。

對於因本公司股東身份未能及時確定或不準確確定而引致任何申索或對於代扣機制之任何爭議，本公司概不負責。

董事、監事

有關董事及監事的詳情載於本年報《董事、監事及高級管理人員》一節。

董事、監事及高級管理人員的股本權益

於2011年12月31日，本公司各董事、監事及高級管理人員概無在本公司及其 或在任何相關法團(定義見《證券及期貨條例》第XV部)的股份、相關股份及 或債券證(視情況而定)中擁有任何需根據《證券及期貨條例》第XV部的第7及第8分部知會本公司及香港聯交所的權益或相關股份或債券證的淡倉(包括根據《證券及期貨條例》該等章節的規定被視為或當作這些董事、監事及高級管理人員擁有的權益或淡倉)，或根據《證券及期貨條例》第352條規定需記錄於本公司保存的登記冊的權益或淡倉，或根據上市規則附錄十中的《上市公司董事進行證券交易的標準守則》須知會本公司及香港聯交所的權益或淡倉。

DIVIDEND TAX (continued)

For individual H Shareholders whose country of domicile has entered into a tax treaty with the PRC stipulating a dividend tax rate of over 10% but less than 20%, the Company will withhold and pay individual income tax at the actual rate stipulated by the relevant tax treaty on behalf of the individual H Shareholders;

For individual H Shareholders whose country of domicile has entered into a tax treaty with the PRC stipulating a dividend tax rate of 20% or has not entered into any tax treaties with the PRC, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the individual H Shareholders.

The Company will have no liability in respect of any claims arising from any delay in, or inaccurate determination, of the status of the Shareholders of the Company or any dispute over the mechanism of withholding.

DIRECTORS AND SUPERVISORS

Details of Directors and Supervisors are set out in the section headed "Director, Supervisors and Senior Management" in the annual report.

DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S INTERESTS IN SHARE CAPITAL

As at 31 December 2011, none of the Directors, Supervisors and senior management of the Company had any interest or short position in the shares, underlying shares and/or debentures (as the case may be) of the Company and/or of any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be notified to the Company and the HKSE pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and short position which any such Director, Supervisor or senior management is taken or deemed to have under such provisions of the SFO) or which was required to be entered in the Register kept by the Company pursuant to section 352 of the SFO or which was required to be notified to the Company and the HKSE pursuant to the Model Code for Securities Transactions by Directors of Listing Companies as contained in Appendix 10 to the Listing Rules.

董事會報告書(續) Report of the Directors (continued)

董事、監事的服務合約

各董事及監事均與本公司訂有服務合約，各董事及監事自2009年12月11日起任期為三年。除此以外，各董事及監事與本集團任何成員公司之間概無任何既有或建議的服務合約。

董事、監事在重要合約中的權益

年內各董事或監事概無在本公司及其附屬公司訂立的重要合約中直接或間接擁有權益。

董事及監事酬金

截至2011年12月31日止之年度，本公司董事及監事酬金詳情載於本年報財務報表附註8。

獲最高酬金的前五名人士

獲最高酬金的前五名人士為本公司董事及附屬公司高級管理人員。

員工退休及福利計劃

員工退休及福利計劃詳情載於本年報財務報表附註31。

固定資產

本集團固定資產的變動詳情載於本年報財務報表附註12。

儲備

於2011年12月31日，本公司可供分派的儲備總額為人民幣22,143萬元，本公司年內的儲備變動情況載於財務報表綜合股東權益變動表。

DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

Each director and supervisor has entered into a service contract with the Company for a term of three years effective from 11 December 2009. Other than this, there are no existing or proposed service contracts between every Director, Supervisor and any member company of the Group.

DIRECTORS' AND SUPERVISORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

None of the Directors or Supervisors has any material interest, whether directly or indirectly, in the contracts of significance, to which the Company or any of its subsidiaries is a party during the year.

REMUNERATION OF DIRECTORS AND SUPERVISORS

Details of the remuneration of the Directors and Supervisors of the Company for the year ended 31 December 2011 are set out in Note 8 to the financial statements in the annual report.

FIVE HIGHEST PAID PERSONNEL

The five highest paid personnel include the Directors of the Company and senior management of its subsidiaries.

STAFF RETIREMENT AND BENEFIT SCHEME

Details of the staff retirement and benefit scheme are set out in Note 31 to the financial statements in the annual report.

FIXED ASSETS

Details of the movements in fixed assets of the Group are set out in Note 12 to the financial statements in the annual report.

RESERVES

As at 31 December 2011, the Company's reserves available for distribution are RMB221.43 million. Movements in the reserves of the Company during the year are set out in the consolidated statement of changes in equity to the financial statements.

董事會報告書(續)

Report of the Directors (continued)

財務摘要

本集團過去五年之財務摘要載於本年報《財務摘要》一節。

借款

本集團銀行借款和其他借貸細節載於本年報財務報表附註30。

購買、出售及贖回本公司之上市證券

本公司及其附屬公司概無購買、出售及贖回本公司之任何上市債券。

優先購買權

根據本公司章程或中國法律，並無優先購買權規定本公司須按持股比例向現有股東提呈發售新股之建議。

重大訴訟事項

年內本集團無重大訴訟事項。

重大合約

本集團年內簽訂的重大合約詳情載於本年報《管理層論述與分析》及《重要事項揭示》一節。

FINANCIAL HIGHLIGHTS

The financial highlights of the Group for the last five years are set out in the section headed "Financial Highlights" in the annual report.

BORROWINGS

Details of bank loans and other borrowings of the Group are set out in Note 30 to the financial statements in the annual report.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association or PRC Law, which would require the Company to issue new shares to the existing shareholders according to their respective proportions of shareholding.

MAJOR LITIGATION

The Group had no major litigation during the year.

MATERIAL CONTRACTS

Details of the material contracts entered into by the Group during the year are set out in the sections respectively headed "Management Discussion and Analysis" and "Disclosure of Significant Events" in the annual report.

董事會報告書(續)

Report of the Directors (continued)

主要供應商和客戶

1. 期內本集團首五大供應商合佔總採購百分比為9.44%。其中最大的供應商為舞陽鋼鐵有限公司，佔總採購百分比為2.25%。
2. 期內本集團首五大客戶合佔總營業額百分比為27.83%。其中最大的客戶是中國國電集團公司，佔總營業額百分比為7.87%。
3. 本公司董事、監事及其連絡人以及任何股東(根據董事會所知擁有5%或以上本公司股份者)在上述供應商或客戶中概無任何權益。

H股所得款項之運用

期內本公司募集資金的運用詳情載於《管理層論述與分析》一節。

委託存款及逾期定期存款

於2011年12月31日，本公司在商業銀行或非銀行金融機構未有委託存款，亦未有逾期未取回的存款。

MAJOR SUPPLIERS AND CUSTOMERS

1. The aggregate amount of purchases during the period attributable to the Group's five largest suppliers represented 9.44% of the Group's total purchases. Among which the largest supplier is 舞陽鋼鐵有限公司, representing 2.25%.
2. 27.83% of the total turnover of the Group during the period was attributable to the Group's five largest customers. Amongst which 'China Guodian Corporation (中國國電集團公司)' was the largest customers, accounting for 7.87% of the total turnover.
3. None of the Directors, Supervisors, their associates or any shareholders of the Company (which to the knowledge of the Directors own more than 5% of the Company's share capital) has any interest in the above-mentioned suppliers or customers.

USE OF PROCEEDS FROM THE H SHARES ISSUE

The use of proceeds raised by the Company during the period is detailed in the section headed "Management Discussion and Analysis" in the annual report.

ENTRUSTED DEPOSITS AND OVERDUE TIME DEPOSITS

As at 31 December 2011, the Company did not have any entrusted deposits in commercial banks or non-banking financial institutions and had no due deposits that had not been withdrawn.

董事會報告書(續)

Report of the Directors (continued)

稅收政策

根據中國國家科技部、財政部、國家稅務總局於2008年4月14日聯合下發的《高新技術企業認定管理辦法》以及科技部、財政部、國家稅務總局於2008年7月8日聯合下發的《高新技術企業認定管理工作指引》，本公司及附屬的哈爾濱電機廠有限責任公司、哈爾濱鍋爐廠有限責任公司、哈爾濱汽輪機廠有限責任公司、哈爾濱電氣動力裝備有限公司、哈電集團哈爾濱電站閘門有限公司等六家企業獲得了高新技術企業的重新認定，將繼續享受15%的企業所得稅優惠稅率，對公司長遠發展具有重要意義。

根據國家稅務總局之規定由2003年10月15日開始，本集團新接出口產品定單退稅率為13%。

根據財政部、國家稅務總局2008年12月18日頒佈的《中華人民共和國增值稅暫行條例》，自2009年1月1日起，本公司及主要附屬公司都將納入增值稅轉型改革的總體範疇內，開始執行新的《中華人民共和國增值稅暫行條例實施細則》，允許公司抵扣其購進設備所含的增值稅。其他為貫徹落實《中共中央、國務院關於實施東北地區等老工業基地振興戰略的若干意見》(中發[2003]11號)，支持東北地區老工業基地振興而由國家各部委頒佈的其他優惠政策將繼續實行。

TAX POLICIES

According to the provisions of Administrative Measures with regard to the Recognition of High and New Technology Enterprises (《高新技術企業認定管理辦法》) jointly issued by the Ministry of Science and Technology, the Ministry of Finance and the State Administration for Taxation of the PRC on 14 April 2008 and the Administrative Guidance with Regard to the Recognition of High and New Technology Enterprises (《高新技術企業認定管理工作指引》) jointly issued by the Ministry of Science and Technology, the Ministry of Finance and the State Administration of Taxation on 8 July 2008, the Company and five of its subsidiaries, namely Harbin Electrical Machinery Company Limited, Harbin Boiler Company Limited, Harbin Turbine Company Limited, 哈爾濱電氣動力裝備有限公司 and HE Harbin Power Plant Valve Company Limited were re-recognised as High and New Technology Enterprises, which entitles the Company to a 15% preferential income tax rate and this is significant to its long-term development.

In accordance with regulations of the State Administration of Taxation, the rate for tax rebate applicable to the Group's new export products contracts is 13% effective from 15 October 2003.

Pursuant to the Provisional Regulations of the PRC on Value-added Tax (《中華人民共和國增值稅暫行條例》) promulgated by the Ministry of Finance and the State Administration of Taxation on 18 December 2008, with effect from 1 January 2009, the Company and its principal subsidiaries will be included in the general framework of the value-added tax system reform and will start implementing the new Implementing Rules of the Provisional Regulations of the PRC on Value-added Tax (《中華人民共和國增值稅暫行條例實施細則》), which allows the Company to deduct the value-added tax incurred for the purchase of equipment. Other incentive policies promulgated by various divisions of the state to implement the Opinions of Central Committee of the Communist Party of China and the State Council on the Revitalization Strategies for Historical Industrial Bases of the Northeast Regions (《中共中央、國務院關於實施東北地區等老工業基地振興戰略的若干意見》) (Zhong Fa [2003] No.11) and support for such revitalization will remain effective.

董事會報告書(續)

Report of the Directors (continued)

關聯交易

有關關聯交易詳情載於本年報財務報表附註39。

對關聯交易的確認

本公司獨立董事已經審核了載於財務報表附註39中的關聯交易(定義見上市規則),並且確認:

1. 這些交易是本公司按照其業務一般通常過程達成的;
2. 這些交易是(I)按照通常商業條款(運用此條款時須參考中國境內由類似的企業達成的類同性質的交易)達成的或(II)(如無可比較的例子)按照對本公司的股東而言,為公平和合理的條款達成的;
3. 這些交易是(I)按照與相關的協議條款達成的或(II)(如無這類協議)按照不比第三方可取得的條件差的條款達成的。

獨立非執行董事獨立性的確認

本公司已經收到每名獨立非執行董事就其獨立性作出的年度確認函,其獨立性符合《上市規則》第3.13條所載的任何一項獨立指引,屬於獨立人士。

股本情況

截至2011年12月31日,本公司總股本為1,376,806,000股,其中發起人持有701,235,000股,佔總股本的50.93%,境外H股股東持有675,571,000股,佔總股本的49.07%。

RELATED PARTY TRANSACTIONS

For details of the related party transactions, please see Note 39 to the financial statements in the annual report.

CONFIRMATION ON RELATED PARTY TRANSACTIONS

The Independent Directors of the Company have reviewed the related party transactions (as defined in the Listing Rules) referred to in Note 39 to the financial statements and confirmed that:

1. Such transactions have been entered into by the Company in the ordinary and usual course of its business;
2. Such transactions have been entered into either (I) on normal commercial terms (which term shall be applied by reference to transactions of a similar nature and to be made by similar entities within PRC) or (II) (where there is no available comparison) on terms that are fair and reasonable so far as the shareholders of the Company are concerned;
3. Such transactions have been entered into either (I) in accordance with the terms of the relevant agreements governing such transactions or (II) (where there is no such agreement) on terms no less favorable than those available to third parties.

CONFIRMATION OF INDEPENDENCE OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has already received annual confirmation from each independent non-executive director on his/her independence confirming that his/her independence was in compliance with all independence criteria set out in Rule 3.13 of the Listing Rules and he/she is an independent person.

SHAREHOLDING STRUCTURE

As at 31 December 2011, the share capital of the Company comprised of 1,376,806,000 shares, of which 701,235,000 shares were held by the promoter (representing 50.93% of the entire share capital) and 675,571,000 shares were held by overseas holders of H shares (representing 49.07% of the entire share capital).

董事會報告書(續) Report of the Directors (continued)

股東人數

於2011年12月31日，本公司股東名冊上持股量最多的首十名股東的持股情況如下：

NUMBER OF SHAREHOLDERS

As at 31 December 2011, the top ten registered shareholders who hold the largest quantity of shares were as follows:

股東名稱 Name of Shareholders	股數 Number of Shares	持股百分比 Percentage of Shares Held	備註 Remarks
1. 哈爾濱電氣集團公司 Harbin Electric Corporation	701,235,000	50.93%	國有法人股 State-owned shares
2. HKSCC Nominees Limited	661,852,597	48.07%	H股 H shares
3. TANG KEUNG LAM	6,000,000	0.44%	H股 H shares
4. TANG 'S INVESTMENTS LIMITED	5,000,000	0.36%	H股 H shares
5. YIP CHOK CUIU	360,000	0.02%	H股 H shares
6. LAM MAN LAI	250,000	0.02%	H股 H shares
7. LU NIM KWOK ALBERT	250,000	0.02%	H股 H shares
8. CHEUNG YUM TIN	200,000	0.02%	H股 H shares
9. NG KAM WAN	110,000	0.01%	H股 H shares
10. HO CHI KUN	100,000	0.01%	H股 H shares

董事會報告書(續) Report of the Directors (continued)

H股股東股權分析(根據2011年12月31日股東名冊)

ANALYSIS FOR SHAREHOLDING OF HOLDERS OF H SHARES (AS RECORDED IN REGISTER OF MEMBERS AS AT 31 DECEMBER, 2011)

範圍	Range	人數 Number of Shareholders	持股數 Number of Shares Held	佔已發行 H股百分比 Percentage to Issued H Shares
1-1000	1-1000	5	403	0.00%
1,001-5,000	1,001-5,000	55	148,000	0.02%
5,001-10,000	5,001-10,000	35	282,000	0.04%
10,001-100,000	10,001-100,000	35	1,118,000	0.17%
100,001-以上	100,001 and above	8	674,022,597	99.77%
合計	Total	138	675,571,000	100%

標準守則

經向董事查詢，證實所有董事在期內均已遵守《上市規則》附錄十規定的《標準守則》之規定。

企業管治常規守則

本公司在2011年任何時間均已遵守香港聯交所《上市規則》附錄十四《企業管治常規守則》。

審核委員會

審核委員會已審閱本集團截至2011年12月31日止年度之經審核財務報表，並與董事會商討本集團之財務申報程序及內部監控制度。

MODEL CODE

The Company, having made specific enquiry, confirms that all members of the Board complied with the Model Code set out in Appendix 10 of the Listing Rules throughout the period.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied throughout the year of 2011 with all code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules of the Stock Exchange.

AUDIT COMMITTEE

The Audit Committee had reviewed the audited financial statements of the Group for the year ended 31 December 2011, and discussed with the Board the financial reporting procedures as well as the internal control system of the Group.

董事會報告書(續) Report of the Directors (continued)

核數師

公司現任中國境內核數師為國富浩華會計師事務所，香港核數師為國富浩華(香港)會計師事務所有限公司。

承董事會命

董事長

宮晶瑩

於中國·哈爾濱，二零一二年三月十七日

AUDITORS

The current PRC auditor of the Company is Crowe Horwath China CPAs, and the Hong Kong auditor is Crowe Horwath (HK) CPA Limited.

By order of the Board

Gong Jing-kun

Chairman

Harbin, the PRC, 17 March 2012

監事會報告書

Report of the Supervisory Committee

To all shareholders:

For the year ended 31 December, 2011 (the year), all members of the Supervisory Committee (“the Supervisory Committee”) of Harbin Electric Company Limited (“the Company”) duly performed their Supervisory Committee functions in the best interests of the Company and minority shareholders as a whole in accordance with the relevant regulations of the PRC Company Law, the Rules Governing the listing of Securities on the Stock Exchange of Hong Kong Limited and the Articles of Association of the Company. The Supervisory Committee has carried out an all-round supervision on areas including assets allocation, operation management, financial conditions and senior

監事會報告書(續) Report of the Supervisory Committee (continued)

3. 本監事會對公司的財務制度和有關財務狀況進行了審查，認為公司的財務系統組織機構完整、制度健全，財務工作能夠按照內部控制制度和風險管理的要求有序運行。提交審議的年度財務報告和紅利分配方案等相關資料，均能夠客觀、全面地反映了公司的財務狀況和經營成果，紅利分配方案兼顧了股東權益和公司發展的長遠利益。

4. 本監事會審核了董事會工作報告，認為報告客觀真實地反映了公司在本年度所做的各項工作。

本監事會由衷感謝公司各位同仁及股東的信任和 support，並將一如既往，不斷探索新的監督途徑和方法，進一步整合監督資源，促進管理提升，助力和保障公司二零一二年度生產經營目標的順利實現。

承監事會命

主席

王志森

於中國•哈爾濱，二零一二年三月十七日

3. The Supervisory Committee has reviewed the Company's financial system and conditions and concludes that the Company's financial system has an integrated structure and a sound system, and the financial works have been operated orderly according to the internal control system and risk management. Relevant information such as the annual financial report and the dividend payment scheme proposed by the Board of Directors has objectively and comprehensively reflected the financial position and operating results of the Company. The dividend payment scheme has taken into account both the interests of the shareholders and the Company's long-term development.

4. The Supervisory Committee has reviewed the Report of the Directors and concludes that the report gives an objective and true picture of the works performed by the Company during the year.

The Supervisory Committee sincerely appreciates the trust and support from every colleagues and the shareholders of the Company. While continue to explore new supervisory approaches and methods, the Supervisory Committee will further consolidate resources for supervision so as to enhance our management, helping and ensuring the realization of the Company's production and operation targets in 2012.

By order of the Supervisory Committee

Wang Zhi-sen

Chairman

Harbin, the PRC, 17 March, 2012

公司管治報告 Corporate Governance Report

本公司一貫嚴格按照《中華人民共和國公司法》、《中華人民共和國證券法》及中國證監會的有關規定，積極完善公司法人治理結構，規範公司運作。

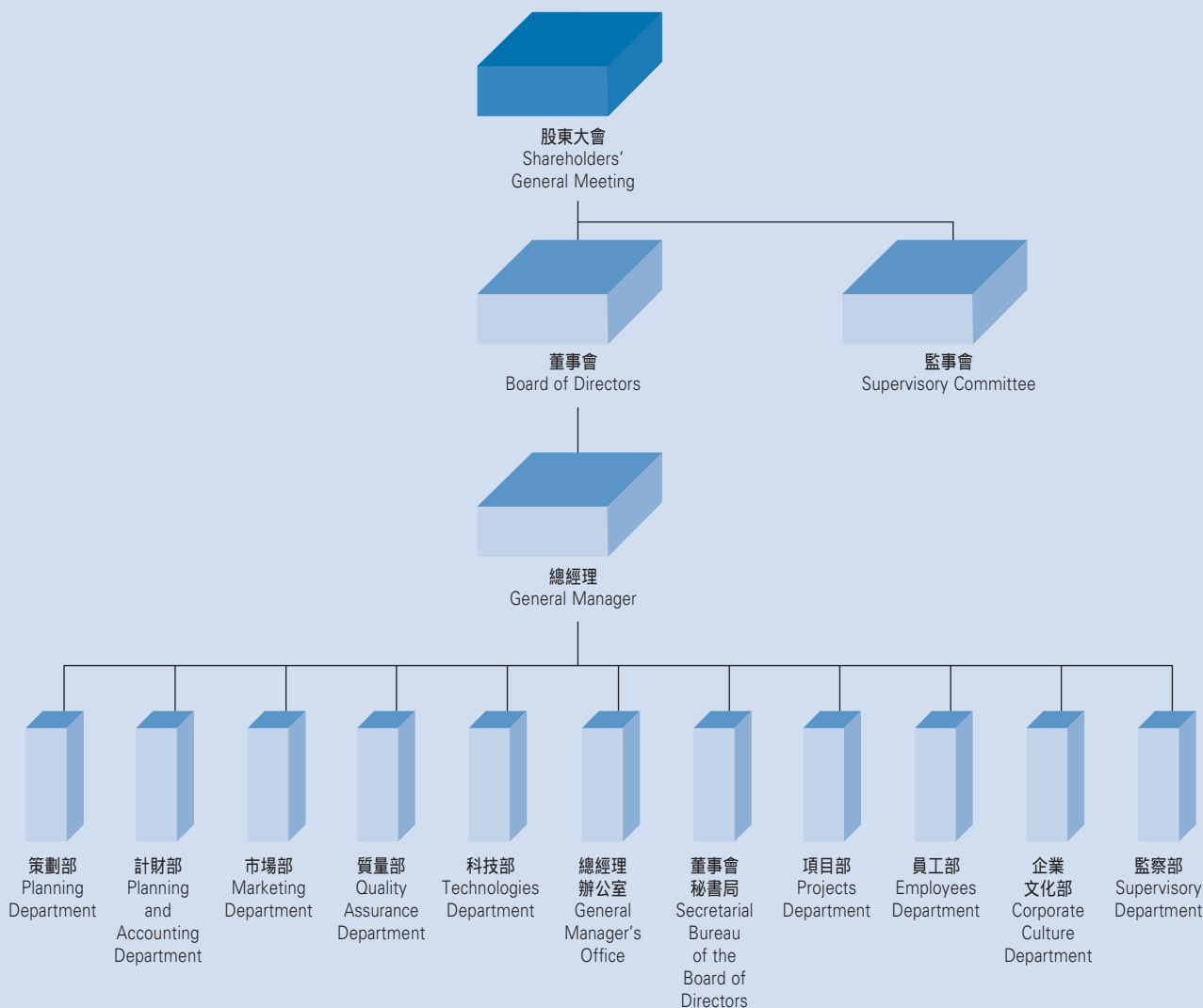
The Company has been actively perfected the Company's corporate governing structure and standardized the Company's operation through strictly complying with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and the relevant provisions of China Securities Regulatory Commission.

於2011年期間，本公司全面遵守了《香港聯合交易所上市規則》附錄十四《企業管治常規守則》的規定。

During the year 2011, the Company fully complied with the Code on Corporate Governance Practices as set out in the Appendix XIV of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

管理架構

ORGANIZATION CHART



公司管治報告(續)

Corporate Governance Report (continued)

股東和股東大會

本公司保護股東的權益，平等對待所有股東，倡導股東積極參與公司治理。股東作為公司的所有者，享有法律、法規所規定的權利，並承擔相應的義務，股東對公司重大事項享有知情權和決定權。股東大會是公司的權力機構，依法行使職權。

本公司的控股股東為哈爾濱電氣集團公司，其為一家在中華人民共和國註冊的國有企業。

本公司2011年召開了一次股東周年大會和一次股東特別大會。

董事會

董事會的主要職責是在公司發展戰略、管理架構、投資及融資、計劃、財務監控等方面按照股東大會的授權行使管理決策權，在公司章程中詳細列明。

1、 構成

本公司董事會為公司成立以來的第六屆董事會，由10名董事組成，其中5名為獨立董事。本公司於2009年12月11日召開了臨時股東大會，選舉產生了本公司第六屆董事會成員，新任董事自2009年12月11日起任期為期三年。

SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETING

The Company safeguards shareholders' interests, treats all shareholders equally, and initiates active participation of shareholders in corporate governance and management. As the stakeholders of the Company, shareholders enjoy the rights provided by laws and regulations and undertake commensurate obligations. The shareholders enjoy rights to information and rights to decision-making for the Company's important matters. The general meeting of Shareholders is the organ of authority of the Company, and it exercises its functions and power according to laws.

Harbin Electric Corporation, a state-owned company registered in the People's Republic of China, is the controlling shareholder of the Company.

In 2011, the Company held one Annual General Meeting and one Extraordinary General Meeting.

BOARD OF DIRECTORS

The major duties of the Board of Directors are to exercise the discretion in management decision according to the authorization by the general meeting with respect to the development strategies, management structure, investment and financing, planning and financial control, which are set out in details in the Articles of Association.

1. Composition

The Board of Directors is the sixth Board of Directors of the Company since its establishment, which is composed of ten Directors, five of whom are independent Directors. The Company held an Extraordinary General Meeting on 11 December 2009, during which members of the sixth Board of Directors of the Company were elected. The newly elected Directors serve a term of three years from 11 December 2009.

公司管治報告(續)

Corporate Governance Report (continued)

本公司董事長與總經理分別由不同人士擔任，並有明確分工。董事長主持董事會工作，檢查董事會決議執行情況，總經理負責管理運作及統籌公司業務，執行董事會決議及做出日常決策。

各董事會成員的個人簡介載於本年報《董事、監事與高級管理人員》一節。

2、 獨立董事

本公司本屆董事會有5名獨立董事。各獨立董事均熟悉上市公司董事、獨立董事的權利與義務。報告期內各獨立董事本著審慎負責、積極認真的態度出席董事會會議，並充分發揮其經驗和特長，在完善公司治理和重大決策的制訂等方面做了大量工作，對公司重大決策和關聯交易等方面發表了中肯、客觀的意見，促進了董事會決策的規範化、科學化，維護了公司和廣大股東的利益。

本公司確認已收到每名獨立董事就其獨立性而作出的年度確認函。

Positions of the Chairperson of the Board of Directors and the General Manager are held by different individuals with distinct responsibility. The Chairperson of the Board of Directors presides over meetings of the Board of Directors and reviews on the implementation of matters resolved by the Board of Directors. The General Manager is responsible for management and coordination of the operation of the Company, implementation of the resolutions passed by the Board of Directors and making decisions on a daily basis.

Biographies of the members of the Board of Directors are included in the section headed “Directors, Supervisors and Senior Management” in this annual report.

2. Independent Directors

This session of the Company's Board of Directors has five Independent Directors. All the Independent Directors are familiar with the rights and responsibilities of the directors and independent directors of a listed company. During the reporting period, all the Independent Directors attended the meetings of the Board of Directors with prudent and responsible attitude. They fully utilized their experiences and expertise, made enormous contribution towards the improvement and perfection of the corporate governance mechanism and the important decision making process. They also provided balance and objective advices with regard to important decisions and connected transactions of the Company, further standardized the decision making process of the Board of Directors and made this process more scientific, thereby protecting the interests of the Company and the shareholders as a whole.

The Company has received annual confirmation from each Independent Directors about his/her independence.

公司管治報告(續) Corporate Governance Report (continued)

3、 董事會會議

年內本公司共舉行5次董事會會議，討論公司的整體戰略、投資方案、營運及財務表現。本公司獨立董事對本公司決策事項未有異議。會議出席情況如下：

2011年度董事出席董事會議情況

董事姓名 Name of Director	應參加董事 會議次數 Number of Attendance Required	親自出席次數 Number of Attendance in Person	出席率 Attendance Rate
宮晶堃先生 Mr. Gong Jing-kun	5	5	100%
鄒磊先生 Mr. Zou Lei	5	4	80%
段洪義先生 Mr. Duan Hong-yi	5	5	100%
吳偉章先生 Mr. Wu Wei-zhang	5	5	100%
商中福先生 Mr. Shang Zhong-fu	5	4	80%
孫昌基先生 Mr. Sun Chang-ji	5	5	100%
賈成炳先生 Mr. Jia Cheng-bing	5	5	100%
李荷君女士 Ms. Li He-jun	5	5	100%
于渤先生 Mr. Yu Bo	5	4	80%
劉登清先生 Mr. Liu Deng-qing	5	5	100%

所有董事均能通過公司秘書及時獲得公司董事會必須遵守的法定、監管及其他持續責任的相關資料及最新動向，以確保其能瞭解應盡之職責，保證董事會的程序得以貫徹執行以及適用的法律、法規得以恰當遵守。本公司董事和董事會專門委員會有權根據工作要求聘請獨立專業機構為其服務，由此發生的合理費用由公司承擔。

3. Meetings of the Board of Directors

During the year, five Board of Directors' meetings were held to discuss the overall strategies, investment plans, operation and financial performance of the Company. The Independent Directors of the Company have no dissenting opinions regarding any of the Company's resolutions. Attendances of the meetings are as follows:

Attendances of the meetings of the Board of Directors during the year of 2011

The relevant information and current development of the statutory, regulatory and other continuous responsibilities of the Company's Board of Directors can be obtained by all Directors through the Company Secretary in a timely manner, so as to ensure all Directors understand his/her duties, and the procedures of the Board of Directors are consistently followed and applicable laws and regulations are properly complied with. The Directors and the Board of Directors' special committees of the Company have the right to engage independent professional organizations for their service according to the requirement of their duties; the reasonable costs incurred in those occasions are born by the Company.

公司管治報告(續)

Corporate Governance Report (continued)

本公司已採納香港聯合交易所上市規則附錄十《上市公司董事進行證券交易的標準守則》作為公司董事的標準守則。本公司已向所有董事做出查詢，所有董事已確認在報告期內其已完全遵守《上市公司董事進行證券交易的標準守則》。

董事會專門委員會

本公司董事會設立了審核委員會、薪酬委員會、提名委員會、戰略發展委員會等四個專門委員會，其成員全部由董事組成。

本公司第六屆董事會審核委員會成員包括：李荷君、劉登清、段洪義。審核委員會中獨立董事佔三分之二並由獨立董事李荷君擔任主任委員，符合《上市規則》第3.21條的規定。本年度審核委員會共舉行了2次會艦

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies set out in Appendix X of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited as a model code for Directors of the Company. Specific enquiries have been made to all Directors, who have confirmed their compliance with the Model Code for Securities Transactions by Directors of Listed Companies during the reporting period.

SPECIAL COMMITTEES UNDER THE BOARD

The Board of the Company has established four special committees, namely the audit committee, the remuneration committee, the nomination committee and the strategy development committee, whose members are all Directors.

The members of the Audit Committee of the sixth session of the Board of Directors include Li He-jun, Liu Deng-qing and Duan Hong-yi. Two third of the members of the audit committee are independent Directors and Independent Director Li He-jun is the chairperson of the committee, in compliance with Rule 3.21 of the Listing Rules. During the year, the Audit Committee held two meetings and had reviewed the Group's annual and half-yearly reports and financial statements.

SUPERVISORY COMMITTEE

The Company's Supervisory Committee consists of five supervisors, of which two supervisors are representing staff and workers.

1. The Supervisory Committee Meetings in the period

The Supervisory Committee held two meetings in the period, the main contents of which were as follows:

The Supervisory Committee held a meeting on 18 March 2011 to pass the Company's Report of the Supervisory Committee, Audited Financial Statements and the summary of Annual Report for the year 2010.

The Supervisory Committee held a meeting on 19 August 2011 to pass the resolutions on the Company's Interim Unaudited Financial Statements and Interim Reports for the first half of 2011.

公司管治報告(續)

Corporate Governance Report (continued)

2、 監事會對公司2011年度有關事項的獨立意見

本公司依法運作情況

監事會依據國家有關法律、法規對2011年本公司股東大會、董事會的召開程序、決議事項、董事會對股東大會決議的執行情況、公司管理制度的執行、經營管理的效能等進行了監督、檢查，認為本公司2011年度嚴格按照《公司法》、《上市規則》、本公司章程及其他有關法規制度規範運作，經營決策科學合理，進一步完善了內部管理，建立了良好的內控機制。

檢查本公司財務情況

監事會認真審核了董事會準備提交審議的公司2011年度財務決算報告、年度利潤分配方案、經國富浩華會計師事務所審計並出具的2011年度財務審計報告等相關資料。監事會認為：本公司2011年度財務審計報告真實可靠，客觀地反映了本公司的財務狀況和經營成果。監事會同意境內外會計師事務所出具的本公司財務審計報告。

股東大會決議執行情況

監事會成員列席了董事會會議和股東大會會議，監事會對股東大會決議執行情況進行了監督，認為董事會能夠認真執行股東大會決議。

2. Independent Opinions of the Supervisory Committee to the Related Matters of the Company in the Year 2011

The Company's Operating Validity

According to related laws and regulations, the Supervisory Committee has supervised and examined the convening procedures of the General Meeting and the Board of Directors Meeting 2011, resolution matters, the Board of Directors' execution of the General Meeting resolutions, the enforcement of the Company's management system and the efficiency of the Company's operation and management, and the Supervisory Committee considered that the Company has operated strictly according to the related provisions of the Company Law, the Listing Rules, the Articles of Association of the Company and other relevant regulations; that the Company operates with scientific and reasonable decision making procedure; and that the Company further perfected its internal management and established favorable internal control system in 2011.

Reviewing the Financial Conditions of the Company

The Supervisory Committee seriously reviewed the Company's Financial Balancing Report 2011, Profit Distribution Scheme prepared by the Board and the Audited Financial Statements 2011 audited and submitted by Crowe Horwath CPAs Co., Ltd. The Supervisory Committee considered that the Company's audited Financial Reports 2011 was true and reliable, which objectively presented the Company's financial situations and operation results. The Supervisory Committee approved the Company's audited Financial Reports submitted by both local and overseas accountants.

The Implementation of the Resolutions Passed at General Meetings

The members of the Supervisory Committee attended the Board Meetings and the General Meetings. The Supervisory Committee supervised the implementation of the resolutions passed at General Meetings and considered that the Board of Directors could seriously carry out the General Meeting decisions.

公司管治報告(續)

Corporate Governance Report (continued)

3、 監事會履行監督職責情況

監事會依照法律和公司章程對本公司董事、高管人員進行監督，認為本公司董事、高管人員依法執行職務，未發現違反法律、法規和公司章程的行為，未發現損害本公司利益的行為。

內部監控和內部審核

董事會負責建立及維持本公司內部控制系統，成立審核委員會。本公司內部成立審計部門，定期或有需要時對本公司之財務信息披露、經營和內部控制活動進行檢查、監督，以確保公司對外信息披露的透明度、營運的效益和企業監控機制的有效性。按照財政部、證監會、審計署、銀監會、保監會《企業內部控制基本規範》的要求，本公司實施內部控制評審項目，聘請普華永道會計師事務所就本項目提供諮詢服務，制定完成了公司《內部控制手冊》並發佈實施。

3. The Implementation of Supervisory Duties by the Supervisory Committee

The Supervisory Committee supervised the Directors and senior management of the Company in accordance with the related laws and the Articles of Association, and considered that the Directors and senior management of the Company carried out their duties lawfully, without any violation against the related laws and regulations and the Articles of Association or the interests of the Company.

INTERNAL CONTROL AND INTERNAL AUDIT

The Board of Directors is responsible for establishing and maintaining the internal control system of the Company, and for establishing the Audit Committee. The Company has established the audit department internally, which monitors and supervises the disclosure of financial information by the Company, as well as operation and internal control activities regularly or where necessary, so as to ensure the transparency of information disclosure, operation efficiency and effectiveness in corporate control mechanisms. According to the requirement of the basic specification of corporation internal control issued by the Ministry of Finance, the China Securities Regulatory Commission, the China National Audit Office, the China Banking Regulatory Commission and China Insurance Regulatory Commission, the Company has an internal control assessment project in place and has employed PricewaterhouseCoopers to provide consulting service about this project. The Company completed and implemented the Internal Control Guideline.

公司管治報告(續)

Corporate Governance Report (continued)

核數師

本公司2011年年度報告所收錄之財務報表分別根據中國會計準則和香港財務報告準則編製，並分別經國內審計師國富浩華會計師事務所和國際核數師國富浩華(香港)會計師事務所有限公司審核。

信息披露與監管

本公司不斷加強信息披露和推進投資者關係管理工作，嚴格按照相關法律法規、公司章程及上市規則的信息披露規定，做到信息披露公開、公平、真實、準確、完整、及時，提高本公司的透明度。在加強投資者關係管理工作中，及時發布中期業績報告和年度業績報告，認真接待來訪的投資者、積極參與投資者論壇，並通過舉辦電話會議、舉行業績說明會等活動，向投資者闡述本公司的最新動向和發展前景。本公司信息披露和投資者關係負責機構為董事會秘書局。本公司嚴格按照境內外證券監管機構的有關法律、法規的要求，嚴格履行各項義務，不斷完善本公司治理結構，提高本公司管理水平。

AUDITORS

The financial statements included in the annual report of the Company for the year 2011 were prepared according to PRC Accounting Standards and Hong Kong Financial Reporting Standards, and were audited by Crowe Horwath China CPAs Co., Ltd, the PRC auditor, and Crowe Horwath (HK) CPA Limited, the Hong Kong auditor.

Information Disclosure and Supervision

The Company continuously improves information disclosure management and enhances the investor relations management. The Company discloses information on an open, fair, true, accurate, complete and timely ground and strictly follows the related disclosure requirements of relative laws and regulations, the Articles of Association of the Company and Listing Rules, and improves the Company's transparency. In order to improve the management of investor relations, the Company issues its Interim Reports and Annual Reports in a timely manner, provides services to visiting investors in good faith and participates in investor forums, and illustrates to the investors the Company's latest development and prospects through telephone conference and performance presentations. The secretariat of the Board of the Company is responsible for the information disclosure and investor relations. The Company will perform its duties, continuously enhance its governance structure and improve its management standard by strictly following the requirements of the related laws and regulations of securities regulatory organizations at home and abroad.

獨立核數師報告書

Independent Auditor's Report

**TO THE SHAREHOLDERS OF
HARBIN ELECTRIC COMPANY LIMITED
(FORMERLY KNOWN AS HARBIN POWER EQUIPMENT COMPANY
LIMITED)**

*(A joint stock company established in the People's Republic of China
with limited liability)*

We have audited the consolidated financial statements of Harbin Electric Company Limited (formerly known as "Harbin Power Equipment Company Limited") ("the Company") and its subsidiaries (together "the Group") set out on pages 58 to 205, which comprise the consolidated and company statements of financial position as at 31 December 2011.647 TD (HARBIN ELE)u3es

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獨立核數師報告書(續) Independent Auditor's Report (continued)

我們已根據香港會計師公會頒佈的香港審核準則的規定執行審核。這些準則要求我們遵守職業道德規範，並規劃及執行審核以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

審核涉及執行情序以獲取有關綜合財務報表所載金額和披露資料的審核證據。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製真實而公平之綜合財務報表相關的內部監控，以設計適當的審核程序，但並非對公司的內部監控的有效性發表意見。審核亦包括評價董事所採用的會計政策的合適性及作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審核證據充足且適當地為我們的審核意見提供了基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零一一年十二月三十一日的財政狀況及 貴集團截至該日止年度的溢利及現金流量，並已根據香港公司條例的披露要求妥為編製。

國富浩華(香港)會計師事務所有限公司
香港執業會計師
香港，二零一二年三月十七日

劉國雄會計師
執業證書編號：P04169

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2011, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Crowe Horwath (HK) CPA Limited
Certified Public Accountants
Hong Kong, 17 March 2012

Lau Kwok Hung
Practising Certificate No.: P04169

綜合收益表

Consolidated Income Statement

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

		附註 Note	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (restated)
收入	Revenue	4	28,487,782	29,172,224
成本	Cost of sales		(22,777,148)	(24,982,419)
毛利	Gross profit		5,710,634	4,189,805
其他收入及淨收入	Other revenue and net income	5	490,785	960,853
營業費用	Distribution expenses		(558,036)	(508,789)
管理費用	Administrative expenses		(3,040,175)	(2,754,880)
其他業務支出	Other operating expenses		(969,230)	(411,337)
財務支出	Finance costs	6(a)	(72,552)	(139,544)
應佔聯營公司溢利減虧損	Share of profits less losses of associates	17	78,534	25,793
除稅前溢利	Profit before taxation	6	1,639,960	1,361,901
稅項	Income tax	7(a)	(256,686)	(268,950)
本年度溢利	Profit for the year		1,383,274	1,092,951
應佔盈利：	Attributable to:			
本公司股份持有人	Equity shareholders of the Company		1,228,661	1,001,108
非控股權益	Non-controlling interests		154,613	91,843
			1,383,274	1,092,951
每股盈利	Earnings per share			
- 基本及攤薄	— Basic and diluted	9	人民幣RMB 89.2 分 cents	人民幣RMB 72.7 分 cents

附註構成此等財務報表的一部分。屬年度內溢利的應付予本公司股份持有人之股息詳列於附註33(b)。

The annexed notes form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 33(b).

綜合全面收益表

Consolidated Statement of Comprehensive Income

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (restated)
本年度溢利	Profit for the year	1,383,274	1,092,951
本年度其他綜合虧損，稅後淨額	Other comprehensive loss for the year, net of income tax		
現金流量套期	Cash flow hedges	(32,671)	—
其他綜合收益部分中的相關所得稅	Income tax relating to component of other comprehensive income	4,901	—
		(27,770)	—
本年度綜合全面收益總額	Total comprehensive income for the year	1,355,504	1,092,951
應佔盈利：	Attributable to:		
本公司股份持有人	Equity shareholders of the Company	1,200,891	1,001,108
非控股權益	Non-controlling interests	154,613	91,843
		1,355,504	1,092,951

綜合財務狀況表

Consolidated Statement of Financial Position

於二零一一年十二月三十一日
At 31 December 2011

		附註 Note	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
				(restated)
非流動資產	Non-current assets			
投資物業	Investment properties	11	4,810	4,991
物業、廠房及設備	Property, plant and equipment	12	5,799,944	4,890,113
預付土地租賃款	Prepaid lease payments	13	433,000	419,466
無形資產	Intangible assets	14	261,732	90,321
遞延稅項資產	Deferred tax assets	15	277,366	205,071
於聯營公司之權益	Interests in associates	17	546,899	328,640
其他非流動金融資產	Other non-current financial assets	18	332,722	53,637
			7,656,473	5,992,239
流動資產	Current assets			
存貨	Inventories	20	11,616,296	12,824,895
應收賬款	Trade receivables	21	12,918,135	11,270,063
應收票據	Bills receivable	21	1,052,526	982,083
其他應收款、按金及預付款項	Other receivables, deposits and prepayments	21	4,484,066	4,541,796
預付土地租賃款	Prepaid lease payments	13	11,922	13,242
建造合同應收款	Amounts due from customers for contract work	22	1,849,593	894,923
應收同系附屬公司款項	Amounts due from fellow subsidiaries	23	59,929	112,920
衍生金融工具	Derivative financial instruments	19	92,641	104,276
交易性證券	Trading securities	24	2,001,530	1,188,000
受限制銀行存款	Restricted bank deposits		2,506	5,000
已抵押銀行存款	Pledged bank deposits	25	131,155	276,493
銀行存款	Bank deposits	26	247,404	1,090,860
現金及現金等價物	Cash and cash equivalents	26	8,271,875	11,459,319
			42,739,578	44,763,870
流動負債	Current liabilities			
衍生金融工具	Derivative financial instruments	19	3,730	—
建造合同應付款	Amounts due to customers for contract work	22	1,413,194	1,274,290
應付賬款	Trade payables	27	14,646,188	11,867,247
其他應付款、應計費用及撥備	Other payables, accruals and provisions	27	3,934,593	2,852,629
已收按金	Deposits received	28	7,483,656	11,891,531
應付同系附屬公司款項	Amounts due to fellow subsidiaries	23	36,266	24,418
欠控股公司款項	Advance from holding company	29	2,785	20,478
須於一年內償還之借款	Borrowings — due within one year	30	581,623	627,005
應交稅金	Tax payables	32	920,618	816,816

綜合財務狀況表(續)

Consolidated Statement of Financial Position (continued)

於二零一一年十二月三十一日
At 31 December 2011

		附註 Note	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (restated)
非流動負債	Non-current liabilities			
衍生金融工具	Derivative financial instruments	19	28,941	—
已收按金	Deposits received	28	6,337,141	7,592,559
欠控股公司款項	Advance from holding company	29	1,169,838	1,042,918
須於一年後償還之借款	Borrowings — due after one year	30	1,314,244	1,582,959
			8,850,164	10,218,436
資產淨值	NET ASSETS		12,523,234	11,163,842
股本及儲備	CAPITAL AND RESERVES	33		
股本	Share capital		1,376,806	1,376,806
儲備	Reserves		9,224,814	8,324,642
本公司股份持有人應佔總權益	Total equity attributable to equity shareholders of the Company		10,601,620	9,701,448
非控股權益	Non-controlling interests		1,921,614	1,462,394
權益總額	TOTAL EQUITY		12,523,234	11,163,842

董事會於二零一二年三月十七日批准及授權刊發。

Approved and authorised for issue by the board of directors on 17 March 2012.

吳偉章
Wu Wei-zhang
董事
Director

商中福
Shang Zhong-fu
董事
Director

附註構成此等財務報表的一部分。

The annexed notes form part of these financial statements.

財務狀況表

Statement of Financial Position

於二零一一年十二月三十一日
At 31 December 2011

		附註 Note	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
非流動資產	Non-current assets			
物業、廠房及設備	Property, plant and equipment	12	1,141,147	1,097,817
預付土地租賃款	Prepaid lease payments	13	36,715	37,569
遞延稅項資產	Deferred tax assets	15	10,696	10,696
於附屬公司之投資	Investments in subsidiaries	16	2,831,012	2,657,269
於聯營公司之權益	Interests in associates	17	180,161	161,559
其他非流動金融資產	Other non-current financial assets	18	60,346	21,246
			4,260,077	3,986,156
流動資產	Current assets			
存貨	Inventories	20	780,753	902,070
應收賬款	Trade receivables	21	457,300	340,183
應收票據	Bills receivable	21	163,687	6,350
其他應收款、按金及預付款項	Other receivables, deposits and prepayments	21	184,757	93,654
預付土地租賃款	Prepaid lease payments	13	854	854
應收附屬公司款項	Amounts due from subsidiaries	16	1,863,796	1,661,205
交易性證券	Trading securities	24	2,001,530	1,188,000
可收回稅項	Tax recoverable	32	2,618	—
現金及現金等價物	Cash and cash equivalents	26	196,886	967,925
			5,652,181	5,160,241
流動負債	Current liabilities			
應付賬款	Trade payables	27	176,860	123,521
其他應付款、應計費用及撥備	Other payables, accruals and provisions	27	233,013	173,923
已收按金	Deposits received	28	1,053,967	1,758,845
欠附屬公司款項	Amounts due to subsidiaries	16	2,596,945	1,564,418
應交稅金	Tax payables	32	—	15,820
			4,060,785	3,636,527
流動資產淨值	Net current assets		1,591,396	1,523,714
扣除流動負債後的總資產	Total assets less current liabilities		5,851,473	5,509,870

財務狀況表(續)

Statement of Financial Position (continued)

於二零一一年十二月三十一日
At 31 December 2011

		附註 Note	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
非流動負債	Non-current liabilities			
已收按金	Deposits received	28	702,644	—
欠控股公司款項	Advance from holding company	29	392,960	392,960
須於一年後償還之借款	Borrowings — due after one year	30	33,784	33,784
			1,129,388	426,744
資產淨值	NET ASSETS		4,722,085	5,083,126
股本及儲備	CAPITAL AND RESERVES	33		
股本	Share capital		1,376,806	1,376,806
儲備	Reserves		3,345,279	3,706,320
權益合計	TOTAL EQUITY		4,722,085	5,083,126

董事會於二零一二年三月十七日批准及授權刊發。

Approved and authorised for issue by the board of directors on 17 March 2012.

吳偉章
Wu Wei-zhang
董事
Director

商中福
Shang Zhong-fu
董事
Director

附註構成此等財務報表的一部分。

The annexed notes form part of these financial statements.

綜合權益變動表

Consolidated Statement of Changes In Equity

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

		本公司股份持有人應佔之權益 Attributable to equity shareholders of the Company							非控股權益		總權益
		股本	股本溢價	法定資本儲備	法定盈餘公積金	其他儲備	套期儲備	保留溢利	總計	Non-controlling interests	Total equity
		Share capital	Share premium	Statutory capital reserve	Statutory surplus reserve	Other reserves	Hedging reserve	Retained profits	Total	interests	equity
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
於二零一零年一月一日之結餘	Balance at 1 January 2010	1,376,806	1,980,295	709,850	569,714	6,539	—	3,995,822	8,639,026	1,578,236	10,217,262
本年度溢利及綜合收益總額(重列)	Profit and total comprehensive income for the year (restated)	—	—	—	—	—	—	1,001,108	1,001,108	91,843	1,092,951
共同控制下的業務合併影響(附註3, 35(a))	Arising from business combination under common control (note 3, 35(a))	—	—	—	—	87,055	—	—	87,055	88,536	175,591
分派予非控股股東的股息	Dividends distributed to non-controlling shareholders	—	—	—	—	—	—	—	—	(11,317)	(11,317)
儲備間之轉撥	Transfer between reserves	—	—	—	27,222	—	—	(27,222)	—	—	—
出售附屬公司(附註36)	Disposal of subsidiaries (note 36)	—	—	—	—	—	—	—	—	(3,342)	(3,342)
收購於附屬公司的額外權益(附註35(c))	Acquisition of additional interest in the subsidiaries (note 35(c))	—	—	—	—	67,882	—	—	67,882	(281,562)	(213,680)
股息(附註33(b))	Dividends (note 33(b))	—	—	—	—	—	—	(93,623)	(93,623)	—	(93,623)
於二零一零年十二月三十一日之結餘(重列)	Balance at 31 December 2010 (restated)	1,376,806	1,980,295	709,850	596,936	161,476	—	4,876,085	9,701,448	1,462,394	11,163,842
於二零一一年一月一日之結餘(重列)	Balance at 1 January 2011 (restated)	1,376,806	1,980,295	709,850	596,936	161,476	—	4,876,085	9,701,448	1,462,394	11,163,842
本年度溢利	Profit for the year	—	—	—	—	—	—	1,228,661	1,228,661	154,613	1,383,274
其他綜合虧損：	Other comprehensive loss:										
現金流量套期工具有效部分的公允價值變動，總額	Changes in fair value of effective portion of cash flow hedges — gross	—	—	—	—	—	(32,671)	—	(32,671)	—	(32,671)
現金流量套期工具有效部分的公允價值變動，稅金	Changes in fair value of effective portion of cash flow hedges — tax	—	—	—	—	—	4,901	—	4,901	—	4,901
本年度其他綜合虧損總額	Other comprehensive loss for the year	—	—	—	—	—	(27,770)	—	(27,770)	—	(27,770)
本年度綜合全面收益總額	Total comprehensive income for the year	—	—	—	—	—	(27,770)	1,228,661	1,200,891	154,613	1,355,504
共同控制下的業務合併影響	Arising from business combination under common control	—	—	—	—	(99,399)	—	—	(99,399)	99,399	—
出售附屬公司(附註36)	Disposal of subsidiaries (note 36)	—	—	(6,621)	—	—	—	—	(6,621)	(27,563)	(34,184)
於附屬公司的額外權益(附註35(b))	Additional interests in the subsidiaries (note 35(b))	—	—	—	—	(1,946)	—	—	(1,946)	21,946	20,000
來自非控股股東的額外權益	Additional interests from non-controlling shareholders	—	—	—	—	—	—	—	—	210,825	210,825
股息(附註33(b))	Dividends (note 33(b))	—	—	—	—	—	—	(192,753)	(192,753)	—	(192,753)
於二零一一年十二月三十一日之結餘	Balance at 31 December 2011	1,376,806	1,980,295	703,229	596,936	60,131	(27,770)	5,911,993	10,601,620	1,921,614	12,523,234

附註構成此等財務報表的一部分。

The annexed notes form part of these financial statements.

綜合權益變動表(續) Consolidated Statement of Changes In Equity (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

根據中華人民共和國(「中國」)公司法，除稅後溢利之分配順序如下：

- (1) 彌補虧損；
- (2) 提取法定盈餘公積金；及
- (3) 派發普通股之股息。

根據中國公司法及相關公司章程，本公司及其附屬公司均須提取10%除稅後溢利(根據中國會計準則釐定)，撥入其法定盈餘公積金賬內。

股本溢價賬的應用乃受中國公司法監管。

法定盈餘公積金為本公司股份持有人應佔權益的一部分，當其餘額達到公司註冊資本之50%時，可不須再提取。根據中國公司法，法定盈餘公積金可用以彌補過往虧損、擴充生產及業務經營、或通過轉換的方式撥充資本。當本公司之法定盈餘公積金轉充為資本時，該賬內未轉充資本之金額不得少於註冊資本25%。

法定資本儲備為向哈爾濱電氣集團公司(「哈電集團公司」)向本集團轉讓之主要經營業務淨資產的公允價值，與在本公司成立時其發行予哈電集團公司的股票面值兩者之間的差額盈餘。

有關上述項目(3)在任何年度之分配比例細則將由董事酌量本公司及其附屬公司的經營情況及發展需要釐定，並須提請股東大會批准。

In accordance with the People's Republic of China (the "PRC") Company Law, the profit after taxation is applied in the following order:

- (1) making up of losses;
- (2) allocation to statutory surplus reserve; and
- (3) payment of dividends in respect of ordinary shares.

In accordance with the PRC Company Law and the relevant Articles of Association, the Company and its subsidiaries are required to appropriate amounts equal to 10% of their profit after taxation as determined in accordance with the PRC accounting standards to each statutory surplus reserve.

The application of the share premium account is governed by PRC Company Law.

Statutory surplus reserve is part of equity attributable to equity shareholders of the Company and when its balance reaches an amount equal to 50% of the Company's registered capital, further appropriation needs not be made. According to the PRC Company Law, statutory surplus reserve may be used to make up past losses, to increase production and business operations or to increase capital by means of conversion. However, when funds from statutory surplus reserve are converted to capital, the funds remaining in such reserve shall amount to not less than 25% of the registered capital.

The statutory capital reserve represents the surplus arising from the difference between the fair value of the net assets of the principal business undertakings transferred from Harbin Electric Corporation ("HE") to the Group and the nominal value of the shares issued to HE by the Company when the Company was formed.

The amount of appropriation in respect of item (3) above for any year shall be recommended by the directors in accordance with the operational conditions and development requirements of the Company and its subsidiaries and shall be submitted to the shareholders in general meeting for approval.

綜合權益變動表(續) Consolidated Statement of Changes In Equity (continued)

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套期儲備包括用於現金流套期的套期工具公允價值累積變動淨額的實際部分，待日後根據附註2(ab)就現金流套期採納的會計政策確認為套期現金流。

其他儲備為就向非控股權益收購附屬公司額外權益所付代價與所購淨資產相關賬面值兩者間之差額。此外，因收購共同控制實體而產生資本儲備及對合併會計之影響也包括在此。

在尚未彌補虧損及提取法定盈餘公積金之前，本公司及其附屬公司均不能派發股息。

根據財政部於一九九五年八月頒佈有關溢利分配之文件，可分配予股東之金額為根據中國會計準則所計算之金額或根據香港公認會計準則所計算之金額，兩者以較低者為準。於二零一一年十二月三十一日，可分配予本公司股份持有之儲備金額為根據香港公認會計準則所釐定之保留溢利人民幣221,427,000元(二零一零年：人民幣582,468,000元)。如上文所述，結存的法定盈餘公積金於若干情況下亦可派發予股東。

本公司股份持有人應佔綜合溢利包括已列入本公司財務報表的虧損人民幣168,288,000元(二零一零年：溢利人民幣272,223,000元)(附註33(a))。

Hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition of the hedged cash flow in accordance with the accounting policy adopted for cash flow hedges in note 2(ab).

Other reserves represent the difference between the consideration paid to acquire additional interests in subsidiaries from non-controlling interest and the relevant carrying value of the net assets acquired. In addition, the capital reserve and effect on merger accounting arising from acquisition of a common control entity was also included therein.

No dividends shall be paid by the Company and its subsidiaries before they have made up their losses and made allocations to the statutory surplus reserve.

Pursuant to a document issued by the Ministry of Finance in August 1995 in respect of profit appropriations, the amount available for distribution to shareholders is the lesser of the amount determined in accordance with the PRC accounting standards and the amount determined in accordance with accounting principles generally accepted in Hong Kong. At 31 December 2011, the aggregate amount of reserves available for distribution to equity shareholders of the Company was RMB221,427,000 (2010: RMB582,468,000) representing the retained profits of the Company prepared under accounting principles generally accepted in Hong Kong. As also mentioned above, the balance of statutory surplus reserve can also be distributed to shareholders in certain situations.

The consolidated profit attributable to equity shareholders of the Company includes a loss of RMB168,288,000 (2010: profit of RMB272,223,000) which has been dealt with in the financial statements of the Company (note 33(a)).

綜合現金流量表

Consolidated Statement of Cash Flows

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

	附註 Note	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (restated)
經營業務之現金流量			
Cash flows from operating activities			
除稅前溢利		1,639,960	1,361,901
調整：			
呆賬準備	6(c)	618,868	574,012
存貨跌價準備	6(c)	115,526	134,867
預付土地租賃款攤銷	6(c)	11,922	13,242
無形資產攤銷	6(c)	19,110	12,993
交易性證券股息收入	5	(50,000)	—
非上市權益證券股息收入	5	(7,358)	(1,120)
物業、廠房及設備折舊	6(c)	527,497	465,459
投資物業折舊	6(c)	181	181
財務支出	6(a)	72,552	139,544
出售物業、廠房及設備收益	5	(3,850)	(6,122)
出售投資物業收益	5	—	(550)
出售附屬公司收益	5	(389)	(150,349)
出售待銷售性投資收益	5	(1,174)	—
不合套期條件之衍生金融工具公允價值收益	5	(78,704)	(104,276)
無形資產減值虧損確認	6(c)	—	3,945
待銷售性投資減值虧損確認	6(c)	1,000	—
利息收入	5	(252,245)	(277,728)
物業、廠房及設備撇銷	6(c)	—	5,970
交易性證券公允價值虧損	5	394,512	7,000
呆賬減值虧損回撥	6(c)	(42,695)	—
物業、廠房及設備減值虧損回撥	5	—	(1,110)
應佔聯營公司溢利減虧損		(78,534)	(25,793)
		2,886,179	2,152,066
營運資金變動			
Movements in working capital			
存貨減少		1,082,927	1,099,545
應收賬款(增加) 減少		(2,232,390)	464,730
應收票據(增加)		(74,492)	(380,263)
其他應收款、按金及預付款項減少		7,574	330,594
建造合同應收款(增加) 減少		(954,670)	52,403
應收聯營公司款項減少		—	1,646
應收同系附屬公司款項減少(增加)		52,991	(36,012)
建造合同應付款增加		138,904	764,326
應付賬款增加		2,781,934	1,810,480
其他應付款、應計費用及撥備增加(減少)		1,115,998	(156,865)
已收按金(減少)		(5,662,429)	(3,944,649)
應付同系附屬公司款項增加(減少)		11,848	(27,339)
交易性證券(增加)		(1,208,042)	(1,195,000)
應付增值稅及其他應付稅項(減少) 增加		(124,023)	126,611

綜合現金流量表(續)
Consolidated Statement of Cash Flows (continued)
截至二零一一年十二月三十一日止年度
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綜合現金流量表(續)

Consolidated Statement of Cash Flows (continued)

截至二零一一年十二月三十一日止年度
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		附註 Note	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (restated)
現金及現金等價物(減少) 增加淨額	Net (decrease)/increase in cash and cash equivalents		(3,187,444)	847,183
年初現金及現金等價物	Cash and cash equivalents at the beginning of the year		11,459,319	10,612,136
年末現金及現金等價物	Cash and cash equivalents at the end of the year	26	8,271,875	11,459,319
年末現金及現金等價物之分析	Analysis of cash and cash equivalents at the end of the year			
現金及銀行存款	Cash and bank deposits		5,646,474	7,940,655
銀行存款	Bank deposits		2,625,401	3,518,664
			8,271,875	11,459,319

附註構成此等財務報表的一部分。

The annexed notes form part of these financial statements.

財務報表附註

Notes to the Financial Statements

截至二零一一年十二月三十一日止年度
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1. 一般事項

本公司為一家在中華人民共和國(「中國」)成立之股份公司，其H股於香港聯合交易所有限公司上市。本公司之母公司及最終母公司為哈爾濱電氣集團公司(「哈電集團公司」)，其為一家在中國成立之國有企業。哈電集團公司沒有公開披露財務報表。本公司註冊辦事處及主要營業地點之地址於本年報之公司資料中披露。

本綜合財務報表以人民幣呈列，除另有說明外，所有數值均四捨五入至最接近之千位。人民幣為本公司的功能及呈列貨幣。

本公司及其附屬公司之主要業務為生產、銷售各種發電設備及提供電站工程服務。其主要附屬公司及聯營公司之主要業務分別載於附註44及附註17。

2. 主要會計政策

(a) 遵例聲明

本財務報表是按照所有適用的香港財務報告準則(「香港財務報告準則」，包括香港會計師公會(「香港會計師公會」)頒佈的所有個別適用的香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋、香港公認會計原則及香港公司條例的披露規定編製。該等財務報表同時符合香港聯合交易所有限公司證券上市規則(「上市規則」)的適用披露規定。本集團所採用的主要會計政策概要載列如下。

1. GENERAL INFORMATION

The Company was established as a joint stock company in the People's Republic of China (the "PRC") and its H shares are listed on The Stock Exchange of Hong Kong Limited. Its parent and ultimate parent company is Harbin Electric Corporation ("HE"), a state-owned enterprise established in the PRC. HE has not produced financial statements available for public use. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report.

The consolidated financial statements are presented in Renminbi ("RMB"), rounded to the nearest thousand unless otherwise indicated. RMB is the Company's functional and presentation currency.

The principal activities of the Company and its subsidiaries are mainly engaged in manufacturing and sales of various kinds of power equipments and provision of power station engineering services. The principal activities of its principal subsidiaries and associates are set out in notes 44 and 17, respectively.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). A summary of the significant accounting policies adopted by the Group is set out below.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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2. 主要會計政策(續)

(a) 遵例聲明(續)

香港會計師公會已頒佈若干新訂及經修訂香港財務報告準則，並於本集團及本公司的當前會計期間首次生效或可供提早採納。就與本集團有關的範圍初次應用該等修訂引致財務報表所反映當前及以往會計期間之會計政策出現之變動資料，已載列於附註3。

(b) 財務報表編製基準

截至二零一一年十二月三十一日止年度的綜合財務報表包括本公司及其附屬公司(統稱「本集團」)的財務報表以及本集團於聯營公司的權益。

除以下資產及負債(於下列的會計政策解釋)按公允價值列賬外，編製財務報表是以歷史成本基準作為計量基準：

- 分類為交易性證券的金融工具(見附註2(g))；及
- 衍生金融工具(見附註2(h))。

財務報表的編製符合香港財務報告準則的規定，要求管理層作出會影響政策應用及資產、負債、收入與開支的報告數額的判斷、估計及假設。估計及有關假設乃根據過往經驗及多個相信有關情況下屬合理的其他因素而作出，其結果成為判斷其他來源並不顯然易見的資產與負債賬面值的基礎。實際結果可能有異於該等估計。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(a) Statement of compliance (continued)

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2011 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- financial instruments classified as trading securities (see note 2(g)); and
- derivative financial instruments (see note 2(h)).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(b) 財務報表編製基準(續)

估計及相關假設會持續作出檢討。對會計估計進行修訂時，若修訂只影響該期間，則修訂會在修訂估計的期間內確認；若修訂影響到當期及未來期間，則在修訂期間及未來期間確認。

管理層就採用香港財務報告準則時作出對財務報表構成重大影響的判斷，以及有關判斷不確定因素的討論內容載列於附註41。

(c) 業務合併

業務收購乃採用收購法入賬。於業務合併中轉讓之代價以公允價值計量，即按本集團轉讓之資產、本集團對被收購方前擁有人承擔之負債及本集團為交換被收購方控制權而發行之股本權益於收購日期之公允價值總和計算。與收購事項有關之成本於產生時在損益中確認。

於收購日期，收購之可識別資產及承擔之負債按其公允價值確認，惟以下情況除外：

- 於業務合併時收購之資產及承擔之負債產生的遞延稅項資產或負債，以及於收購日期存在或因收購產生的暫時性差異的潛在稅項影響及被收購方的賬款按香港會計準則第12號「所得稅」確認及計量；

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(b) Basis of preparation of the financial statements

(continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 41.

(c) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair values, except that:

- a deferred tax asset or liability arising from the assets acquired and liabilities assumed in a business combination and the potential tax effects of temporary differences and carryforwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are recognised and measured in accordance with HKAS 12, "Income Tax";

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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2. 主要會計政策(續)

(c) 業務合併(續)

- 員工福利安排相關之資產或負債按香港會計準則第19號「員工福利」確認及計量；
- 與被收購方以股份為基礎支付之交易有關或以本集團以股份為基礎支付之交易取代被收購方以股份為基礎支付之交易有關之負債或股權工具，乃於收購日期按香港財務報告準則第2號「以股份為基礎之支付」計量；及
- 根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產(或出售組別)根據該準則計量。

商譽是以所轉撥之代價、於被收購方中任何非控股權益所佔金額、及收購方以往持有之被收購方股權之公允價值(如有)之總和，減所收購之可識別資產及所承擔之負債於收購日期之淨值後，所超出之差額計值。倘經過重新評估後，所收購可識別資產與所承擔負債於收購日期之淨額高於轉撥之代價、於被收購方中任何非控股權益所佔金額以及收購方以往持有之被收購方股權之公允價值(如有)之總和，則差額即時於損益內確認為議價收購收益。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(c) Business combinations (continued)

- assets or liabilities relating to employee benefit arrangements are recognised and measured in accordance with HKAS 19, "Employee Benefits";
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5, *Non-current*

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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2. 主要會計政策(續)

(c) 業務合併(續)

屬現時擁有之權益且於清盤時令持有人有權按比例分佔企業資產淨值之非控股權益，可初步按公允價值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類型的非控股權益乃按其公允價值或另一項準則規定之另一項計量基準計量。非控股權益於企業綜合財務狀況表中本公司股份持有人應佔之權益外呈列。

倘本集團於進行業務合併時轉移的代價包括源自或然代價安排的資產或負債，則或然代價是以收購日的公允價值衡量，並於業務合併時作為轉移代價的一部分。在計量期間中確認的或然代價中的公允價值轉變將會被追溯調整，而有關調整將會針對商譽。計量期間調整是基於「計量期間」中獲得的額外資料所產生的調整(不能超過由收購日起計一年)，而有關資料是基於收購當日存在的事實及情況。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(c) Business combinations (continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(c) 業務合併(續)

關於不獲確認為計量期間調整的或然
代價公允價值轉變的後續會計，需視
乎或然代價如何分類。分類為或然代價高於續骸的後置兀中損為或然代價復 p 卻 續會刺 或然視

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(c) 業務合併(續)

涉及共同控制實體的合併會計

綜合財務報表納入發生共同控制合併的合併實體或業務的財務報表項目，猶如該等項目自合併實體或業務初次受控制方控制當日起經已合併。

合併實體或業務的資產淨值乃從控制方的角度採用現有賬面值綜合入賬。只要控制方的權益持續，概不就商譽或收購方於被收購方可識別資產、負債及或然負債的淨公允價值所佔權益高出於共同控制合併時的成本的超額部分確認任何金額。

綜合收益表包括各合併實體或業務自所呈報的最早日期或自合併實體或業務初次受共同控制當日以來的較短期間的業績，毋須理會共同控制合併的日期。

綜合財務報表的比較金額乃在假設有關係實體或業務於上一段報告期間結束時或於其初次受共同控制當日(以較短者為準)經已合併下呈列。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(c) Business combinations (continued)

Merger Accounting for common control combinations

The consolidated financial statements incorporate the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated income statement includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the end of the previous reporting period or when they first came under common control, whichever is shorter.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(d) 附屬公司及非控股權益

附屬公司為本集團控制之企業。當本集團有權支配該企業的財務及經營政策，並藉此從其活動取得利益時，則存在控制權。在評估本公司是否擁有控制權時，也會考慮潛在的可行使投票權。

於附屬公司的投資於控制權開始之日起直至控制權失去時止綜合計入綜合財務報表(使用合併會計原則入賬的共同控制附屬公司除外)。集團內公司間結餘及交易以及集團內公司間交易所產生之任何未變現溢利均於編製綜合財務報表時作出全數抵銷。集團內公司間交易所產生之未變現虧損在一定程度上按未變現收益做出抵銷，但抵銷額只限於沒有證據顯示資產已出現減值的部分。

非控股權益是指並非由本公司直接或間接擁有附屬公司的權益，而本集團並沒有同意與這些權益的持有人訂立任何可導致本集團整體就這些權益而承擔符合金融負債定義的合同義務的額外條款。

本集團業績中的非控股權益於綜合收益表及綜合全面收益表中列示，以劃分非控股權益與本公司股份持有人應佔之本年度溢利或虧損及全面收益總額。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases (except for subsidiaries under common control which are accounted for using the principles of merger accounting). Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability.

Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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2. 主要會計政策(續)

(d) 附屬公司及非控股權益(續)

本集團於附屬公司權益變化但未引致喪失控制權的交易按照權益交易入賬，以此種方法調整於綜合權益項下之控股及非控股權益的數額以反映相關權益變動，但不調整商譽，也不確認損益。

如果本集團失去附屬公司之控制權，該項交易將按出售該附屬公司全部權益入賬，相關交易的盈虧確認為損益。任何本集團所保留之前附屬公司剩餘權益按失去控制權日的公允價值確認，該數值被視為金融資產初始確認之公允價值(見附註2(g))，或為於聯營公司初始確認的投資成本(見附註2(e)) (如適用)。

在本公司之財務狀況表內，於附屬公司之投資以成本減減值虧損(見附註2(m))列賬，除非其被歸類為持作出售的投資或為持作出售的出售組別的一部分。

(e) 聯營公司

聯營公司是指本集團或本公司可以對其發揮重大影響力，但並非控制或聯合控制其管理的企業，所謂發揮重大影響力包括參與其財務及經營決策。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(d) Subsidiaries and non-controlling interests (continued)

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(g)) or, when appropriate, the cost on initial recognition of investments in associates (see note 2(e)).

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment losses (see note 2(m)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(e) Associates

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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2. 主要會計政策(續)

(e) 聯營公司(續)

於聯營公司之投資乃按權益法於綜合財務報表列賬，惟有關投資分類為持作出售類別(或計入分類為持作出售之出售組別)則除外。根據權益法，於聯營公司之投資初步按成本入賬，並按本集團應佔被投資公司之可識別資產淨值於收購當日之公允價值超過投資成本之差額(如有)作出調整。此後，就本集團於收購後應佔被投資公司資產淨值之變動及與該項投資有關之任何減值虧損作出調整(見附註2(m))。收購當日超過成本之任何差額、本集團應佔被投資公司收購後的除稅後業績及任何本年度減值虧損均在綜合收益表中確認，而本集團應佔被投資公司之其他綜合收益之收購後的除稅後項目則於綜合全面收益表予以確認。

倘本集團應佔聯營公司之虧損超過其權益，則本集團之權益將減至零，並終止進一步確認虧損，惟本集團已產生法律或推定義務或替被投資公司付款則除外。就此而言，本集團之權益為按權益法計算該投資之賬面數額，連同實質上構成本集團於該聯營公司之投資淨值一部分之本集團長期權益。

本集團與其聯營公司之間交易所產生的未變現損益會按本集團於被投資者所佔的權益比率抵銷，除非未變現虧損證實是由已轉讓資產減值而產生，則該等未變現虧損會即時在損益中確認。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(e) Associates (continued)

An investment in an associate is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post-acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see notes 2(m)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated income statement, whereas the Group's share of the post-acquisition post-tax items of the investee's other comprehensive income is recognised in the consolidated statement of comprehensive income.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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2. 主要會計政策(續)

(e) 聯營公司(續)

如果本集團對聯營公司不再有重大影響，應視作出售於該被投資公司所佔的所有權益，相關盈虧於損益確認。任何本集團所保留之前聯營公司剩餘權益按失去重大影響力當日之公允價值確認，視為金融資產初始確認之公允價值，或為於聯營公司之初始投資成本(如適用)。

(f) 商譽

商譽乃按成本減累計減值虧損列賬。業務合併所產生之商譽被分配至預期將從合併之協同效應中獲益各現金產生單位，或現金產生單位組別，並且每年作減值測試(見附註2(m))。

於年內出售現金產生單位時，任何應佔購入商譽之金額計入出售時的損益內。

(g) 債務及權益證券投資

本集團及本公司之債務及權益證券投資(於附屬公司及聯營公司之投資除外)之政策如下：

債務及權益證券投資初步按公允價值(即其交易價格)列賬，除非可使用估值方法(其變量僅包括來自公開市場之數據)更可靠地估計公允價值。除下文另有說明者外，成本包括應佔交易成本。其後該等投資視乎其分類按以下方式列賬：

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(e) Associates (continued)

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate.

(f) Goodwill

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 2(m)).

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(g) Investments in debt and equity securities

The Group's and the Company's policies for investments in debt and equity securities, other than investments in subsidiaries and associates, are as follows:

Investments in debt and equity securities are initially stated at fair value, which is their transaction price unless fair value can be more reliably estimated using valuation techniques whose variables include only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification:

財務報表附註(續) Notes to the Financial Statements (continued)

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2. 主要會計政策(續)

(g) 債務及權益證券投資(續)

持作買賣之證券投資乃分類為流動資產。任何應佔交易成本產生後乃於損益內予以確認。於各報告期末，公允價值會重新計量，因此產生之任何盈虧乃於損益內確認。於損益內確認之盈虧淨額並不包括該等投資所賺取之任何股息或利息，因其乃根據附註2(w)(v)及附註2(w)(vi)所載之政策予以確認。

本集團及 或本公司有能力及意圖持有至到期日的有期債務證券分類為持有至到期的證券。持有至到期的證券按攤銷成本扣除減值虧損列賬(見附註2(m))。

厄浪(轉)浪裡
中 湯中卷湯牛
於活躍市場並無市價報價資料及其公允價值亦不能可靠地計量之權益證券投資乃於財務狀況表內按附註2(w)(vii)所載之政策予以確認。

財務報表附註(續) Notes to the Financial Statements (continued)

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2. 主要會計政策(續)

(i) 投資物業

投資物業乃指為賺取租金收入及或為資本增值而以租賃權益擁有或持有之土地及或樓宇(見附註2(l)),當中包括就現時尚未確定未來用途持有之土地及為未來用作投資物業正在興建或發展之物業。

投資物業最初按成本計量,包含交易費用。最初確認之後,投資物業按成本減其後累計折舊及任何累計減值虧損計量(見附註2(m))。折舊按投資物業的估計可使用年期在計入估計餘值後採用直線法撇銷投資物業之成本。投資物業之租賃收入之適用會計政策載於附註2(w)(iii)。

一項投資物業於出售後或當該項投資物業永久不再使用或預計不會從其出售中獲得任何日後經濟利益時終止確認。因終止確認該項物業而產生之任何盈虧(以出售所得款淨額與該項資產之賬面值兩者之差額計算)計入該物業終止確認之期間之損益內。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(i) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 2(l)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses (see note 2(m)). Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method. The accounting policy for rental income from leasing of investment properties is set out in note 2(w)(iii).

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

財務報表附註(續)
Notes to the Financial Statements (continued)
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2. 主要會計政策(續)

(j) 物業、廠房及設備

物業、廠房及設備項目乃按成本減累計折舊及減值虧損入賬(見附註2(m)):

自建物業、廠房及設備項目之成本包括物料成本、直接勞工成本、拆卸及搬遷項目以及恢復項目所在地原貌之成本之初步估計(倘有關)和適當比例之生產經常費用及借款成本(見附註2(y))。

報廢或出售物業、廠房及設備項目所產生之損益以該項目之出售所得款淨額與其賬面值之間之差額釐定，並於報廢或出售當日於損益內予以確認。

物業、廠房及設備項目折舊按下列年率，在扣除其估計剩餘價值(如有)後，以直線法撇銷其成本計算：

樓宇	3.23%–6.47%
廠房及機械	6.47%–13.86%
傢俱、裝置及設備	10.78%–19.40%
汽車	16.17%–19.40%

倘物業、廠房及設備項目之部件擁有不同之可用年期，該項目之成本將以合理基準在部件之間進行分配，並且各部件單獨折舊。資產之可使用年期及剩餘價值(如有)均每年進行檢討。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(j) Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(m)):

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 2(y)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

Buildings	3.23%–6.47%
Plant and machinery	6.47%–13.86%
Furniture, fixtures and equipment	10.78%–19.40%
Motor vehicles	16.17%–19.40%

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(j) 物業、廠房及設備(續)

在建工程包括在建造和裝置期內之直接建築成本，乃按成本扣除任何已確認減值虧損入賬。當資產投入擬定用途所需之準備工作大致完成時，該等成本即不再資本化，而在建工程則轉撥至物業、廠房及設備之相關類別。在建工程未計提折舊準備，直至其完成及實質上可作擬定用途為止。

(k) 無形資產(商譽除外)

(i) 分開收購之無形資產

分開收購及可使用年期有限之無形資產，包括專利權，按成本減累計攤銷及累計減值虧損列賬(見附註2(m))。攤銷按其估計可使用年期以直線法予以確認。估計可使用年期及攤銷方法於各報告期末檢討，任何估計變動之影響按預提基準入賬。分開收購及可使用年期無限之無形資產按成本減累計減值虧損列賬。

專利權的使用期限為5至20年並且按直線法在使用年限內攤銷。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(j) Property, plant and equipment (continued)

Construction in progress comprises direct costs of construction during the period of construction and installation, which are carried at cost, less any identified impairment losses. Capitalisation of these costs ceases and the construction in progress is transferred to the relevant class of property, plant and equipment when substantially all of the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided in respect of construction in progress until it is completed and substantially ready for its intended use.

(k) Intangible assets (other than goodwill)

(i) Intangible assets acquired separately

Intangible assets, comprising patents, with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses (see note 2(m)). Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Patents with finite useful lives are amortised on a straight-line basis over 5 to 20 years.

財務報表附註(續)
Notes to the Financial Statements (continued)
截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(k) 無形資產(商譽除外)(續)

(ii) 研究和開發支出

研究活動開支於其產生期間確認為支出。

當且僅當以下所有各項得到證明時，開發(或內部項目之開發階段)產生之內部無形資產應予確認：

- 該無形資產以使其可供使用或出售之技術可行性；
- 該無形資產及使用或出售該無形資產之意圖；
- 使用或出售該無形資產之能力；
- 該無形資產將如何產生未來經濟利益；
- 有足夠技術、財務資源及其他資源完成該無形資產之開發，並使用或出售該無形資產；及
- 有能力可靠計量該無形資產於開發期間應佔開支。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(k) Intangible assets (other than goodwill) (continued)

(ii) Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(k) 無形資產(商譽除外)(續)

(ii) 研究和開發支出(續)

內部產生之無形資產之最初確認金額乃自無形資產首次滿足上述確認標準後所產生之支出總額。倘並無內部產生之無形資產可予確認，則開發支出在其發生期間於損益內予以確認。

在最初確認之後，內部產生之無形資產應按與分開收購之無形資產相同之基準，以成本減累計攤銷及累計減值虧損列賬(見附註2(m))。

(iii) 於業務合併中收購之無形資產

於業務合併時收購之無形資產與商譽分開確認，並按其於收購日期之公允價值初步確認，而有關公允價值被視為其成本。

於初步確認後，於業務合併中收購之無形資產按與分開收購之無形資產相同之基準以成本減累計攤銷及累計減值虧損列賬(見附註2(m))。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(k) Intangible assets (other than goodwill) (continued)

(ii) *Research and development expenditure* (continued)

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (see note 2(m)), on the same basis as intangible assets that are acquired separately.

(iii) *Intangible assets acquired in a business combination*

Intangible assets that are acquired in a business combination and are recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses (see note 2(m)), on the same basis as intangible assets that are acquired separately.

財務報表附註(續)
Notes to the Financial Statements (continued)
截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(k) 無形資產(商譽除外)(續)

(iv) 終止確認無形資產

無形資產於出售或當預期使用或出售該資產後不會帶來未來經濟利益時終止確認。終止確認無形資產產生之收益及虧損按出售所得款淨額與資產賬面值間之差額計算，並於終止確認資產時於損益內予以確認。

(l) 租賃資產

倘本集團決定於協定期限內將特定資產使用權出讓以換取一筆或一連串款項之安排，包括一項交易或一連串交易之該項安排屬於或包括一項租賃。該項決定乃基於安排之實質評估而作出，而不論該項安排是否採取租；u 鈕 礪 熊 勿 易

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財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(i) 租賃資產(續)

(ii) 經營租賃開支

倘本集團乃以經營租賃獲得資產之使用權，其租賃之支出根據其租賃期所涵蓋之會計期間於損益內等額分期扣除，惟倘有其它基準能更清晰地反映其租賃資產所產生之收益模式則除外。獲取之租賃優惠於損益內確認為租賃淨付款總額之組成部分。或有租金在其產生之會計期間於損益內扣除。

以經營租賃持有土地之收購成本於綜合財務狀況表內列為「預付土地租賃款」，並按直線法在租賃期內攤銷，惟劃歸為投資物業之物業(見附註2(i))除外。

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財務報表附註(續)
Notes to the Financial Statements (continued)
截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(m) 資產減值

(i) 債務及權益證券投資及其他應收款減值

按成本或攤銷成本列值或分類為可供出售證券之債務及權益證券投資(於附屬公司之投資除外：見附註2(m)(ii))以及其他流動與非流動應收款，於各報告期末進行檢討，以釐定是否有客觀的減值憑證。客觀的減值憑證包括本集團注意到以下一項或多項虧損事件的顯著數據：

- 債務人有重大財務困難；
- 違反合約，如拖欠或逾期償還利息或本金；
- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境有重大變動而對債務人有不利影響；及
- 股本工具投資之公允價值大幅或長期下跌至低於其成本。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Impairment of assets

(i) *Impairment of investments in debt and equity securities and other receivables*

Investments in debt and equity securities (other than investments in subsidiaries; see note 2(m)(ii)) and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(m) 資產減值(續)

(i) 債務及權益證券投資及其他應收款減值(續)

倘存在任何有關證據，則釐定減值虧損並按以下方式予以確認：

- 根據附註2(m)(ii)，就採用權益法確認之聯營公司之投資(見附註2(e))而言，減值虧損之計量方法為比較該項投資之可收回金額與其賬面值。根據附註2(m)(ii)，倘用於釐定可收回金額之估計出現有利變動，則撥回減值虧損。
- 就以成本列賬之非掛牌權益證券而言，減值虧損乃以金融資產之賬面金額與以類似金融資產之當時市場回報率折現(倘折現造成重大影響)之預計未來現金流量之間之差額計量。按成本入賬之權益證券之減值虧損不予撥回。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Impairment of assets (continued)

(i) Impairment of investments in debt and equity securities and other receivables (continued)

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For investments in associates recognised using the equity method (see note 2(e)), the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 2(m)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with note 2(m)(ii).
- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.

財務報表附註(續)
Notes to the Financial Statements (continued)
截至二零一一年十二月三十一日止年度
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2. 主要會計政策(續)

(m) 資產減值(續)

(i) 債務及權益證券投資及其他應收款減值(續)

- 就按攤銷成本列賬的應收賬款及其他當期應收款以及其他金融資產而言，減值虧損按資產賬面值與估計未來現金流量現值的差額釐定，如貼現影響屬重大，則按金融資產原來實際利率(即最初確認該等資產時計算的實際利率)貼現。如按攤銷成本列賬的金融資產具備類似的風險特徵，例如類似的逾期情況及並未單獨被評估為減值，則有關的評估會同時進行。金融資產的未來現金流量會根據與該類資產具有類似信貸風險特徵資產的過往虧損情況一同評估減值。

倘若減值虧損的金額於隨後期間減少，而減幅可與確認減值虧損後發生的事件客觀聯繫，則減值虧損將通過損益予以撥回。撥回減值虧損不得導致資產的賬面值超出其在過往年度在沒有確認減值虧損情況下而釐定的數額。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Impairment of assets (continued)

(i) *Impairment of investments in debt and equity securities and other receivables* (continued)

- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(m) 資產減值(續)

(i) 債務及權益證券投資及其他應收款減值(續)

減值虧損應從相應的資產中直接撇銷，但可收回性被視為可疑而非微乎其微的應收賬款及應收票據之已確認減值虧損則例外，在此情況下，呆壞賬的減值虧損應計入撥備賬。倘本集團認為能收回應收賬款的機會微乎其微，則視為不可收回金額會從應收賬款及應收票據中直接撇銷，而在撥備賬中持有有關該債務的任何金額會被撥回。若之前計入撥備賬之款項在其後收回，則相關的撥備會被撥回。撥備賬的其他變動及之前直接撇銷而其後收回的款項，均在損益中確認。

(ii) 其他資產減值

本集團會於各報告期末審閱內部及外部資料，以確定以下資產是否存在減值跡象，或先前確認的減值虧損是否不再存在或可能已經減少：

- 物業、廠房及設備；
- 預付土地租賃款；
- 無形資產；
- 於附屬公司的投資；及
- 投資物業。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Impairment of assets (continued)

(i) Impairment of investments in debt and equity securities and other receivables (continued)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade receivables and bills receivable, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade receivables and bills receivable directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- prepaid lease payments;
- intangible assets;
- investments in subsidiaries; and
- investment properties.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(m) 資產減值(續)

(ii) 其他資產減值(續)

倘存在任何上述跡象，則資產的可收回金額將予以估計。此外，就商譽、未可供使用之無形資產及具有無期限可使用年期之無形資產而言，每年均會評估其可收回金額，無論是否存在任何減值跡象。

— 計算可收回金額

資產的可收回金額為其公允價值減出售成本與使用價值兩者之間的較高者。在評估使用價值時，會按反映當時市場對貨幣時間價值及資產特定風險評估的稅前貼現率，將估計未來現金流量貼現至其現值。倘資產並無產生基本上獨立於其他資產所產生的現金流入，則以能獨立產生現金流入的最小資產組別(即現金產生單位)來釐定可收回金額。

— 確認減值虧損

倘資產或其所屬現金產生單位的賬面值超過其可收回金額，則於損益中確認減值虧損。就現金產生單位確認的減值虧損會先予以分配，以減少分配至該現金產生單位(或該單位組別)的任何商譽之賬面值，再按比例減少該單位(或該單位組別)內其他資產的賬面值，惟某資產的賬面值不會減至低於其個別公允價值減去出售成本或使用價值(如能釐定)之差額。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(m) 資產減值(續)

(ii) 其他資產減值(續)

— 撥回減值虧損

就除商譽之外的資產而言，倘用作釐定可收回金額的估計出現有利變動，則會撥回減值虧損。商譽的減值虧損不予撥回。

所撥回的減值虧損限於在過往年度並未確認減值虧損時原應釐定的資產賬面值。所撥回的減值虧損在確認撥回的年度計入損益。

(n) 存貨

存貨以成本值及可變現淨值兩者中的較低者入賬。

成本以加權平均成本法計算，並包括所有採購成本、轉換成本及將存貨運至現址和變成現狀的其他成本。

可變現淨值乃日常業務過程中的估計售價減去估計完成生產及銷售所需的成本。

存貨出售時，該等存貨的賬面值於確認有關收入的期間確認為開支。存貨撇減至可變現淨值的減幅及所有存貨虧損一概在撇減或虧損產生期間確認為開支。任何存貨撇減撥回的金額，在作出撥回期間確認為減少已確認為開支的存貨金額。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(n) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

財務報表附註(續)
Notes to the Financial Statements (continued)
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2. 主要會計政策(續)

(o) 建造合同

建造合同乃就一項資產或一組資產與客戶洽談的具體合同，而客戶可指定設計的主要結構構件。有關合同收入的會計政策載於附註2(w)(ii)。倘能夠可靠地估計建造合同的結果，合同成本會參照報告期末的合同完成程度確認為開支。倘若合同總成本可能超過合同總收入，則預期虧損會即時確認為開支。倘不能可靠地估計建造合同的結果，則合同成本於產生期間確認為開支。

於報告期末正在進行的建造合同按所產生的成本加上已確認溢利減去已確認虧損及進度結算賬單的淨額，記入財務狀況表的「應收合約工程客戶總額」(作為資產)或「應付合約工程客戶總額」(作為負債)(如適用)。客戶尚未支付的進度結算賬單及保固金則記入「應收賬款」內。進行相關工程前收取的款項，則記入「已收按金」內。可預見虧損於管理層預計將會出現時立即作出撥備。

(p) 應收賬款及其他應收款

應收賬款及其他應收款初步按公允價值確認，其後則按經攤銷成本扣除呆賬減值撥備列賬(見附註2(m))，惟倘若應收款項為給予關連方的無固定還款期的免息貸款，或貼現影響並不重大者則除外。於該等情況下，應收款乃按成本扣除呆賬減值撥備列賬。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(o) Construction contracts

Construction contracts are contracts specifically negotiated with a customer for the construction of an asset or a group of assets, where the customer is able to specify the major structural elements of the design. The accounting policy for contract revenue is set out in note 2(w)(ii). When the outcome of a construction contract can be estimated reliably, contract costs are recognised as an expense by reference to the state of completion of the contract at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

Construction contracts in progress at the end of the reporting period are recorded at the net amount of costs incurred plus recognised profit less recognised losses and progress billings, and are presented in the statement of financial position as the "Amounts due from customers for contract work" (as an asset) or the "Amounts due to customers for contract work" (as a liability), as applicable. Progress billings not yet paid by the customers and retention are included under "Trade receivables". Amounts received before the related work is performed are presented as "Deposits received". Provision is made for foreseeable losses as soon as they are anticipated by management.

(p) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment of doubtful debts (see note 2(m)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

財務報表附註(續) Notes to the Financial Statements (continued)

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2. 主要會計政策(續)

(q) 計息借款

計息借款初步按公允價值減應佔交易成本確認。初步確認後，計息借款按攤銷成本列賬，而初步確認金額與贖回價值之間之差額(連同任何應付利息及費用)會於借款期內利用實際利率法於損益中確認。

(r) 應付賬款及其他應付款

應付賬款及其他應付款初步按公允價值確認。除根據附註2(v)(i)計量之財務擔保負債外，應付賬款及其他應付款其後則按經攤銷成本列賬，惟倘若貼現的影響並不重大，則按成本列賬。

(s) 現金及現金等價物

現金及現金等價物包括銀行存款及手頭現金、存放於銀行和其他財務機構的活期存款，以及可以隨時換算為已知現金額且價值變動風險不大，並在購入後三個月內到期的短期和高流動性投資。就綜合現金流量表而言，現金及現金等價物亦包括構成本集團現金管理重要部分及須按通知償還之銀行透支。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(q) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(r) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 2(v)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(s) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

財務報表附註(續)
Notes to the Financial Statements (continued)
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2. 主要會計政策(續)

(t) 員工福利

短期員工福利及界定供款退休計劃的供款

薪金、年終花紅、有薪年假、向界定供款退休計劃作出的供款及非貨幣福利的成本於員工提供相關服務的年度內計算。如延遲付款或結算並構成重大影響，則此等金額會以現值列賬。

(u) 所得稅

年度所得稅包括即期稅項及遞延稅項資產和負債的變動。即期稅項及遞延稅項資產和負債的變動均於損益內確認，但與其他全面收益或直接於權益內確認的項目有關者，則於其他全面收益或直接於權益內確認。

即期稅項為按年內應課稅收入，根據於報告期末已執行或實質上已執行的稅率計算的預期應付稅項，以及對過往期間應付稅項作出的任何調整。

遞延稅項資產及負債分別由可扣減及應課稅的暫時差額產生，即資產及負債就財務報告上的賬面值與其稅基之間的差額。遞延稅項資產亦由未使用稅項虧損及未使用稅項抵免產生。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(t) Employee benefits

Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(u) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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2. 主要會計政策(續)

(u) 所得稅(續)

已確認的遞延稅項金額按照資產及負債賬面值的預期變現或清償方式，根據在報告期末已執行或實際已執行的稅率計算。遞延稅項資產及負債均不作貼現。

本集團會在各報告期末審閱遞延稅項資產的賬面值。倘不再可能獲得足夠的應課稅溢利以使用相關稅項優惠，該遞延稅項資產的賬面值便會調低。倘日後可能獲得足夠的應課稅溢利，則該等削減金額可予撥回。

股息分派產生之額外所得稅將於確認與派發相關股息有關之負債時確認。

即期稅項結餘及遞延稅項結餘及其變動額會分開列示且不予抵銷。倘本公司或本集團有法定行使權以即期稅項資產抵銷即期稅項負債，且符合下列附帶條件，即期稅項資產與遞延稅項資產始會分別與即期稅項負債及遞延稅項負債抵銷：

- 倘為即期稅項資產及負債，而本集團計劃按淨額基準結算，或同時變現該資產及清償該負債；或

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(u) Income tax (continued)

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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2. 主要會計政策(續)

(u) 所得稅(續)

- 倘為遞延稅項資產及負債，而此等資產及負債與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應課稅企業；或
 - 不同應課稅企業，而該等企業計劃於日後預計將清償大額遞延稅項負債或收回大額遞延稅項資產的每個期間內，按淨額基準變現即期稅項資產及清償即期稅項負債，或同時變現該資產及清償該負債。

(v) 已發出財務擔保、撥備及或然負債

(i) 已發出財務擔保

財務擔保乃要求發行人(即擔保人)就擔保受益人(「持有人」)因特定債務人未能根據債務工具的條款於到期時付款而蒙受的損失，而向持有人支付特定款項的合同。

當本集團發出財務擔保，該擔保的公允價值(即交易價格，除非公允價值能以其他方式可靠估計)最初確認為其他應付款內的遞延收入。倘於發出該擔保時已收取或可收取代價，該代價則根據本集團適用於該類資產的政策而予以確認。倘並無已收取或可收取之任何有關代價，則於初始確認任何遞延收入時即時於損益內確認開支。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(u) Income tax (continued)

- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(v) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

財務報表附註(續) Notes to the Financial Statements (continued)

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2. 主要會計政策(續)

(v) 已發出財務擔保、撥備及或然負債 (續)

(i) 已發出財務擔保(續)

最初確認為遞延收入的擔保款額按擔保年期攤銷並於損益內確認為財務擔保收入。此外，倘(i)擔保持有人有可能就該項擔保要求本集團履行擔保；及(ii)向本集團提出的申索款額預期超過現時列於該擔保的其他應付款(即最初確認的金額減累計攤銷)，則根據附註2(v)(iii)確認有關撥備。

(ii) 業務合併承擔之或然負債

因業務合併而於收購日確認或然負債為即期責任，則以收購日確認公允價值，惟公允價值須能可靠計量。於初始以公允價值確認後，該等或然負債會以最初確認的金額減去累計攤銷(如適用)後所得金額及可能根據附註2(v)(iii)確定之金額兩者中的較高者予以確認。倘不能於收購日可靠地計量公允價值或並非為即期責任，因業務合併而承擔之或然負債則根據附註2(v)(iii)披露。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(v) Financial guarantees issued, provisions and contingent liabilities (continued)

(i) Financial guarantees issued (continued)

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 2(v)(iii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

(ii) Contingent liabilities assumed in business combinations

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with note 2(v)(iii). Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligations at the date of acquisition are disclosed in accordance with note 2(v)(iii).

財務報表附註(續) Notes to the Financial Statements (continued)

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2. 主要會計政策(續)

(v) 已發出財務擔保、撥備及或然負債 (續)

(iii) 其他撥備及或然負債

當本集團或本公司因過往事件而有法律或推定責任，而且可能需要導致經濟利益流出以履行有關責任，並能對數額作出可靠估計時，則對此等不確定時間或金額之負債確認撥備。倘貨幣之時間價值重大，撥備會以預計履行責任所需開支之現值入賬。

倘經濟利益外流的可能性較低，或是無法對有關數額作出可靠的估計，便會將該責任披露為或然負債，惟經濟利益外流的可能性極低則除外。倘潛在責任須視乎某件或多件未來事件是否發生才能確定是否存在，亦會披露為或然負債，惟經濟利益外流的可能性極低則除外。

(w) 收入

收入按已收或應收代價之公允價值計量。於經濟利益可能流入本集團，而收入及成本(如適用)亦能可靠地計量時，收入會根據下列基準於損益中確認：

(i) 銷售貨品

收入在貨品送達客戶場地，而且客戶接納貨品及其所有權相關的風險及回報時確認。收入不包括增值稅或其他銷售稅，並已扣除任何銷售折扣。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(v) Financial guarantees issued, provisions and contingent liabilities (continued)

(iii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(w) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Sale of goods

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

財務報表附註(續)
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2. 主要會計政策(續)

(w) 收入(續)

(ii) 合同收入

當建造合同的結果能夠可靠地估計時：

- 固定價格合同的收入以完工百分比法確認，並根據至今已產生的合同成本與合同預計總成本的比例計量；及

當建造合同的結果不能可靠地估計，收入只於所產生的合同成本將可收回時確認。

(iii) 經營租賃租金收入

經營租賃的應收租金收入於租賃年期所涵蓋的期間內均等地在損益中確認，惟另有一種方法更能代表使用租賃資產所得的利益模式則除外。經營租賃協議所涉及的激勵措施均在損益中確認為應收租賃淨付款總額的組成部分。或然租金在其賺取的會計期間內確認為收入。

(iv) 服務收入

服務收入於服務提供時確認。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(w) Revenue (continued)

(ii) Contract revenue

When the outcome of a construction contract can be estimated reliably:

- revenue from a fixed price contract is recognised using the percentage of completion method, measured by reference to the percentage of contract costs incurred to date to estimated total contract costs for the contract; and

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable.

(iii) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(iv) Service income

Service income is recognised when services are provided.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(w) 收入(續)

(v) 股息

- 非上市投資之股息收入於股東收取款項之權利確立時確認。
- 上市投資之股息收入於該投資之股價除息後確認。

(vi) 利息收入

利息收入乃於產生時按實際利率法確認。

(vii) 政府補助

當可以合理地確定本集團將會收到政府補助並履行該補助附帶之條件時，政府補助於財務狀況表內初始確認。用於彌補本集團已產生開支之補助於該等開支產生期間有系統地於損益中確認為收入。用於彌補本集團資產成本之補助則從該資產的賬面金額中扣除，其後以減少折舊開支之方式按該資產的可用期限於損益中實際確認。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(w) Revenue (continued)

(v) Dividends

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(vi) Interest income

Interest income is recognised as it accrues using the effective interest method.

(vii) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

財務報表附註(續)
Notes to the Financial Statements (continued)
截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(x) 外幣換算

年內的外幣交易按交易日的匯率換算。以外幣計值之貨幣資產及負債則按報告期末之匯率換算。匯兌盈虧於損益中確認。

以外幣按歷史成本計算之非貨幣資產及負債使用交易日之匯率換算。以外幣計值且以公允價值列示之非貨幣資產及負債，則按該公允價值釐定日期之匯率進行換算。

(y) 借款成本

凡直接與購置、興建或產生某項資產(該資產必須經過頗長時間籌備以作擬定用途或出售)有關之借款成本，均資本化為該資產之部分成本。其他借款成本均於其產生期間列為開支。

屬於合資格資產成本一部分的借款成本於該資產開支產生、借款成本產生及使資產投入擬定用途或銷售所必須的準備工作進行期間開始資本化。於使合資格資產投入擬定用途或銷售所必須的絕大部分準備工作中止或完成時，借款成本便會暫停或停止資本化。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(x) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

(y) Borrowings costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(z) 關聯方

- (a) 某人或其近親家族成員倘符合以下條件，則被視為本集團的關聯方：
- (i) 控制或共同控制本集團；
 - (ii) 可對本集團發揮重大影響力；或
 - (iii) 為本集團或本集團母公司之主要管理人員。
- (b) 某實體倘符合以下條件，則被視為本集團的關聯方：
- (i) 該實體與本集團為同一集團之成員(即各母公司、附屬公司及同系附屬公司彼此互有關連)。
 - (ii) 某實體為另一實體之聯繫人士或合營夥伴(或某集團成員之聯繫人士或合營夥伴，而該另一實體亦為該集團之成員)。
 - (iii) 兩個實體屬同一第三方之合營夥伴。
 - (iv) 某實體為第三方實體之合營夥伴，而另一實體則為該第三方實體之聯繫人士。
 - (v) 該實體屬於為本集團或與其有關連之實體之僱員利益而設之退休福利計劃。
 - (vi) 該實體受(a)項所述人士控制或共同控制。
 - (vii) (a)(i)項所述人士可對該實體發揮重大影響力，或為該實體之主要管理人員。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(z) Related parties

- (a) A person, or a close member of that person's family, is related to the group if that person:
- (i) has control or joint control over the group;
 - (ii) has significant influence over the group; or
 - (iii) is a member of the key management personnel of the group or the group's parent.
- (b) An entity is related to the group if any of the following conditions applies:
- (i) The entity and the group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the group or an entity related to the group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(z) 關聯方(續)

個別人士之近親家族成員指該人士於處理企業事務上預期可影響彼等或受其影響之家族成員。

(aa) 分部報告

經營分部及財務報表中所報告的各分部項目的數額，與定期提供予本集團最高行政管理人員以對本集團各類業務及各經營地區進行資源分配及表現評估的財務資料一致。

個別重大的經營分部不予合併計算以供財務報告之用，但倘若該等經營分部具有相似的經濟特徵，且在產品及服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務所採用的方法以及監管環境的性質等方面相似，則作別論。倘若個別不重大的經營分部符合以上大部分標準，則可能合併計算。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(z) Related parties (continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(aa) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(ab) 套期會計

現金流套期

本集團指若干衍生工具為用作現金流套期的套期工具。

於套期關係開始時，實體將套期工具與被套期項目的關係，連同其風險管理目標及其進行各項套期交易的策略一併記錄在案。此外，於套期開始時及按持續基準，本集團將套期工具在抵銷被套期風險所屬套期項目的公允價值或現金流的變動上是否發揮高效的情況記錄在案。

倘某項衍生金融工具被指定為套期某項已確認資產或負債或某項極有可能的預測交易之現金流或某項已承諾之未來交易的外幣風險變動，將衍生金融工具重新計量至公允價值所產生任何損益的實際部分在其他全面收益中確認並在套期儲備中的權益中累計。任何損益的非實際部分則即時在溢利或虧損中確認。

倘某項預測交易的套期其後導致確認一項非金融資產或非金融負債，相關損益將自權益重新分類，將列入該非金融資產或負債的初始成本或其他賬面值。

倘某項預測交易的套期其後導致確認一項金融資產或金融負債，相關損益將於所購資產或所承擔負債足以影響溢利或虧損的同一段或多段期間(例如確認利息收入或支出)自權益重新分類至溢利或虧損。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(ab) Hedging accounting

Cash flow hedges

The Group designates certain derivatives as hedging instruments for cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instruments and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instruments is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk of a committed future transaction, the effective portion of any gains or losses on remeasurement of the derivative financial instrument to fair value are recognised in other comprehensive income and accumulated separately in equity in the hedging reserve. The ineffective portion of any gain or loss is recognised immediately in profit or loss.

If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, the associated gain or loss is reclassified from equity to be included in the initial cost or other carrying amount of the non-financial asset or liability.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gain or loss is reclassified from equity to profit or loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss (such as when interest income or expense is recognised).

財務報表附註(續)
Notes to the Financial Statements (continued)
截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

2. 主要會計政策(續)

(ab) 套期會計(續)

現金流套期(續)

至於現金流套期方面，除前述兩項政策聲明所涵蓋者外，相關損益乃於被套期預測交易足以影響溢利或虧損之同一段或多段期間自權益重新分類至溢利或虧損。

當某項套期工具屆滿或予以出售、終止或行使時，或實體撤銷指定的套期關係但預期被套期的預測交易仍會發，屆時的累計損益仍留在權益內，直至交易發生為止，並根據上述政策確認。倘預期被套期交易不再進行，累計未變現損益即時自權益重新分類至溢利或虧損。

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(ab) Hedging accounting (continued)

Cash flow hedges (continued)

For cash flow hedges, other than those covered by the preceding two policy statements, the associated gain or loss is reclassified from equity to profit or loss in the same period or periods during which the hedged forecast transaction affects profit or loss.

When a hedging instrument expires or is sold, terminated or exercised, or the entity revokes designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity until the transaction occurs and it is recognised in accordance with the above policy. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss is reclassified from equity to profit or loss immediately.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)及共同控制合併適用之合併會計

新訂及經修訂香港財務報告準則

本集團已採納以下於本會計期間首次生效之新訂及經修訂準則、修訂及詮釋(「新訂及經修訂香港財務報告準則」)。

香港財務報告準則修訂	於二零一零年頒佈之香港財務報告準則改進
香港會計準則第24號 (於二零零九年修訂)	關聯方披露 ^(#)
香港會計準則第32號修訂	供股之分類
香港(國際財務報告詮釋委員會)- 詮釋第14號修訂	最低資金要求的預付款項
香港(國際財務報告詮釋委員會)- 詮釋第19號	以股本工具抵銷金融負債

^(#) 於截至二零一零年十二月三十一日止年度之年度綜合財務報表內，本集團已提早應用政府相關實體之部分豁免披露規定。

於本年度應用該等新訂及經修訂香港財務報告準則並無對綜合財務報表所呈報金額及或綜合財務報表所載披露資料產生重大影響。

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") AND MERGER ACCOUNTING FOR COMMON CONTROL COMBINATION

New and revised HKFRSs

The Group has adopted the following new and revised Standards, Amendments and Interpretations ("new and revised HKFRSs") that are first effective for the current accounting period.

Amendments to HKFRSs	Improvements to HKFRSs issued in 2010
HKAS 24 (as revised in 2009)	Related Party Disclosures ^(#)
Amendments to HKAS 32	Classification of Rights Issues
Amendments to HK(IFRIC)-Int 14	Prepayments of a Minimum Funding Requirement
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments

^(#) The Group had early applied the partial exemption from the disclosure requirements for government-related entities for its annual consolidated financial statements for the year ended 31 December 2010.

The application of these new and revised HKFRSs in the current year has had no material effect on the amounts reported in these consolidated financial statements and/or disclosures set out in these consolidated financial statements.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)及共同控制合併適用之合併會計(續)

共同控制合併適用之合併會計

於二零一一年五月，本集團以向哈爾濱電機廠(昆明)有限公司(「昆明電機」)注資人民幣250,000,000元(「注資」)的方式收購昆明電機55.64%股權。昆明電機為一家在中國註冊成立的公司，主要業務為製造小型水力發電設備。於注資前，本集團的最終母公司哈電集團公司曾於二零一零年取得昆明電機78%的控制權益。

本集團進行的收購被視為涉及共同控制實體的業務合併，並已根據香港會計師公會頒佈的會計指引第5號「共同控制合併適用的合併會計」就截至二零一一年十二月三十一日止年度採用合併會計法入賬。根據合併會計原則，綜合財務報表乃按昆明電機及其附屬公司於截至二零一零年十二月三十一日止年度已為本集團附屬公司的假設編製。因此，截至二零一零年十二月三十一日止年度的比較綜合收益表、綜合全面收益表及綜合現金流量表以及於二零一零年十二月三十一日的綜合財務狀況表已重列，以包括合併實體自初次受共同控制當日起的業績。

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) AND MERGER ACCOUNTING FOR COMMON CONTROL COMBINATION (continued)

Merger accounting for common control combination

In May 2011, the Group acquired 55.64% of the equity interest of 哈爾濱電機廠(昆明)有限公司 (“Kunming Generator”) by way of capital contribution of RMB250,000,000 (the “Capital Contribution”) to Kunming Generator. Kunming Generator is a company incorporated in the PRC and principally engaged in the business of manufacturing of small-scale hydro power equipment. Before the Capital Contribution, the Group’s ultimate parent company, HE, had previously obtained a controlling equity interest of 78% in Kunming Generator in 2010.

The Group’s acquisition is considered as business combination involving entities under common control and has been accounted for using merger accounting method, based on the Accounting Guideline 5 “Merger Accounting for Common Control Combinations” issued by the HKICPA for the year ended 31 December 2011. Under the principles of merger accounting, the consolidated financial statements have been prepared as if Kunming Generator and its subsidiaries have been subsidiaries of the Group for the year ended 31 December 2010. As a result, the comparative consolidated income statement, consolidated statement of comprehensive income and consolidated statement of cash flows for the year ended 31 December 2010 and consolidated statement of financial position as at 31 December 2010 have therefore been restated, in order to include the results of the combining entities since the date of which first come under common control.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)及共同控制合併適用之合併會計(續)

共同控制合併適用之合併會計(續)

合併昆明電機對本集團截至二零一零年十二月三十一日止年度綜合收益表及綜合全面收益表的影響概列如下：

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSS") AND MERGER ACCOUNTING FOR COMMON CONTROL COMBINATION (continued)

Merger accounting for common control combination (continued)

The effects of the combination of Kunming Generator on the Group's consolidated income statement and consolidated statement of comprehensive income for the year ended 31 December 2010 by line items is as follows:

		二零一零年 十二月三十一日 31.12.2010 人民幣千元 RMB'000 (原有列值) (previously reported)	合併昆明電機 Combination of Kunming Generator 人民幣千元 RMB'000	對銷調整 Elimination adjustments 人民幣千元 RMB'000	二零一零年 十二月三十一日 31.12.2010 人民幣千元 RMB'000 (重列) (restated)
收入	Revenue	28,815,543	370,770	(14,089)	29,172,224
成本	Cost of sales	(24,665,786)	(331,322)	14,689	(24,982,419)
毛利	Gross profit	4,149,757	39,448	600	4,189,805
其他收入及淨收入	Other revenue and net income	948,150	14,046	(1,343)	960,853
營業費用	Distribution expenses	(483,997)	(24,792)	—	(508,789)
管理費用	Administrative expenses	(2,686,530)	(68,350)	—	(2,754,880)
其他業務支出	Other operating expenses	(410,931)	(406)	—	(411,337)
財務支出	Finance costs	(132,321)	(7,966)	743	(139,544)
應佔聯營公司溢利 減虧損	Share of profits less losses of associates	25,793	—	—	25,793
除稅前溢利	Profit before taxation	1,409,921	(48,020)	—	1,361,901
稅項	Income tax	(272,027)	3,077	—	(268,950)
本年度溢利及綜合全面 收益總額	Profit and total comprehensive income for the year	1,137,894	(44,943)	—	1,092,951
應佔盈利：	Attributable to:				
本公司股份持有人	Equity shareholders of the Company	1,024,498	(23,390)	—	1,001,108
非控股權益	Non-controlling interests	113,396	(21,553)	—	91,843
		1,137,894	(44,943)	—	1,092,951
每股盈利	Earnings per share				
— 基本及攤薄	— Basic and diluted	人民幣RMB 74.4分cents	(人民幣RMB 1.7分cents)	—	人民幣RMB 72.7分cents

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)及共同控制合併適用之合併會計(續)

共同控制合併適用之合併會計(續)

合併昆明電機對本集團於二零一零年十二月三十一日之綜合財務狀況表的影響概列如下：

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) AND MERGER ACCOUNTING FOR COMMON CONTROL COMBINATION (continued)

Merger accounting for common control combination (continued)

The effects of the combination of Kunming Generator on the Group’s consolidated statement of financial position as at 31 December 2010 by line items is as follows:

	二零一零年 十二月三十一日 31.12.2010 人民幣千元 RMB'000 (原有列值) (previously reported)	合併昆明電機 Combination of Kunming Generator 人民幣千元 RMB'000	對銷調整 Elimination adjustments 人民幣千元 RMB'000	二零一零年 十二月三十一日 31.12.2010 人民幣千元 RMB'000 (重列) (restated)
非流動資產				
NON-CURRENT ASSETS				
投資物業	4,991	—	—	4,991
物業、廠房及設備	4,815,171	74,942	—	4,890,113
預付土地租賃款	367,348	52,118	—	419,466
無形資產	90,321	—	—	90,321
遞延稅項資產	193,878	11,193	—	205,071
於聯營公司之權益	328,490	150	—	328,640
其他非流動金融資產	35,941	17,696	—	53,637
	5,836,140	156,099	—	5,992,239
流動資產				
CURRENT ASSETS				
存貨	12,562,801	262,094	—	12,824,895
應收賬款	11,122,830	152,220	(4,987)	11,270,063
應收票據	980,496	1,587	—	982,083
其他應收款、按金及預付款項	4,506,705	69,319	(34,228)	4,541,796
預付土地租賃款	12,058	1,184	—	13,242
建造合同應收款	894,923	—	—	894,923
應收同系附屬公司款項	112,920	—	—	112,920
衍生金融工具	104,276	—	—	104,276
交易性證券	1,188,000	—	—	1,188,000
受限制銀行存款	—	5,000	—	5,000
已抵押銀行存款	249,294	27,199	—	276,493
銀行存款	1,090,000	860	—	1,090,860
現金及現金等價物	11,425,774	33,545	—	11,459,319
	44,250,077	553,008	(39,215)	44,763,870

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)及共同控制合併適用之合併會計(續)

共同控制合併適用之合併會計(續)

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSS") AND MERGER ACCOUNTING FOR COMMON CONTROL COMBINATION (continued)

Merger accounting for common control combination
(continued)

	二零一零年 十二月三十一日 31.12.2010 人民幣千元 RMB'000 (原有列值) (previously reported)	合併昆明電機 Combination of Kunming Generator 人民幣千元 RMB'000	對銷調整 Elimination adjustments 人民幣千元 RMB'000	二零一零年 十二月三十一日 31.12.2010 人民幣千元 RMB'000 (重列) (restated)
流動負債	CURRENT LIABILITIES			
建造合同應付款	Amounts due to customers for contract work	(1,274,290)	—	(1,274,290)
應付賬款	Trade payables	(11,746,026)	(126,208)	(11,867,247)
其他應付款、應計費用及撥備	Other payables, accruals and provisions	(2,799,289)	(53,340)	(2,852,629)
已收按金	Deposits received	(11,681,047)	(214,712)	(11,891,531)
應付同系附屬公司款項	Amounts due to fellow subsidiaries	(24,418)	—	(24,418)
欠控股公司款項	Advance from holding company	(20,478)	—	(20,478)
須於一年內償還之借款	Borrowings — due within one year	(507,005)	(150,000)	(627,005)
應交稅金	Tax payables	(815,084)	(1,149)	(816,233)
		(28,867,637)	(545,409)	(29,373,831)
流動資產淨值	NET CURRENT ASSETS	15,382,440	7,599	15,390,039
扣除流動負債後的總資產	TOTAL ASSETS LESS CURRENT LIABILITIES	21,218,580	163,698	21,382,278
非流動負債	NON-CURRENT LIABILITIES			
已收按金	Deposits received	(7,592,559)	—	(7,592,559)
欠控股公司款項	Advance from holding company	(1,042,918)	—	(1,042,918)
須於一年後償還之借款	Borrowings — due after one year	(1,549,909)	(33,050)	(1,582,959)
		(10,185,386)	(33,050)	(10,218,436)
資產淨值	NET ASSETS	11,033,194	130,648	11,163,842
股本及儲備	CAPITAL AND RESERVES			
股本	Share capital	1,376,806	38,840	1,376,806
儲備	Reserves	8,260,977	88,821	8,324,642
本公司股份持有人應佔總權益	Total equity attributable to equity shareholders of the Company	9,637,783	127,661	9,701,448
非控股權益	Non-controlling interests	1,395,411	2,987	1,462,394
權益總額	TOTAL EQUITY	11,033,194	130,648	11,163,842

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)及共同控制合併適用之合併會計(續)

共同控制合併適用之合併會計(續)

合併昆明電機對本集團於二零一零年十二月三十一日之權益之影響概列如下：

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) AND MERGER ACCOUNTING FOR COMMON CONTROL COMBINATION (continued)

Merger accounting for common control combination (continued)

The effects of the combination of Kunming Generator on the Group’s equity as at 31 December 2010 is as follows:

		二零一零年 十二月三十一日 31.12.2010 人民幣千元 RMB'000 (原有列值) (previously reported)	合併昆明電機 Combination of Kunming Generator 人民幣千元 RMB'000	對銷調整 Elimination adjustments 人民幣千元 RMB'000	二零一零年 十二月三十一日 31.12.2010 人民幣千元 RMB'000 (重列) (restated)
股本	Share capital	1,376,806	38,840	(38,840)	1,376,806
股份溢價	Share premium	1,980,295	—	—	1,980,295
法定資本儲備	Statutory capital reserve	709,850	72,381	(72,381)	709,850
法定盈餘公積金	Statutory surplus reserve	596,936	20,259	(20,259)	596,936
其他儲備	Other reserves	74,421	—	87,055	161,476
保留溢利	Retained profits	4,899,475	(3,819)		

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

4. 收入

收入(即本集團營業額)指本集團於年內將產品售予客戶及為其提供服務之已收及應收金額在扣除稅項及退貨後之淨額,本集團年內之收入分析如下:

4. REVENUE

Revenue, which is also the Group's turnover, represents the amounts received and receivable for goods sold and services rendered by the Group to customers during the year, net of taxes and sales returns, and an analysis of the Group's revenue for the year as follows:

		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)
銷售貨品	Sales of goods	22,539,408	21,473,509
建造合同收入	Revenue from construction contracts	5,948,374	7,691,199
提供服務收入	Revenue from services rendered	—	7,516
		28,487,782	29,172,224

截至二零一一年十二月三十一日止年度,概無客戶與本集團進行的交易超過本集團主營業務收入的10%(二零一零年:無)。

For the year ended 31 December 2011, there was no customer with whom transactions have exceeded 10% of the Group's revenue (2010: Nil).

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

5. 其他收入及淨收入

5. OTHER REVENUE AND NET INCOME

		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)
其他收入	Other revenue		
持有至到期的債券所得利息收入	Interest income from held-to-maturity bonds	6,085	—
其他利息收入	Other interest income	246,160	277,728
非以公允價值計入損益之金融資產 之總利息收入	Total interest income on financial assets not at fair value through profit or loss	252,245	277,728
補償收入	Compensation income	3,181	60,617
交易性證券之股息收入	Dividend income from trading securities	50,000	—
非上市權益證券之股息收入	Dividend income from unlisted equity securities	7,358	1,120
中國政府補貼	PRC government subsidy	380,675	335,603
租金收入	Rental income	7,145	2,289
其他收入	Other income	92,131	26,628
		792,735	703,985
其他淨收入 (虧損)	Other net income/(loss)		
出售物業、廠房及設備淨收益	Net gain on disposal of property, plant and equipment	3,850	6,122
出售投資物業淨收益	Net gain on disposal of investment properties	—	550
廢料等銷售淨溢利	Net profit from sale of scrap materials and others	839	1,461
出售附屬公司收益(附註36)	Gain on disposal of subsidiaries (note 36)	389	150,349
出售交易性證券收益	Gain on disposal of trading securities	7,606	—
出售待銷售性投資收益	Gain on disposal of available-for-sale investments	1,174	—
不合套期條件之衍生金融工具之 公允價值收益	Fair value gains on derivative financial instruments not qualifying as hedges	78,704	104,276
物業、廠房及設備減值虧損回撥	Reversal of impairment loss of property, plant and equipment	—	1,110
交易性證券公允價值虧損	Fair value losses on trading securities	(394,512)	(7,000)
		(301,950)	256,868
		490,785	960,853

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

6. 除稅前溢利

除稅前溢利經扣除 (計入)以下各項：

		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)
(a) 財務支出	(a) Finance costs		
銀行及其他借款利息支出：	Interest on bank and other borrowings:		
— 須於五年內全部償還	— wholly repayable within five years	60,183	134,135
— 須於五年後全部償還	— not wholly repayable within five years	17,690	18,690
		77,873	152,825
非以公允價值計入損益之 金融負債之總利息支出	Total interest expenses on financial liabilities not at fair value through profit or loss	77,873	152,825
減：於在建工程內資本化 之利息支出	Less: interest expense capitalised into construction in progress	(5,321)	(13,281)
		72,552	139,544

本年度資本化的借款成本乃由一般借款項目產生，並以資本化年率6.40%(二零一零年：4.78%)轉至合資格資產內。竣 ^

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

6. 除稅前溢利(續)

6. PROFIT BEFORE TAXATION (continued)

		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)
(b) 員工成本#	(b) Staff costs#		
員工成本(包括董事及監事酬金) (附註8)	Staff costs including directors' and supervisors' emoluments (note 8)	1,569,233	1,364,342
退休福利計劃供款	Post-employment benefit scheme contributions	301,251	262,587
員工總成本	Total staff costs	1,870,484	1,626,929
(c) 其他項目	(c) Other items		
呆賬準備	Allowance for doubtful debts	618,868	574,012
存貨跌價準備	Allowance for inventories	115,526	134,867
無形資產攤銷#	Amortisation of intangible assets#	19,110	12,993
預付土地租賃款攤銷#	Amortisation of prepaid lease payments#	11,922	13,242
審計費	Auditors' remuneration	2,850	2,520
存貨成本#	Cost of inventories#	22,777,148	24,997,108
投資物業折舊#	Depreciation for investment properties#	181	181
物業、廠房及設備折舊#	Depreciation for property, plant and equipment#	527,497	465,459
匯兌淨損失	Net foreign exchange loss	113,123	95,834
無形資產之已確認減值虧損	Impairment loss recognised in respect of intangible assets	—	3,945
待銷售性投資之已確認減值虧損	Impairment loss recognised in respect of available-for-sale investments	1,000	—
呆賬減值虧損回撥	Reversal of impairment loss on doubtful debts	(42,695)	—
物業、廠房及設備撇銷	Property, plant and equipment written off	—	5,970
研究開發費用	Research and development expenses	339,617	658,630

存貨成本包括相關員工成本、折舊及攤銷開支合共人民幣1,636,299,000元(二零一零年(重列): 人民幣1,404,128,000元), 該金額亦列入上文各項該等類別之支出或附註6(b)單獨披露之各項總額。

Cost of inventories includes RMB1,636,299,000 (2010 (restated): RMB1,404,128,000) relating to staff costs, depreciation and amortisation expenses, which amount is also included in the respective total amounts disclosed separately above or in note 6(b) for each of these types of expenses.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

7. 綜合收益表之所得稅項

7. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(a) 綜合收益表之稅項指：

(a) Taxation in the consolidated income statement represents:

	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)
即期稅項		
Current tax		
中國企業所得稅		
PRC enterprise income tax		
— 本年度撥備	370,078	362,131
— provision for the year		
— 以前年度(多)計提	(45,607)	(28,934)
— (over)-provision in respect of prior years		
	324,471	333,197
遞延稅項		
Deferred tax		
暫時性差異產生及撥回(附註15)		
Origination and reversal of temporary differences (note 15)		
	(67,785)	(64,247)
	256,686	268,950

於二零零八年十一月二十一日，本公司被認定為高新技術企業。根據於二零零七年三月十六日頒佈之中國企業所得稅法，本公司由二零一一年十月十七日起之三年內享受15%的優惠稅率。

On 21 November 2008, the Company was named as one of the High and New Technology Enterprise (高新技術企業). According to the PRC Law on Enterprise Income Tax promulgated on 16 March 2007, the Company is entitled to a concessionary rate of enterprise income tax at 15% over 3 years, beginning on 17 October 2011.

本集團除某些附屬公司享受15%之稅率繳付企業所得稅以外，位於中國的其他附屬公司須就其應課稅溢利按稅率25%(二零一零年：25%)繳納中國企業所得稅。

Except for certain subsidiaries which are subject to an enterprise income tax rate of 15%, other subsidiaries located in the PRC are subject to the PRC enterprise income tax at a rate of 25% (2010: 25%) on its assessable profits.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

7. 綜合收益表之所得稅項(續)

- (b) 按適用稅率計算之稅項支出及會計溢利之對賬如下：

7. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (continued)

- (b) Reconciliation between tax expense and accounting profit at applicable tax rates:

		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)
除稅前溢利	Profit before taxation	1,639,960	1,361,901
按適用稅率計算之稅項	Tax at applicable tax rate	195,119	179,254
應佔聯營公司溢利減虧損對稅務的影響	Tax effect of share of profits less losses of associates	(11,780)	(3,665)
不須課稅收入對稅務的影響	Tax effect of non-taxable income	(136,449)	(81,014)
不可扣稅支出對稅務的影響	Tax effect of non-deductible expenses	250,328	163,031
使用以前年度未確認稅項虧損的影響	Utilisation of tax losses not previously recognised	(39,322)	(25,175)
未確認稅項虧損對稅務的影響	Tax effect of tax losses not recognised	44,397	65,453
以前年度多計提	Over-provision in respect of prior years	(45,607)	(28,934)
實際稅項支出	Actual tax expense	256,686	268,950

- (c) 根據國家稅務總局二零零八年十一月六日發佈之國稅函[2008]第897號《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》，中國居民企業向境外H股非居民企業股東派發二零零八年或以後年度股息時，應按10%的稅率代扣代繳企業所得稅。據此，本公司派付二零零八年或以後年度股息時，將按10%的稅率代扣代繳企業所得稅。

- (c) According to Circular Guoshuihan [2008] No. 897 "Notice on the issue about withholding Enterprise Income Tax on the dividends paid by Chinese resident enterprises to overseas non-resident enterprises H-share holders" issued by State Administration of Taxation on 6 November 2008, where a Chinese resident enterprise pays dividends for the year of 2008 or any year thereafter to its H-share holders which are overseas non-resident enterprises, it shall withhold the enterprise income tax on the basis of 10% of the dividends. In accordance with this circular, the Company would withhold the enterprise income tax with tax rate of 10% when it pays dividends for the year of 2008 or any year thereafter to its overseas non-resident enterprise H-shares holders.

財務報表附註(續)
Notes to the Financial Statements (continued)
截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

8. 董事及監事薪酬

根據《香港聯合交易所有限公司證券上市規

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

8. 董事及監事薪酬(續)

8. DIRECTORS' AND SUPERVISORS' REMUNERATION (continued)

		酬金 Fees 人民幣千元 RMB'000	工資與 其他福利費 Salaries and other benefits 人民幣千元 RMB'000	退休福利 計劃供款 Contributions to retirement benefits schemes 人民幣千元 RMB'000	總額 Total 人民幣千元 RMB'000
二零一零年		2010			
執行董事		Executive directors			
吳偉章先生	Mr. Wu Wei-zhang	—	561	16	577
商中福先生	Mr. Shang Zhong-fu	—	467	16	483
		—	1,028	32	1,060
非執行董事		Non-executive directors			
宮晶堃先生	Mr. Gong Jing-kun	—	—	—	—
鄒磊先生	Mr. Zou Lei	—	—	—	—
段洪義先生	Mr. Duan Hong-yi	—	—	—	—
		—	—	—	—
獨立非執行董事		Independent non-executive directors			
孫昌基先生	Mr. Sun Chang-ji	—	—	—	—
李荷君女士	Ms. Li He-jun	—	—	—	—
于渤先生	Mr. Yu Bo	—	—	—	—
賈成炳先生	Mr. Jia Cheng-bing	—	—	—	—
劉登清先生	Mr. Liu Deng-qing	—	—	—	—
		—	—	—	—
監事		Supervisors			
陳光先生	Mr. Chen Guang	—	172	16	188
王志森先生	Mr. Wang Zhi-sen	—	—	—	—
高旭光先生	Mr. Gao Xu-guang	—	148	16	164
盧春蓮女士	Ms. Lu Chun-lian	—	258	16	274
徐二明先生	Mr. Xu-Er-ming	—	—	—	—

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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8. 董事及監事薪酬(續)

本年度，概無董事或監事放棄或同意放棄任何薪酬，本集團並無向本公司董事或監事支付薪酬，作為彼等加入或加盟本集團之獎勵或作為離職補償。

5名最高薪酬人士中，其中1名(二零一零年：2名)亦為本公司的董事，彼等的薪酬如上披露。其餘4名(二零一零年：3名)人士的薪酬總額如下：

8. DIRECTORS' AND SUPERVISORS' REMUNERATION (continued)

During the year, no director or supervisor has waived or agreed to waive any emolument and no emoluments were paid by the Group to the directors or supervisors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office.

Of the 5 individuals with the highest emoluments, 1 (2010: 2) is also director of the Company whose emoluments are disclosed above. The aggregate of the emoluments in respect of the remaining 4 (2010: 3) individuals are as follows:

		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
工資與其他福利費	Salaries and other benefits	2,463	1,401
退休福利計劃供款	Contributions to post-employment benefit schemes	72	48
		2,535	1,449

最高薪酬的4名(二零一零年：3名)人士的薪酬範圍列舉如下：

The emoluments of the 4 (2010: 3) individuals with the highest emoluments are within the following bands:

		2011	2010
港幣0元至港幣1,000,000元	HK\$Nil–HK\$1,000,000	4	3

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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9. 每股盈利

(a) 基本每股盈利

基本每股盈利乃按本年度本公司普通股股份持有人應佔溢利約人民幣1,228,661,000元(二零一零年(重列): 人民幣1,001,108,000元)及已發行普通股加權平均數1,376,806,000股(二零一零年: 1,376,806,000股)計算。

(b) 攤薄每股盈利

截至二零一一年十二月三十一日及二零一零年十二月三十一日止的兩個年度,概無已發行潛在攤薄的普通股,攤薄每股盈利與基本每股盈利相同。

10. 分部報告

本集團按產品及服務部門劃分管理其業務。根據本集團主要營運決策者向本公司董事呈報以作出資源分配及業績表現評估一致之內部報告的呈報方式,本集團按以下五個可報告分部作出呈報。本集團並無將任何經營分部合計以構成以下任何可報告分部。

- 火電主機設備 — 製造火電主機設備

9. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of the basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of approximately RMB1,228,661,000 (2010 (restated): RMB1,001,108,000) and on the weighted average number of ordinary shares of 1,376,806,000 (2010: 1,376,806,000) in issue during the year.

(b) Diluted earnings per share

There were no dilutive potential ordinary shares in issue during the years ended 31 December 2011 and 2010, and diluted earnings per share is the same as basic earnings per share.

10. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the directors of the Company, the Group's chief operating decision maker, for the purposes of resource allocation and performance assessment, the Group has presented the following five reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Main thermal power equipment — manufacturing of main thermal power equipment.
- Main hydro power equipment — manufacturing of main hydro power equipment.
- Engineering services — provision of engineering services for power stations.
- Ancillary equipment — manufacturing of ancillary equipment for power stations.
- AC/DC motors and others — manufacturing of AC/DC motor and others.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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10. 分部報告(續)

(a) 分部業績、資產及負債

就評估分部表現及分部間分配資源而言，本集團董事按以下基準監控各可報告分部之業績、資產及負債：

分部資產包括所有有形、無形資產及流動資產，惟於聯營公司之權益、其他非流動金融資產、交易性證券、衍生金融工具、遞延稅項資產及其他企業資產之權益除外。分部負債包括個別分部進行生產及銷售活動所產生之應付賬款、應計款項及其他應付款、應計費用及撥備、已收按金、建造合同應付款以及由分部直接管理之借款，惟應付稅項除外。

分配至有關分部之收入及開支乃參考可報告分部之銷售及開支或各分部資產產生之折舊或攤銷。

報告分部溢利為「經調整經營溢利（虧損）」。「經調整經營溢利（虧損）」乃本集團之溢利（虧損）經調整並非指定屬於個別分部之項目，如應佔聯營公司溢利減虧損、利息收入、董事及核數師酬金、預期虧損、財務支出以及其他總部或企業行政成本。稅項支出不會分配至報告各分部。分部間銷售之定價乃參考就銷售予外部人士之類似訂單費用後釐定的。

報告分部之會計政策與附註2所述本集團之會計政策相同。

10. SEGMENT REPORTING (continued)

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's directors monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of interests in associates, other non-current financial assets, trading securities, derivative financial instruments, deferred tax assets and other corporate assets. Segment liabilities include trade payables, other payables, accruals and provisions, deposits received and amounts due to customers for contract work attributable to the manufacturing and sales activities of the individual segments and borrowings managed directly by the segments, with the exception of income tax payable.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is "adjusted operating profit/(loss)". To arrive at "adjusted operating profit/(loss)", the Group's profit/(loss) are further adjusted for items not specifically attributed to individual segments, such as share of profits less losses of associates, interest income, directors' and auditors' remuneration, expected loss, finance costs and other head office or corporate administration costs. Taxation charge is not allocated to reporting segments. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

The accounting policies of the reporting segments are the same as the Group's accounting policies described in note 2.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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10. 分部報告(續)

(a) 分部業績、資產及負債(續)

就截至二零一一年十二月三十一日及二零一零年十二月三十一日止的兩個年度向本集團董事提供有關本集團可報告分部之資料以作為資源分配及評估業績表現如下。

二零一一年

10. SEGMENT REPORTING (continued)

(a) Segment results, assets and liabilities (continued)

Information regarding the Group's reportable segments as provided to the Group's directors for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2011 and 2010 is set out below.

2011

		火電主機 設備 Main thermal power equipment 人民幣千元 RMB'000	水電主機 設備 Main hydro power equipment 人民幣千元 RMB'000	電站工程 服務 Engineering services for power stations 人民幣千元 RMB'000	電站輔機和 配套設備 Ancillary equipment for power stations 人民幣千元 RMB'000	交直流電機 及其他 AC/DC motors and others 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
來自外部客戶之收入	Revenue from external customers	17,295,041	3,162,786	5,104,920	719,100	2,205,935	28,487,782
分部間收入	Inter-segment revenue	3,247,639	—	—	—	—	3,247,639
可報告分部收入	Reportable segment revenue	20,542,680	3,162,786	5,104,920	719,100	2,205,935	31,735,421
可報告分部溢利	Reportable segment profit	3,998,910	958,992	278,315	286,505	343,872	5,866,594
物業、廠房及設備折舊	Depreciation of property, plant and equipment	372,050	95,720	7,796	5,450	46,481	527,497
投資物業折舊	Depreciation of investment properties	—	—	—	—	181	181
無形資產攤銷	Amortisation of intangible assets	10,270	236	—	499	8,105	19,110
預付土地租賃款攤銷	Amortisation of prepaid lease payments	7,854	2,778	48	183	1,059	11,922
呆賬準備	Allowances for doubtful debts	444,860	77,254	45,153	16,754	34,847	618,868
利息收入	Interest income	(113,616)	(31,265)	(97,455)	(3,917)	(5,992)	(252,245)
利息支出	Interest expenses	19,053	5,798	47,503	198	—	72,552
呆賬減值虧損撥回	Reversal of impairment loss on doubtful debts	(14,246)	(9,709)	(18,257)	—	(483)	(42,695)
可報告分部資產	Reportable segment assets	28,467,215	4,772,229	3,394,865	712,866	3,694,413	41,041,588
本年度非流動分部資產增加	Additions to non-current segment assets during the year	1,033,470	208,445	25,955	11,246	470,860	1,749,976
可報告分部負債	Reportable segment liabilities	24,528,940	3,520,911	3,973,575	752,172	2,165,011	34,940,609

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

10. 分部報告(續)

10. SEGMENT REPORTING (continued)

(a) 分部業績、資產及負債(續)

(a) Segment results, assets and liabilities (continued)

二零一零年

2010

		火電主機 設備 Main thermal power equipment 人民幣千元 RMB'000	水電主機 設備 Main hydro power equipment 人民幣千元 RMB'000 (重列) (restated)	電站工程 服務 Engineering services for power stations 人民幣千元 RMB'000	電站輔機和 配套設備 Ancillary equipment for power stations 人民幣千元 RMB'000	交直流電機 及其他 AC/DC motors and others 人民幣千元 RMB'000 (重列) (restated)	總計 Total 人民幣千元 RMB'000 (重列) (restated)
來自外部客戶之收入	Revenue from external customers	17,984,152	2,599,998	5,060,211	919,028	2,608,835	29,172,224
分部間收入	Inter-segment revenue	3,655,382	—	—	—	—	3,655,382
可報告分部收入	Reportable segment revenue	21,639,534	2,599,998	5,060,211	919,028	2,608,835	32,827,606
可報告分部溢利	Reportable segment profit	2,629,949	619,133	170,478	307,563	558,336	4,285,459
物業、廠房及設備折舊	Depreciation of property, plant and equipment	314,336	73,258	11,904	8,933	57,028	465,459
投資物業折舊	Depreciation of investment properties	—	—	—	—	181	181
無形資產攤銷	Amortisation of intangible assets	11,038	271	—	568	1,116	12,993
預付土地租賃款攤銷	Amortisation of prepaid lease payments	7,097	2,400	41	234	3,470	13,242
呆賬準備	Allowances for doubtful debts	441,736	50,959	(1,079)	18,546	63,850	574,012
利息收入	Interest income	(118,072)	(31,700)	(110,386)	(3,982)	(13,588)	(277,728)
利息支出	Interest expenses	31,527	7,191	96,514	517	3,795	139,544
可報告分部資產	Reportable segment assets	26,426,075	3,426,207	3,853,640	969,260	3,937,948	38,613,130
本年度非流動分部資產增加	Additions to non-current segment assets during the year	638,313	82,952	31,797	12,808	310,413	1,076,283
可報告分部負債	Reportable segment liabilities	26,382,460	3,176,327	3,803,714	1,060,681	2,731,652	37,154,834

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

10. 分部報告(續)

10. SEGMENT REPORTING (continued)

(b) 可報告分部收入、損益與資產及負債之對賬

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities

		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)
收入	Revenue		
可報告分部收入	Reportable segment revenue	31,735,421	32,827,606
對銷分部間收入	Elimination of inter-segment revenue	(3,247,639)	(3,655,382)
綜合營業額	Consolidated turnover	28,487,782	29,172,224
溢利	Profit		
可報告分部溢利	Reportable segment profit	5,866,594	4,285,459
對銷分部間溢利	Elimination of inter-segment profits	(155,960)	(95,654)
來自本集團外部客戶之可報告 分部溢利	Reportable segment profit derived from Group's external customers	5,710,634	4,189,805
財務支出	Finance costs	(72,552)	(139,544)
利息收入	Interest income	252,245	277,728
應佔聯營公司溢利減虧損	Share of profits less losses of associates	78,534	25,793
交易性證券的公允價值損失	Fair value loss on trading securities	(394,512)	(7,000)
預期虧損	Expected loss	(814,924)	(248,402)
未能分攤總部及企業費用	Unallocated head office and corporate expenses	(3,119,465)	(2,736,479)
綜合除稅前溢利	Consolidated profit before taxation	1,639,960	1,361,901
資產	Assets		
可報告分部資產	Reportable segment assets	41,041,588	38,613,130
於聯營公司之權益	Interests in associates	546,899	328,640
遞延稅項資產	Deferred tax assets	277,366	205,071
其他非流動金融資產	Other non-current financial assets	332,722	53,637
衍生金融工具	Derivative financial instruments	92,641	104,276
交易性證券	Trading securities	2,001,530	1,188,000
未能分攤總部及企業資產	Unallocated head office and corporate assets	6,103,305	10,263,355
綜合總資產	Consolidated total assets	50,396,051	50,756,109
負債	Liabilities		
可報告分部負債	Reportable segment liabilities	34,940,609	37,154,834
應交企業所得稅	Income tax payables	635,239	406,831
衍生金融工具	Derivative financial instruments	32,671	—
欠控股公司款項	Advance from holding company	1,172,623	1,063,396
未能分攤總部及企業負債	Unallocated head office and corporate liabilities	1,091,675	967,206
綜合總負債	Consolidated total liabilities	37,872,817	39,592,267

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

10. 分部報告(續)

(c) 地區資料

下表載列有關本集團來自外部客戶收入及本集團下列指定非流動資產所在地區之資料。本集團客戶所在地區按所提供服務或貨物送達所在地劃分。本集團之非流動資產包括物業、廠房及設備、投資物業、預付土地租賃款、無形資產及於聯營公司之權益，但不包括金融工具及遞延稅項資產。本集團非流動資產之所在地區乃基於該資產所處之物理位置(指有形資產)及經營業務所在地(指無形資產)。本集團於聯營公司之權益則為該聯營公司之營運所在地。

10. SEGMENT REPORTING (continued)

(c) Geographical information

The following is an analysis of geographical location of the Group's revenue from external customers and the Group's non-current assets specified below. The geographical location of customers is based on the location at which the services were provided or the goods delivered. The Group's non-current assets, which include property, plant and equipment, investment properties, prepaid lease payments, intangible assets and interests in associates, and exclude financial instruments and deferred tax assets. The geographical location of the Group non-current assets are based on the physical location of the asset under consideration in case of tangible assets and the location of the operation to which they are allocated, in the case of intangible assets. In the case of interests in associates, it is the location of operations of such associates.

		來自外部客戶之收入 Revenues from external customers		非流動資產 Non-current assets	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)
中國境內(所在地)	PRC (place of domicile)	22,512,472	23,872,730	7,046,385	5,733,531
中國境外	Overseas	5,975,310	5,299,494	—	—
		28,487,782	29,172,224	7,046,385	5,733,531

財務報表附註(續)
Notes to the Financial Statements (continued)
 截至二零一一年十二月三十一日止年度
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11. 投資物業

11. INVESTMENT PROPERTIES

本集團

The Group

人民幣千元
RMB'000

成本	Cost	
於二零一零年一月一日	At 1 January 2010	334,860
出售	Disposals	(8,337)
透過出售附屬公司而取消確認(附註36)	Derecognised through disposal of subsidiaries (note 36)	<u>(320,808)</u>
於二零一零年十二月三十一日、 二零一一年一月一日及 二零一一年十二月三十一日	At 31 December 2010, 1 January 2011 and 31 December 2011	<u>5,715</u>
累計折舊及減值虧損	Accumulated depreciation and impairment losses	
於二零一零年一月一日	At 1 January 2010	86,136
本年度撥備	Charge for the year	181
出售時撥回	Written back on disposals	(1,113)
出售附屬公司時撥回(附註36)	Written back on disposals of subsidiaries (note 36)	<u>(84,480)</u>
於二零一零年十二月三十一日	At 31 December 2010	<u>724</u>
於二零一一年一月一日	At 1 January 2011	724
本年度撥備	Charge for the year	<u>181</u>
於二零一一年十二月三十一日	At 31 December 2011	<u>905</u>
賬面淨值	Carrying amount	
於二零一一年十二月三十一日	At 31 December 2011	<u>4,810</u>
於二零一零年十二月三十一日	At 31 December 2010	<u>4,991</u>

(a) 董事會認為於報告期末投資物業之賬面值與其公允價值相若。

(a) The directors consider that the carrying amounts of the investment properties approximate their fair value at the end of the reporting period.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

11. 投資物業(續)

(b) 投資物業之賬面值分析如下：

	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000

財務報表附註(續) Notes to the Financial Statements (continued)

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12. 物業、廠房及設備

12. PROPERTY, PLANT AND EQUIPMENT

本集團

The Group

		房屋建築 Buildings 人民幣千元 RMB'000 (重列) (restated)	廠房設備 及機器 Plant and machinery 人民幣千元 RMB'000 (重列) (restated)	傢俬、裝置 及設備 Furniture, fixtures and equipment 人民幣千元 RMB'000 (重列) (restated)	運輸工具 Motor vehicles 人民幣千元 RMB'000 (重列) (restated)	在建工程 Construction in progress 人民幣千元 RMB'000 (重列) (restated)	總計 Total 人民幣千元 RMB'000 (重列) (restated)
成本	Cost						
於二零一零年一月一日	At 1 January 2010	1,799,423	3,984,944	342,989	282,053	1,091,951	7,501,360
透過收購附屬公司而添置 (附註35)	Additions through acquisition of subsidiaries (note 35)	21,026	53,866	3,358	2,983	197	81,430
添置	Additions	34,308	60,139	54,038	19,465	860,685	1,028,635
完成時轉撥	Transfer upon completion	109,176	385,694	20,119	31,956	(546,945)	—
透過出售附屬公司而取消 確認(附註36)	Derecognised through disposal of subsidiaries (note 36)	(2,996)	(1,599)	(2,596)	(3,117)	—	(10,308)
出售	Disposals	(1,940)	(51,277)	(11,667)	(13,083)	—	(77,967)
於二零一零年十二月 三十一日(重列)	At 31 December 2010 (restated)	1,958,997	4,431,767	406,241	320,257	1,405,888	8,523,150
於二零一一年一月一日(重列)	At 1 January 2011 (restated)	1,958,997	4,431,767	406,241	320,257	1,405,888	8,523,150
添置	Additions	3,693	115,131	52,296	23,686	1,332,425	1,527,231
完成時轉撥	Transfer upon completion	513,740	684,226	30,467	19,545	(1,247,978)	—
透過出售附屬公司而取消 確認(附註36)	Derecognised through disposal of subsidiaries (note 36)	(14,728)	(17,106)	(1,431)	(3,544)	—	(36,809)
出售	Disposals	(743)	(87,300)	(7,745)	(25,890)	—	(121,678)
於二零一一年十二月三十一日	At 31 December 2011	2,460,959	5,126,718	479,828	334,054	1,490,335	9,891,894
累計折舊及減值虧損	Accumulated depreciation and impairment loss						
於二零一零年一月一日	At 1 January 2010	644,221	2,230,323	183,856	177,238	4,468	3,240,106
本年度撥備	Charge for the year	68,887	318,174	42,676	35,722	—	465,459
減值虧損撥回	Reversal of impairment loss	—	(1,108)	(2)	—	—	(1,110)
出售附屬公司時撥回 (附註36)	Write back on disposals of subsidiaries (note 36)	(619)	(1,196)	(2,281)	(1,958)	—	(6,054)
出售時撥回	Write back on disposals	(1,404)	(41,621)	(11,304)	(11,035)	—	(65,364)
於二零一零年十二月三十一日 (重列)	At 31 December 2010 (restated)	711,085	2,504,572	212,945	199,967	4,468	3,633,037
於二零一一年一月一日(重列)	At 1 January 2011 (restated)	711,085	2,504,572	212,945	199,967	4,468	3,633,037
本年度撥備	Charge for the year	86,926	345,467	57,978	37,126	—	527,497
完成時轉撥	Transfer upon completion	—	745	—	—	(745)	—
出售附屬公司時撥回 (附註36)	Write back on disposals of subsidiaries (note 36)	(3,449)	(7,151)	(1,261)	(2,958)	—	(14,819)
出售時撥回	Write back on disposals	(143)	(23,523)	(7,344)	(22,755)	—	(53,765)
於二零一一年十二月三十一日	At 31 December 2011	794,419	2,820,110	262,318	211,380	3,723	4,091,950
賬面淨值	Carrying amount						
於二零一一年十二月三十一日	At 31 December 2011	1,666,540	2,306,608	217,510	122,674	1,486,612	5,799,944
於二零一零年十二月三十一日 (重列)	At 31 December 2010 (restated)	1,247,912	1,927,195	193,296	120,290	1,401,420	4,890,113

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

12. 物業、廠房及設備(續)

12. PROPERTY, PLANT AND EQUIPMENT

(continued)

本公司

The Company

		房屋建築 Buildings 人民幣千元 RMB'000	廠房設備 及機器 Plant and machinery 人民幣千元 RMB'000	傢俬、裝置 及設備 Furniture, fixtures and equipment 人民幣千元 RMB'000	運輸工具 Motor vehicles 人民幣千元 RMB'000	在建工程 Construction in progress 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
成本	Cost						
於二零一零年一月一日	At 1 January 2010	532,969	184,000	24,454	6,816	350,659	1,098,898
添置	Additions	9,696	2,156	4,744	1,023	91,396	109,015
出售	Disposals	(536)	(6,922)	—	(498)	—	(7,956)
於二零一零年十二月三十一日	At 31 December 2010	542,129	179,234	29,198	7,341	442,055	1,199,957
於二零一一年一月一日	At 1 January 2011	542,129	179,234	29,198	7,341	442,055	1,199,957
添置	Additions	734	61,818	1,169	1,604	112,558	177,883
出售	Disposals	(15,370)	(63,407)	(26)	(1,191)	—	(79,994)
轉撥	Transfer	373,609	82,169	5,332	—	(461,110)	—
於二零一一年十二月三十一日	At 31 December 2011	901,102	259,814	35,673	7,754	93,503	1,297,846
累計折舊及減值虧損	Accumulated depreciation and impairment loss						
於二零一零年一月一日	At 1 January 2010	47,120	3,218	5,553	3,633	—	59,524
本年度撥備	Charge for the year	17,534	25,085	540	724	—	43,883
出售時撥回	Write back on disposals	(692)	(92)	—	(483)	—	(1,267)
於二零一零年十二月三十一日	At 31 December 2010	63,962	28,211	6,093	3,874	—	102,140
於二零一一年一月一日	At 1 January 2011	63,962	28,211	6,093	3,874	—	102,140
本年度撥備	Charge for the year	29,844	23,742	4,975	1,284	—	59,845
出售時撥回	Write back on disposals	(3,530)	(669)	(25)	(1,062)	—	(5,286)
於二零一一年十二月三十一日	At 31 December 2011	90,276	51,284	11,043	4,096	—	156,699
賬面淨值	Carrying amount						
於二零一一年十二月三十一日	At 31 December 2011	810,826	208,530	24,630	3,658	93,503	1,141,147
於二零一零年十二月三十一日	At 31 December 2010	478,167	151,023	23,105	3,467	442,055	1,097,817

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

12. 物業、廠房及設備(續)

本集團及本公司的樓宇均位於中國。

於二零一一年十二月三十一日，本集團賬面淨值分別約為人民幣6,389,000元(二零一零年(重列): 人民幣14,415,000元)及人民幣零元(二零一零年(重列): 人民幣41,336,000元)的若干樓宇及機器已分別用作本集團獲授一般銀行融資的抵押，詳情載於附註30。

此外，本集團賬面淨值約為人民幣15,712,000元(二零一零年: 人民幣零元)的若干樓宇及機器因涉及一宗待決訴訟而遭扣押。於二零一零年，本集團賬面淨值約為人民幣326,000元(重列)的若干樓宇因涉及一宗待決訴訟而遭扣押，其後於二零一一年獲解除扣押。有關該宗待決訴訟的詳情載於附註38。

12. PROPERTY, PLANT AND EQUIPMENT

(continued)

The Group's and the Company's buildings are situated in the PRC.

As at 31 December 2011, certain buildings and machinery of the Group with carrying amount of approximately RMB6,389,000 (2010 (restated): RMB14,415,000) and RMBNil (2010 (restated): RMB41,336,000), respectively, were pledged to secure general banking facilities granted to the Group. Details of which are set out in note 30.

In addition, certain machinery of the Group with carrying amounts of approximately RMB15,712,000 (2010: RMBNil) were detained due to a pending litigation. In year 2010, certain buildings of the Group with carrying amounts of approximately RMB326,000 (restated) were detained and was released in 2011 due to a pending litigation. Details of the pending litigation are set out in note 38.

財務報表附註(續)
Notes to the Financial Statements (continued)
 截至二零一一年十二月三十一日止年度
 For the year ended 31 December 2011

13. 預付土地租賃款

13. PREPAID LEASE PAYMENTS

本集團

The Group

人民幣千元
 RMB'000
 (重列)
 (restated)

成本	Cost	
於二零一零年一月一日	At 1 January 2010	490,535
透過收購附屬公司而添置(附註35)	Additions through acquisition of subsidiaries (note 35)	54,486
添置	Additions	<u>39,270</u>
於二零一零年十二月三十一日(重列)	At 31 December 2010 (restated)	<u>584,291</u>
於二零一一年一月一日(重列)	At 1 January 2011 (restated)	584,291
添置	Additions	30,339
因出售附屬公司而取消確認(附註36)	Derecognised through disposal of subsidiaries (note 36)	<u>(7,493)</u>
於二零一一年十二月三十一日	At 31 December 2011	<u>607,137</u>
累計攤銷	Accumulated amortisation	
於二零一零年一月一日	At 1 January 2010	138,341
本年度攤銷(重列)	Amortisation for the year (restated)	<u>13,242</u>
於二零一零年十二月三十一日(重列)	At 31 December 2010 (restated)	<u>151,583</u>
於二零一一年一月一日(重列)	At 1 January 2011 (restated)	151,583
本年度攤銷	Amortisation for the year	11,922
因出售附屬公司而撥回(附註36)	Write back on disposals of subsidiaries (note 36)	<u>(1,290)</u>
於二零一一年十二月三十一日	At 31 December 2011	<u>162,215</u>
賬面淨值	Carrying amount	
於二零一一年十二月三十一日	At 31 December 2011	<u>444,922</u>
於二零一零年十二月三十一日(重列)	At 31 December 2010 (restated)	<u>432,708</u>

財務報表附註(續)
Notes to the Financial Statements (continued)
 截至二零一一年十二月三十一日止年度
 For the year ended 31 December 2011

13. 預付土地租賃款(續)

本集團(續)

本集團的預付土地租賃款為中國境內根據中期租約持有的土地使用權。預付土地租賃款根據報告使用需要分析如下：

流動部分	Current portion
非流動部分	Non-current portion

於二零一一年十二月三十一日，本集團賬面淨值約為人民幣25,363,000元(二零一零年(重列)：人民幣51,851,000元)的預付土地租賃款已用作本集團獲授一般銀行融資的抵押，詳情載於附註30。

此外，本集團賬面淨值約為人民幣零元(二零一零年(重列)：人民幣1,452,000元)的若干預付土地租賃款因涉及一宗待決訴訟而遭扣押。該等預付土地租賃款已於二零一一年獲解除扣押。有關該宗待決訴訟的詳情載於附註38。

13. PREPAID LEASE PAYMENTS (continued)

The Group (continued)

The Group's prepaid lease payments represent land use rights held under medium-term lease in the PRC. They are analysed for reporting purpose as follows:

2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)
11,922	13,242
433,000	419,466
444,922	432,708

As at 31 December 2011, certain prepaid lease payments of the Group with carrying amount of approximately RMB25,363,000 (2010 (restated): RMB51,851,000) were pledged to secure general banking facilities granted to the Group. Details of which are set out in note 30.

In addition, certain prepaid lease payments of the Group with carrying amount of approximately RMBNil (2010 (restated): RMB1,452,000) were detained due to a pending litigation. These prepaid lease payments were released in 2011. Details of the pending litigation are set out in note 38.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

13. 預付土地租賃款(續)

13. PREPAID LEASE PAYMENTS (continued)

本公司

The Company

人民幣千元
RMB'000

成本

於二零一零年一月一日、二零一零年
十二月三十一日、二零一一年一月一日
及二零一一年十二月三十一日

Cost

At 1 January 2010, 31 December 2010, 1 January 2011
and 31 December 2011

43,791

累計攤銷

於二零一零年一月一日
本年度攤銷

Accumulated amortisation

At 1 January 2010
Amortisation for the year

4,515

853

於二零一零年十二月三十一日

At 31 December 2010

5,368

於二零一一年一月一日
本年度攤銷

At 1 January 2011
Amortisation for the year

5,368

854

於二零一一年十二月三十一日

At 31 December 2011

6,222

賬面淨值

於二零一一年十二月三十一日

Carrying amount

At 31 December 2011

37,569

於二零一零年十二月三十一日

At 31 December 2010

38,423

本公司的預付土地租賃款為中國境內根據
中期租約持有的土地使用權。預付土地租
賃款根據報告使用需要分析如下：

The Company's prepaid lease payments represent land use rights
held under medium-term lease in the PRC. They are analysed for
reporting purpose as follows:

		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
流動部分	Current portion	854	854
非流動部分	Non-current portion	36,715	37,569
		37,569	38,423

財務報表附註(續)
Notes to the Financial Statements (continued)
 截至二零一一年十二月三十一日止年度
 For the year ended 31 December 2011

14. 無形資產

14. INTANGIBLE ASSETS

本集團

The Group

專利及特許權

Patents
and rights

人民幣千元
RMB'000

成本	Cost	
於二零一零年一月一日	At 1 January 2010	224,981
添置	Additions	8,378
		<hr/>
於二零一零年十二月三十一日	At 31 December 2010	233,359
於二零一一年一月一日	At 1 January 2011	233,359
添置	Additions	192,406
因出售附屬公司而取消確認(附註36)	Derecognised through disposal of subsidiaries (note 36)	(23,900)
		<hr/>
於二零一一年十二月三十一日	At 31 December 2011	401,865
		<hr/>
累計攤銷及減值虧損	Accumulated amortisation and impairment loss	
於二零一零年一月一日	At 1 January 2010	126,100
本年度攤銷	Amortisation for the year	12,993
本年度減值虧損確認	Impairment loss recognised for the year	3,945
		<hr/>
於二零一零年十二月三十一日	At 31 December 2010	143,038
於二零一一年一月一日	At 1 January 2011	143,038
本年度攤銷	Amortisation for the year	19,110
因出售附屬公司而撥回(附註36)	Write back on disposals of subsidiaries (note 36)	(22,015)
		<hr/>
於二零一一年十二月三十一日	At 31 December 2011	140,133
		<hr/>
賬面淨值	Carrying amount	
於二零一一年十二月三十一日	At 31 December 2011	261,732
		<hr/>
於二零一零年十二月三十一日	At 31 December 2010	90,321
		<hr/>

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

14. 無形資產(續)

本年度攤銷費用載於綜合收益表的「管理費用」。

二零一零年度的減值虧損確認僅與一項不再用於生產的專利權相關，因此已就該專利權成本的減值虧損作出全部撥備。

15. 遞延稅項資產

於綜

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

15. 遞延稅項資產(續)

15. DEFERRED TAX ASSETS (continued)

本公司

The Company

		撥備 Provisions	合計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000
遞延稅項產生自：			
於二零一零年一月一日	At 1 January 2010	—	—
於損益計入	Credited to profit or loss	10,696	10,696
於二零一零年十二月三十一日及 二零一一年一月一日		10,696	10,696
於損益計入	Credited to profit or loss	—	—
於二零一一年十二月三十一日	At 31 December 2011	10,696	10,696

於二零一一年十二月三十一日，並未就若干未動用稅項虧損及其他可扣稅暫時性差異確認遞延稅項資產。未確認之未動用稅項虧損及可扣稅暫時性差異分析如下：

At 31 December 2011, deferred tax assets were not recognised in relation to certain unused tax losses and other deductible temporary differences. The unrecognised unused tax losses and deductible temporary differences are analysed as follows:

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
稅項虧損	Tax losses	726,334	1,209,170	—	—
其他可扣稅暫時性 差異	Other deductible temporary differences	691,767	369,926	80,465	80,465
		1,418,101	1,579,096	80,465	80,465

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

15. 遞延稅項資產(續)

- (i) 於二零一一年十二月三十一日，本集團及本公司之可扣稅暫時性差異分別為人民幣1,418,101,000元(二零一零年：人民幣1,579,096,000元)及人民幣80,465,000元(二零一零年：人民幣80,465,000元)，並未確認為遞延稅項資產，原因是管理層認為在可預見的將來不大可能存在轉回有關可扣稅暫時性差異的日後應課稅溢利。
- (ii) 中國稅項虧損最多可於五年內結轉以供抵銷未來應課稅收入，即於二零一一年至二零一六年期間屆滿。

於二零一一年十二月三十一日，就本集團附屬公司及聯營公司之未匯出盈利產生之應付稅項而言，由於該等款額匯出時，本集團並無額外之稅項負債，故並無相關重大未確認遞延稅項負債(二零一零年：無)。

16. 於附屬公司之投資

本公司

中國非上市投資(按成本)	Unlisted investments in the PRC, at cost
應收附屬公司款項	Amounts due from subsidiaries
應付附屬公司款項	Amounts due to subsidiaries

此等款項乃無抵押及免息，且須按要求償還。

主要附屬公司之詳細資料詳載於財務報表附註44。

15. DEFERRED TAX ASSETS (continued)

- (i) At 31 December 2011, the Group's and the Company's deductible temporary differences amounting to RMB1,418,101,000 (2010: RMB1,579,096,000) and RMB80,465,000 (2010: RMB80,465,000) respectively have not been recognised as deferred tax assets as it was determined by management that it is not probable that future taxable profits will be available for these deductible temporary differences to reverse in the foreseeable future.
- (ii) Tax losses in the PRC can be carried forward to set off future assessable income for a maximum period of five years which expires in the period from 2012 to 2016.

At 31 December 2011, there was no significant unrecognised deferred tax liability (2010: Nil) for taxes that would be payable on the unremitted earnings of the Group's subsidiaries and associates as the Group has no liability to additional tax should such amounts be remitted.

16. INVESTMENTS IN SUBSIDIARIES

The Company

		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
中國非上市投資(按成本)	Unlisted investments in the PRC, at cost	2,831,012	2,657,269
應收附屬公司款項	Amounts due from subsidiaries	1,863,796	1,661,205
應付附屬公司款項	Amounts due to subsidiaries	(2,596,945)	(1,564,418)

The amounts due are unsecured, non-interest bearing and repayable on demand.

Details of principal subsidiaries are set out in note 44 to the financial statements.

財務報表附註(續)
Notes to the Financial Statements (continued)
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17. 於聯營公司之權益(續)

17. INTERESTS IN ASSOCIATES (continued)

公司名稱 Name of companies	公司註冊地 及經營地 Place of incorporation and operation	註冊資本詳情 Particulars of registered capital	所有權權益比率 Proportion of ownership interest			主要經營活動 Principal activity
			本集團之 實際權益 Group's effective interest	由本公司持有 Held by the Company	由 附屬公司持有 Held by subsidiaries	
哈爾濱匯通電力工程有限公司	PRC 中國	RMB2,000,000 人民幣2,000,000元	33.50%	—	33.50%	Provision of power engineering 電力工程
哈爾濱國際旅行社有限公司	PRC 中國	RMB2,000,000 人民幣2,000,000元	30%	—	30%	Provision of travelling services 旅遊服務
哈爾濱電氣集團財務 有限責任公司	PRC 中國	RMB300,000,000 人民幣300,000,000元	41.12%	21%	24%	Depository and financial advisory services 存款及財務諮詢服務
通用電氣能源(瀋陽)有限公司	PRC 中國	USD9,000,000 9,000,000美元	49%	—	49%	Wind power business in the PRC 在中國從事風電業務

聯營公司之財務資料概要如下：

Summarised financial information on associates:

		本集團 The Group	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)
總資產	Total assets	2,951,936	2,054,292
總負債	Total liabilities	(1,736,994)	(1,307,179)
資產淨值	Net assets	1,214,942	747,113
應佔聯營公司資產淨值	Share of net assets of associates	546,899	328,640
總收入	Total revenue	2,463,023	675,635
本年度總溢利	Total profit for the year	220,695	66,563
本年度應佔聯營公司 溢利減虧損	Share of profits less losses of associates for the year	78,534	25,793

財務報表附註(續) Notes to the Financial Statements (continued)

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18. 其他非流動金融資產

其他非流動金融資產包括：

18. OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets comprise:

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
持有至到期投資	Held-to-maturity investments				
中國政府債券	Government bonds in the PRC	236,085	—	—	—
待銷售性投資	Available-for-sale investments				
非上市權益證券	Unlisted equity securities at				
- 按成本扣除減值	cost less impairment	96,637	53,637	60,346	21,246
		332,722	53,637	60,346	21,246

非上市權益投資是指由在中國註冊成立的非上市公司發行的非上市權益證券。在每個報告期末，按扣除減值準備後的成本淨值估算，原因是合理公允價值估計範圍太大，本公司董事認為其公允價值不能準確計量。

持有至到期的投資為中國政府債券的非上市投資，該等債券的固定息率為介乎5.18%至5.58%之間及於二零一四年到期。中國政府主權獲穆迪給予Aa3的評級。該等持有至到期的投資於每個報告期末按扣除減值的攤銷成本計量，目前並無逾期或減值。

The unlisted equity investments represented investments in unlisted equity securities issued by private entities incorporated in the PRC. They are measured at cost less impairment at the end of each reporting period because the range of reasonable fair value estimates is so wide that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

The held-to-maturity investments are unlisted investments in government bonds in the PRC with fixed interest rate at a range of 5.18% to 5.58% with maturity in 2014. Government of the PRC has credit rating of Aa3 by Moody's. Held-to-maturity investments are measured at amortised cost less impairment at the end of each reporting period and are not past due or impaired.

財務報表附註(續) Notes to the Financial Statements (continued)

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19. 衍生金融工具

		本集團 The Group	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
衍生金融資產	Derivative financial assets		
遠期外匯合約 — 持有作交易	Foreign currency forward contracts — held for trading	92,641	104,276
		92,641	104,276
衍生金融負債	Derivative financial liabilities		
持作現金流套期工具的遠期 外匯合約	Foreign currency forward contracts held as cash flow hedging instruments	(32,671)	—
減：流動部分	Less: current portion	(3,730)	—
非流動部分	Non-current portion	(28,941)	—

遠期外匯合約按公允價值列賬。其公允價值乃採用報告期結算日之遠期匯率，將其價值貼現至現值而釐定。

於報告期末，本集團訂立的18項(二零一零年：37項)不符合套期會計標準之未結清遠期外匯合約用以管理其匯率風險。

於本年度，非套期貨幣衍生工具的公允價值變動為收益人民幣78,704,000元(二零一零年：人民幣104,276,000元)，並已計入損益。

於報告期末，本集團有10項(二零一零年：無)指定作高效套期工具的未結清遠期外匯合約以管理本集團\附人 未計 合 衍

公匯，公匯期以相國曉約 一 聯合

財務報表附註(續) Notes to the Financial Statements (continued)

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21. 應收賬款 應收票據 其他應收款、按金及預付款項

21. TRADE RECEIVABLES/BILLS RECEIVABLE/OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
應收賬款	Trade receivables	15,727,096	13,502,851	497,561	382,596
減：呆賬準備 (附註21(b))	Less: allowance for doubtful debts (note 21(b))	(2,808,961)	(2,232,788)	(40,261)	(42,413)
		12,918,135	11,270,063	457,300	340,183
應收票據	Bills receivable	1,052,526	982,083	163,687	6,350
		13,970,661	12,252,146	620,987	346,533
其他應收款	Other receivables	580,642	430,478	8,331	6,009
按金及預付款項	Deposits and prepayments	3,903,424	4,111,318	176,426	87,645
		4,484,066	4,541,796	184,757	93,654
		18,454,727	16,793,942	805,744	440,187

應收質保金按個別合約的條款結算。

Retention money receivables are settled in accordance with the terms of the respective contracts.

給予客戶之信貸期各有不同，一般乃按個別客戶之財政實力而定。為了有效管理與應收賬款相關之信貸風險，本集團定期評估客戶之信用。上述結餘預期將於一年以內收回或確認為開支。

The credit terms given to the customers vary and are generally based on the financial strengths of individual customers. In order to effectively manage the credit risks associated with trade receivables, credit evaluations of customers are performed periodically. The balances mentioned above are expected to be recovered or recognised as expense within one year.

財務報表附註(續) Notes to the Financial Statements (continued)

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21. 應收賬款 應收票據 其他應收款、按金及預付款項(續)

於二零一零年，本集團為數約人民幣28,889,000元(重列)的若干應收賬款已用作本集團獲授一般銀行融資的抵押，詳情載於附註30。

(a) 賬齡分析

於報告期末，應收賬款及應收票據(扣除呆賬準備)之賬齡分析如下：

21. TRADE RECEIVABLES/BILLS RECEIVABLE/OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

In 2010, certain trade receivables of the Group of approximately RMB28,889,000 (restated) were pledged to secure general banking facilities granted to the Group. Details of which are set out in note 30.

(a) Ageing analysis

Trade receivables and bills receivable (net of allowance for doubtful debts) with the following ageing analysis as of the end of the reporting period:

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
1年以內	Within 1 year	7,824,717	5,668,971	478,117	197,518
1至2年	1 to 2 years	2,430,624	2,616,726	138,175	142,948
2至3年	2 to 3 years	1,374,045	3,273,047	2,272	294
3年以上	Over 3 years	2,341,275	693,402	2,423	5,773
		13,970,661	12,252,146	620,987	346,533

財務報表附註(續) Notes to the Financial Statements (continued)

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21. 應收賬款 應收票據 其他應收款、按金及預付款項(續)

(b) 應收賬款及應收票據減值

應收賬款及應收票據的減值虧損乃採用撥備賬入賬，惟倘本集團認為收回該金額的可能性渺茫則除外，於該情況下，此減值虧損將直接用於撇銷應收賬款及應收票據(參閱附註2(m)(i))。

年內呆賬準備的變動(包括個別及合計虧損部分)如下：

21. TRADE RECEIVABLES/BILLS RECEIVABLE/OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

(b) Impairment of trade receivables and bills receivable

Impairment losses in respect of trade receivables and bills receivable are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables and bills receivable (see note 2(m)(i)).

The movement in allowance for doubtful debts during the year, including both specific and collective loss components, is as follows:

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
於一月一日	At 1 January	2,232,788	1,621,932	42,413	21,531
透過收購附屬公司而添置	Addition through acquisition of subsidiaries	—	41,194	—	—
減值虧損確認	Impairment losses recognised	618,868	574,012	—	20,882
減值虧損撥回	Impairment losses reversed	(42,695)	—	—	—
不可收回款額撇銷	Uncollectible amounts written off	—	(4,350)	(2,152)	—
於十二月三十一日	At 31 December	2,808,961	2,232,788	40,261	42,413

財務報表附註(續) Notes to the Financial Statements (continued)

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21. 應收賬款 應收票據 其他應收款、按金及預付款項(續)

(b) 應收賬款及應收票據減值(續)

於二零一一年十二月三十一日，本集團及本公司為數人民幣1,757,892,000元(二零一零年(重列): 人民幣2,283,594,000元)及人民幣51,000元(二零一零年: 人民幣251,000元)的應收賬款已按其個別情況評定為出現減值。個別被評定為出現減值之應收賬款與面對財務困難之客戶相關，而按管理層估計，預期僅有部分應收賬款可予收回，故已就金額為人民幣78,400,000元(二零一零年(重列): 人民幣51,636,000元)的呆賬確認特定撥備。於本年度本公司並無就呆賬確認任何特定撥備(二零一零年: 人民幣零元)。

(c) 經已逾期但未減值的應收賬款及應收票據賬齡

21. TRADE RECEIVABLES/BILLS RECEIVABLE/OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

(b) Impairment of trade receivables and bills receivable (continued)

At 31 December 2011, the Group's and the Company's trade receivables of RMB1,757,892,000 (2010 (restated): RMB2,283,594,000) and RMB51,000 (2010: RMB251,000) respectively were individually determined to be impaired. The individually impaired receivables related to customers that were in financial difficulties and management assessed that only a portion of the receivables is expected to be recovered. Consequently, specific allowances for doubtful debts of RMB78,400,000 (2010 (restated): RMB51,636,000) were recognised. The Company has not recognised any specific allowances for doubtful debts during the year (2010: RMBNil).

(c) Age of trade and bills receivables that are past due but not impaired

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
未逾期且未減值	Neither past due nor impaired	12,257,986	10,624,209	620,987	346,533
1年以內	Within 1 year	1,037,280	1,139,712	—	—
1至3年	Between 1 to 3 years	563,381	435,032	—	—
3年以上	Over 3 years	112,014	53,193	—	—
		13,970,661	12,252,146	620,987	346,533

財務報表附註(續) Notes to the Financial Statements (continued)

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21. 應收賬款 應收票據 其他應收款、按金及預付款項(續)

(c) 經已逾期但未減值的應收賬款及應收票據賬齡(續)

未逾期且未減值的應收賬款與若干客戶有關，其中大部分客戶均有良好信貸記錄。

經已逾期但未減值之應收款乃與若干客戶有關。持續的信貸評估針對應收賬款的財務狀況進行，而且如適用，已購買了覆蓋信貸擔保保險。於二零一一年十二月三十一日，金額約為人民幣1,290,652,000元(二零一零年：人民幣1,726,733,000元)的應收賬款已經被信貸擔保保險覆蓋。管理層相信信貸質素並沒有重大改變且結餘仍然被視為可以全數收回。本集團及本公司並無就該等結餘持有任何抵押品或擔保。

21. TRADE RECEIVABLES/BILLS RECEIVABLE/OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

(c) Age of trade and bills receivables that are past due but not impaired (continued)

Receivables that were neither past due nor impaired relate to a wide range of customers and many of them with good credit history.

Receivables that were past due but not impaired relate to a number of customers. Ongoing credit evaluation is performed on the financial condition of trade receivables and, where applicable, credit guarantee insurance cover is purchased. As at 31 December 2011, trade receivables of approximately RMB1,290,652,000 (2010: RMB1,726,733,000) were covered by credit guarantee insurance. The management believes that there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group and the Company do not hold any collateral or guarantees over these balances.

財務報表附註(續)
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22. 建造合同應收 (應付)款

於報告期末的建造合同：

22. AMOUNTS DUE FROM/(TO) CUSTOMERS FOR CONTRACT WORK

Contracts in progress at the end of reporting period:

		本集團 The Group	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
迄今合同成本	Contract costs incurred	20,768,967	15,103,923
確認溢利減確認虧損	Recognised profits less recognised losses	848,531	565,201
		21,617,498	15,669,124
減：工程進度款項	Less: Progress billings	(21,181,099)	(16,048,491)
		436,399	(379,367)
其中：	Represented by:		
計入流動資產的應收合同客戶款項	Amounts due from contract customers included in current assets	1,849,593	894,923
計入流動負債的應付合同客戶款項	Amounts due to contract customers included in current liabilities	(1,413,194)	(1,274,290)
		436,399	(379,367)

財務報表附註(續) Notes to the Financial Statements (continued)

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23. 應收 (付)同系附屬公司款項

本集團

該等款項為無抵押，不計息，且須按要求償還。

24. 交易性證券

23. AMOUNTS DUE FROM/(TO) FELLOW SUBSIDIARIES

The Group

The amounts are unsecured, non-interest bearing and repayable on demand.

24. TRADING SECURITIES

		本集團及本公司 The Group and the Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
上市權益證券，按公允價值	Listed equity securities at fair value		
— 香港境外	— outside Hong Kong	2,001,530	1,188,000
上市權益證券之市場價值	Market value of listed equity securities	2,001,530	1,188,000

於二零一一年十二月三十一日，於下列公司權益的賬面值超過本公司總資產的10%。

At 31 December 2011, the carrying amounts of interest in the following company exceed 10% of total assets of the Company.

公司名稱 Name of company	註冊成立地點 Place of incorporation	所持已發行 股份詳情 Particulars of issued shares held	本公司持有權益 Interest held by the Company	主要活動 Principal activity
大唐國際發電股份有限公司 Datang International Power Generation Co., Limited	中國 PRC	註冊資本 Registered capital	2%	電站營運 Power plant operation

25. 已抵押銀行存款

於二零一一年十二月三十一日，本集團之銀行存款約人民幣131,155,000元(二零一零年(重列): 人民幣276,493,000元)已抵押作本集團銀行借款之抵押品，並將於相關銀行借款結清時解除抵押。有關詳情載於附註30。

本集團已抵押銀行存款之利率於附註34(c)(i)中披露。

25. PLEDGED BANK DEPOSITS

As at 31 December 2011, the Group's bank deposits of approximately RMB131,155,000 (2010 (restated): RMB276,493,000) were pledged as collateral for the Group's bank borrowings and will be released upon the settlement of relevant bank borrowings. Details of which are set out in note 30.

The interest rates of the Group's pledged bank deposits are disclosed in note 34(c)(i).

財務報表附註(續) Notes to the Financial Statements (continued)

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26. 銀行存款、現金及現金等價物

26. BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
銀行及現金	Cash at bank and in hand	5,646,474	7,940,655	196,886	967,925
3個月內到期之銀行存款	Bank deposits, matured within 3 months	2,625,401	3,518,664	—	—
財務狀況表及綜合現金流量表之現金及現金等價物	Cash and cash equivalents in the statement of financial position and the consolidated statement of cash flows	8,271,875	11,459,319	196,886	967,925
3個月以後到期之銀行存款	Bank deposits, matured over 3 months	247,404	1,090,860	—	—

於二零一一年十二月三十一日，合共人民幣7,862,386,000元(二零一零年(重列)：人民幣12,461,307,000元)均以人民幣存於中國的銀行，該等人民幣兌換成外幣須遵循中國政府公佈的外匯管制法律及法規。

於二零一一年十二月三十一日，銀行存款、現金及現金等價物的加權平均實際利率為2.29%(二零一零年：1.44%)。

As at 31 December 2011, the Group's cash and bank balances and bank deposits which are denominated in Renminbi amounting to RMB7,862,386,000 (2010 (restated): RMB12,461,307,000). The conversion of these Renminbi denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

The weighted average effective interest rates on bank deposits and cash and cash equivalents as at 31 December 2011 were 2.29% (2010: 1.44%).

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27. 應付賬款 其他應付款、應計 費用及撥備

27. TRADE PAYABLES/OTHER PAYABLES, ACCRUALS AND PROVISIONS

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
應付賬款	Trade payables	14,646,188	11,867,247	176,860	123,521
應付票據	Bills payable	1,900,795	1,505,108	46,010	—
		16,546,983	13,372,355	222,870	123,521
撥備	Provisions	1,463,359	783,397	151,770	151,770
其他應付款及應計 費用	Other payables and accrued charges	570,439	564,124	35,233	22,153
		18,580,781	14,719,876	409,873	297,444

於報告期末，應付賬款及應付票據之賬齡分析如下：

Trade and bills payables with the following ageing analysis as of the end of reporting period is as follows:

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
1年以內	Within 1 year	15,584,796	11,476,206	136,668	59,682
1至2年	1 to 2 years	278,938	1,204,406	37,028	43,477
2至3年	2 to 3 years	389,386	549,995	36,409	15,008
3年以上	Over 3 years	293,863	141,748	12,765	5,354
		16,546,983	13,372,355	222,870	123,521

財務報表附註(續) Notes to the Financial Statements (continued)

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27. 應付賬款 其他應付款、應計費用及撥備(續)

本年度於綜合財務狀況表確認的撥備各組成部分及其變動分析如下：

本集團

		產品質量保證 Product warranty 人民幣千元 RMB'000	法定義務 合約 Onerous contracts 人民幣千元 RMB'000	其他 Others 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一一年一月一日	At 1 January 2011	214,846	505,064	63,487	783,397
新增撥備	Additional provisions	103,090	814,924	9,805	927,819
於年內動用的金額	Amounts utilised during the year	(112,368)	(78,632)	(56,857)	(247,857)
於二零一一年十二月三十一日	At 31 December 2011	205,568	1,241,356	16,435	1,463,359

本公司

		產品質量保證 Product warranty 人民幣千元 RMB'000	法定義務 合約 Onerous contracts 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一一年一月一日	At 1 January 2011	71,305	80,465	151,770
新增撥備	Additional provisions	—	—	—
於年內動用的金額	Amounts utilised during the year	—	—	—
於二零一一年十二月三十一日	At 31 December 2011	71,305	80,465	151,770

27. TRADE PAYABLES/OTHER PAYABLES, ACCRUALS AND PROVISIONS (continued)

The components of provisions recognised in the consolidated statement of financial position and the movements during the year are as follows:

The Group

		產品質量保證 Product warranty 人民幣千元 RMB'000	法定義務 合約 Onerous contracts 人民幣千元 RMB'000	其他 Others 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一一年一月一日	At 1 January 2011	214,846	505,064	63,487	783,397
新增撥備	Additional provisions	103,090	814,924	9,805	927,819
於年內動用的金額	Amounts utilised during the year	(112,368)	(78,632)	(56,857)	(247,857)
於二零一一年十二月三十一日	At 31 December 2011	205,568	1,241,356	16,435	1,463,359

The Company

		產品質量保證 Product warranty 人民幣千元 RMB'000	法定義務 合約 Onerous contracts 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一一年一月一日	At 1 January 2011	71,305	80,465	151,770
新增撥備	Additional provisions	—	—	—
於年內動用的金額	Amounts utilised during the year	—	—	—
於二零一一年十二月三十一日	At 31 December 2011	71,305	80,465	151,770

財務報表附註(續) Notes to the Financial Statements (continued)

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27. 應付賬款 其他應付款、應計費用及撥備(續)

產品質量保證撥備

本集團就若干產品為其客戶提供一至兩年質量保證，並承諾修理或更換操作欠佳的產品。此類保證撥備金額乃按銷量及過往的修理及退貨記錄作估計。估計基準持續作檢討，並於適當時候作出修訂。

法定義務合約撥備

本集團就銷售發電設備及核電設備訂立多項將於未來一至兩年執行的合約。根據該等合約，於二零一一年十二月三十一日，履行該等合約的必要成本超出預期將獲得的經濟利益。本集團已根據解除該等法定義務合約估計所須承擔的最低淨成本就該等合約作出撥備。

27. TRADE PAYABLES/OTHER PAYABLES, ACCRUALS AND PROVISIONS (continued)

Product warranty provision

The Group provides warranties ranging from one to two years to its customers on certain products and undertakes to repair or replace items that fail to perform satisfactorily. The amount of the provision for warranties is estimated based on the sales volume and past experience on the level of repairs and returns. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

Onerous contracts provision

The Group has entered into several contracts to be executed in the coming one to two years in respect of the sale of power equipment and nuclear power equipment. Under these contracts, the unavoidable costs of meeting the obligations have exceeded the economic benefits expected to be received as at 31 December 2011. Provision has been made for such onerous contracts based on the estimated minimum net cost of exiting from the contracts.

28. 已收按金

28. DEPOSITS RECEIVED

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
			(restated)		
流動部分	Current portion	7,483,656	11,891,531	1,053,967	1,758,845
非流動部分	Non-current portion	6,337,141	7,592,559	702,644	—
		13,820,797	19,484,090	1,756,611	1,758,845

財務報表附註(續) Notes to the Financial Statements (continued)

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28. 已收按金(續)

已收按金為在建中合約工程向客戶收取之進度款項。已收按金中，本集團及本公司分別約有人民幣6,337,141,000元(二零一零年：人民幣7,592,559,000元)及人民幣702,644,000元(二零一零年：人民幣零元)為於報告期末後十二個月才動工之建造合同工程已收取之進度款項，故歸入綜合財務狀況表及財務狀況表的非流動負債。而其餘部分則為一年內動工的建造合同工程已收取之按金，故歸入流動負債。已收按金將於建造合同工程完成後用作抵銷合同價。

28. DEPOSITS RECEIVED (continued)

The amount represents the progress payments received from customers in respect of work in progress. Included in deposits received for the Group and the Company of approximately RMB6,337,141,000 (2010: RMB7,592,559,000) and RMB702,644,000 (2010: RMBNil) respectively were the progress payments received in respect of contract works to be commenced twelve months from the end of the reporting period and were classified in the consolidated statement of financial position and statement of financial position respectively as non-current. The remaining balance represents deposits received for contract works to be commenced within one year and were classified as current liabilities. The deposits received will be used to set-off the contract price upon the completion of contract works.

29. 欠控股公司款項

29. ADVANCE FROM HOLDING COMPANY

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
附註 Note					
流動部分	Current portion	(i) 2,785	20,478	—	—
非流動部分	Non-current portion	(ii) 1,169,838	1,042,918	392,960	392,960
		1,172,623	1,063,396	392,960	392,960

附註：

- (i) 欠控股公司款項結餘為不計息，合共為人民幣2,785,000元(二零一零年：人民幣20,478,000元)。此款項為無抵押且無固定還款期。
- (ii) 本集團欠控股公司款項結餘包括不計息及計息之貸款，分別為人民幣179,160,000元(二零一零年：人民幣73,400,000元)及人民幣990,678,000元(二零一零年：人民幣969,518,000元)。實際年利率為5.23%(二零一零年：4.78%)。

本公司欠控股公司款項結餘包括計息之貸款，為人民幣392,960,000元(二零一零年：人民幣392,960,000元)。實際年利率為5.23%(二零一零年：4.78%)。

此欠款不會於報告期末後的五年內被要求歸還，因此被歸納為非流動負債。

Notes:

- (i) The balance of the advance from holding company is non-interest bearing, amounting to RMB2,785,000 (2010: RMB20,478,000). The amount is unsecured and repayable on demand.
- (ii) The balance of the advance from holding company of the Group comprises of non-interest bearing and interest bearing demand.

財務報表附註(續) Notes to the Financial Statements (continued)

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30. 借款

30. BORROWINGS

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
銀行貸款	Bank loans	1,399,000	1,828,699	—	—
其他貸款	Other loans	496,867	381,265	33,784	33,784
		1,895,867	2,209,964	33,784	33,784
擔保	Secured	1,399,000	1,828,699	—	—
非擔保	Unsecured	496,867	381,265	33,784	33,784
		1,895,867	2,209,964	33,784	33,784
分析為：	Analysed into:				
應償付的銀行貸款：	Bank loans repayable:				
一年內或按要求	Within one year or on demand	450,000	438,699	—	—
一年後及兩年內	After one year but within two years	369,000	440,000	—	—
兩年後及五年內	After two years but within five years	580,000	950,000	—	—
五年後	After five years	—	—	—	—
		1,399,000	1,828,699	—	—
應償付的其他貸款：	Other loans payable:				
一年內或按要求	Within one year or on demand	131,623	188,306	—	—
一年後及兩年內	After one year but within two years	—	—	—	—
兩年後及五年內	After two years but within five years	—	—	—	—
五年後	After five years	365,244	192,959	33,784	33,784
		496,867	381,265	33,784	33,784
		1,895,867	2,209,964	33,784	33,784
減：一年內或按要求償還之流動負債	Less: repayable within one year or on demand classified under current liabilities	(581,623)	(627,005)	—	—
		1,314,244	1,582,959	33,784	33,784

財務報表附註(續) Notes to the Financial Statements (continued)

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30. 借款(續)

借款的賬面值以下列貨幣為單位：

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
人民幣	RMB	1,895,867	2,064,265	33,784	33,784
美元	USD	—	145,699	—	—
		1,895,867	2,209,964	33,784	33,784

於二零一一年十二月三十一日，本集團所有銀行借款的年利率介乎3.51%至6.89%之間(二零一零年：年利率介乎3.51%至6.22%)。

於二零一一年十二月三十一日，本集團抵押若干資產作為所獲一般銀行融資之擔保。該等資產之賬面值如下：

- (i) 投資物業為人民幣零元(二零一零年：人民幣4,227,000元)(參閱附註11)。
- (ii) 銀行存款為人民幣131,155,000元(二零一零年(重列)：人民幣276,493,000元)(參閱附註25)。
- (iii) 預付土地租賃款為人民幣25,363,000元(二零一零年(重列)：人民幣51,851,000元)(參閱附註13)。
- (iv) 存貨為人民幣零元(二零一零年(重列)：人民幣15,539,000元)(參閱附註20)。
- (v) 物業、廠房及設備為人民幣6,389,000元(二零一零年(重列)：人民幣55,751,000元)(參閱附註12)。

30. BORROWINGS (continued)

The carrying amounts of the borrowings are denominated in the following currencies:

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
人民幣	RMB	1,895,867	2,064,265	33,784	33,784
美元	USD	—	145,699	—	—
		1,895,867	2,209,964	33,784	33,784

All of the Group's bank borrowings are carrying at rates ranging from 3.51% to 6.89% per annum (2010: 3.51% to 6.22% per annum) as at 31 December 2011.

At 31 December 2011, the Group pledged certain assets with the following carrying amounts to secure the banking facilities granted to the Group:

- (i) investment properties of RMBNil (2010: RMB4,227,000) (note 11).
- (ii) bank deposits of RMB131,155,000 (2010 (restated): RMB276,493,000) (note 25).
- (iii) prepaid lease payments of RMB25,363,000 (2010 (restated): RMB51,851,000) (note 13).
- (iv) inventories of RMBNil (2010 (restated): RMB15,539,000) (note 20).
- (v) property, plant and equipment of RMB6,389,000 (2010 (restated): RMB55,751,000) (note 12).

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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30. 借款(續)

- (vi) 應收賬款為人民幣零元(二零一零年(重列): 人民幣28,889,000元(參閱附註21))。

於二零一一年十二月三十一日及二零一零年十二月三十一日, 哈電集團公司並無對本集團的銀行借款作擔保。

31. 退休福利計劃

本集團須向哈爾濱市社會保險事業管理局監管的界定供款退休養老基金繳付供款。本集團須按現有中國職工基本工資的22%繳付退休養老基金, 職工按其基本工資的8%繳付。

32. 應交(可收回)稅金

30. BORROWINGS (continued)

- (vi) trade receivables of RMBNil (2010 (restated): RMB28,889,000) (note 21).

At 31 December 2011 and 2010, none of the Group's bank borrowings are guaranteed by HE.

31. POST-EMPLOYMENT BENEFIT SCHEME

The Group is required to make contributions to a defined contribution retirement fund which is administered by the Harbin Social Insurance Administration Bureau of the local government. The Group is required to contribute 22% of the basic salary of its existing PRC staff, while employees contribute 8% of their basic salary.

32. TAX PAYABLES/(RECOVERABLE)

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
增值稅	Value added tax	170,634	263,898	(49,053)	(72,988)
企業所得稅	Enterprise income tax	635,239	406,831	24,913	60,281
營業稅	Business tax	18,983	24,674	17,939	18,800
其他稅項	Other taxes	95,762	120,830	3,583	9,727
應交(可收回)稅金	Tax payables/(recoverable)	920,618	816,233	(2,618)	15,820

財務報表附註(續) Notes to the Financial Statements (continued)

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33. 股本、儲備及股息

(a) 權益部分變動

本集團

本集團綜合權益各部分年初及年末結餘之對賬載於本財務報表第64頁之綜合權益變動表。本公司權益個別部分年初及年末之變動詳情載列如下：

本公司

33. CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The Group

The reconciliation between the opening and closing balances of each components of the Group's consolidated equity is set out in the consolidated statement of changes in equity on page 64 of the financial statements. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

The Company

	股本 Share capital 人民幣千元 RMB'000	股份溢價 Share premium 人民幣千元 RMB'000	法定 資本儲備 Statutory capital reserve 人民幣千元 RMB'000	法定 盈餘公積金 Statutory surplus reserve 人民幣千元 RMB'000	保留溢利 Retained profits 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一零年一月一日 之結餘	1,376,806	1,980,295	709,849	406,486	431,090	4,904,526
本年度溢利及綜合收益 總額	—	—	—	—	272,223	272,223
轉撥至儲備	—	—	—	27,222	(27,222)	—
股息	—	—	—	—	(93,623)	(93,623)
於二零一零年十二月 三十一日之結餘	1,376,806	1,980,295	709,849	433,708	582,468	5,083,126
於二零一一年一月一日 之結餘	1,376,806	1,980,295	709,849	433,708	582,468	5,083,126
本年度虧損及綜合虧損 總額	—	—	—	—	(168,288)	(168,288)
股息	—	—	—	—	(192,753)	(192,753)
於二零一一年十二月 三十一日之結餘	1,376,806	1,980,295	709,849	433,708	221,427	4,722,085

財務報表附註(續) Notes to the Financial Statements (continued)

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33. 股本、儲備及股息(續)

33. CAPITAL, RESERVES AND DIVIDENDS

(continued)

(b) 股息

(b) Dividends

- (i) 本年度應付本公司股份持有人股息。

- (i) Dividends payable to equity shareholders of the Company attributable to the year.

	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
報告期末後的建議末期股息 為每股普通股人民幣 0.14元(二零一零年： 每股普通股人民幣0.14元)	192,753	192,753

報告期末後建議的末期股息於
報告期末當日尚未確認為負債。

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

- (ii) 年內批准及派付之上一財政年度應付本公司股份持有人之股息。

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year.

	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
年內批准及派付之上一財政 年度之末期股息為每股 人民幣0.14元 (二零一零年：每股 人民幣0.068元)	192,753	93,623

財務報表附註(續) Notes to the Financial Statements (continued)

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33. 股本、儲備及股息(續)

(c) 股本

		2011		2010	
		股份數目	人民幣千元	股份數目	人民幣千元
		Number	RMB'000	Number	RMB'000
		of shares		of shares	
已註冊、已發行及 繳足：	Registered, issued and fully paid:				
國有法人股每股面值 人民幣1元	State owned equity interest shares of RMB1 each	701,235,000	701,235	701,235,000	701,235
H股每股面值人民幣 1元	H Shares of RMB1 each	675,571,000	675,571	675,571,000	675,571
於一月一日及十二月 三十一日	At 1 January and 31 December	1,376,806,000	1,376,806	1,376,806,000	1,376,806

除支付股息的幣值以及對中國境內和
境外投資者能否成為股東的限制有所
不同外，國有法人股和H股在其他權
益方面均相同。

(d) 資本管理

本集團資本管理的首要目標，為確保
本集團具備持續發展的能力，且維持
穩健的資本比率，以支持其業務運
作，爭取最大的股東價值。

本集團根據經濟情況的變動，管理其
資本結構並作出調整。為維持或調整
資本結構，本集團可能會調整向股東
派發的股息、向股東退還資本或發行
新股。截至二零一一年十二月三十一
日及二零一零年十二月三十一日止各
年度， 銷立整

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

33. 股本、儲備及股息(續)

33. CAPITAL, RESERVES AND DIVIDENDS

(continued)

(d) 資本管理(續)

本集團運用資本負債比率(淨債務除以總資本加淨債務之和)監控其資本情況。本集團的政策為維持穩健的資本負債比率。淨債務包括建造合同應付款、應付賬款、其他應付款、應計費用及撥備、已收按金、應付同系附屬公司款項、欠控股公司款項及借款，減去銀行存款、現金及現金等價物。總資本包括所有本公司股份持有人應佔股本及儲備。報告期末的資本負債比率如下：

(d) Capital management (continued)

The Group monitors capital using a gearing ratio, which is net debt divided by the total capital plus net debt. The Group's policy is to maintain a stable gearing ratio. Net debt includes amounts due to customers for contract work, trade payables, other payables, accruals and provisions, deposits received, amounts due to fellow subsidiaries, advance from holding company and borrowings, less bank deposits, cash and cash equivalents. Total capital represents all capital and reserves attributable to owners of the Company. The gearing ratios as at the end of reporting periods were as follows:

		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)
總債務	Total debts		
建造合同應付款	Amounts due to customers for contract work	1,413,194	1,274,290
應付賬款	Trade payables	14,646,188	11,867,247
其他應付款、應計費用及撥備	Other payables, accruals and provisions	3,934,593	2,852,629
已收按金	Deposits received	13,820,797	19,484,090
應付同系附屬公司款項	Amounts due to fellow subsidiaries	36,266	24,418
欠控股公司款項	Advance from holding company	1,172,623	1,063,396
借款	Borrowings	1,895,867	2,209,964
		36,919,528	38,776,034
減：銀行存款、現金及現金等價物	Less: Bank deposits, cash and cash equivalents		
受限制銀行存款	Restricted bank deposits	(2,506)	(5,000)
已抵押銀行存款	Pledged bank deposits	(131,155)	(276,493)
銀行存款	Bank deposits	(247,404)	(1,090,860)
現金及現金等價物	Cash and cash equivalents	(8,271,875)	(11,459,319)
		(8,652,940)	(12,831,672)
淨債務	Net debt	28,266,588	25,944,362
總資本	Total capital	10,601,620	9,701,448
資本與淨債務	Capital and net debt	38,868,208	35,645,810
資本負債比率	Gearing ratio	73%	73%

財務報表附註(續)
Notes to the Financial Statements (continued)
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34. 金融工具

金融工具類別：

34. FINANCIAL INSTRUMENT

Categories of financial instruments:

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
金融資產	Financial assets				
按公允價值計入損益	Fair value through profit or loss (FVTPL)				
— 持有作交易	— Held for trading	2,094,171	1,292,276	2,001,530	1,188,000
持有至到期的投資	Held-to-maturity investments	236,085	—	—	—
貸款及應收款項(包括現金及現金等價物)	Loans and receivables (including cash and cash equivalents)	23,264,172	25,627,216	2,690,000	2,981,672
待銷售性投資	Available-for-sale investments	96,637	53,637	60,346	21,246
金融負債	Financial liabilities				
指定套期會計關係中的衍生工具	Derivative instruments in designated hedge accounting relationships	32,671	—	—	—
攤銷成本	Amortised cost	20,222,178	17,234,257	3,281,792	2,136,836

財務風險管理及公允價值

本集團面對來自其日常業務過程中產生的信貸、流動資金、利率及貨幣風險，同時亦面對來自其他企業的股權投資的股價風險。

本集團所面對之風險及本集團用以管理該等風險的財務風險管理政策及慣例如下。

Financial risk management and fair values

Exposure to credit, liquidity, interest rate and currency risk arises in the normal course of the Group's business. The Group is also exposed to equity price risk arising from its equity investments in other entities.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

34. 金融工具(續)

(a) 信貸風險

信貸風險指客戶或金融工具交易對方未能履行合約責任而導致本集團承擔財務損失之風險，有關風險主要來自：

- 綜合財務狀況表所列之各金融資產賬面值；及
- 附註38所披露之或然負債金額。

為盡可能減低綜合財務報表所列各類別已確認金融資產之信貸風險，本集團管理層已選派一個專責釐定信貸額度、信貸批准及其他監管程序的隊伍，以負責跟進行動收回逾期債務。此外，本集團於每個報告期末均進行檢討各項個別交易債務及非交易性債務的可收回金額，以確保就不可收回款項作出足夠減值虧損。就此，本公司董事認為，本集團的信貸風險已大幅減少。

現金及銀行存款均存放於信用評級良好之銀行及財務機構。本公司董事認為，本集團之現金及銀行存款之信貸風險甚低。

本集團承受之信貸風險主要受各客戶個別特性所影響，而非受客戶業務所在之行業或國家影響，故當本集團受個別客戶的較大影響時，一般會令本集團出現信貸風險顯著集中之情況。於報告期末，本集團有一定程度的信貸風險集中情況，其應收賬款總額有10% (二零一零年：14%) 來自同一個客戶。

34. FINANCIAL INSTRUMENT (continued)

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligation, and arises principally from:

- the carrying amount of the respective financial assets as stated in the consolidated statement of financial position; and
- the amount of contingent liabilities as disclosed in note 38.

In order to minimise the credit risk in relation to each class of recognised financial assets as stated in the consolidated financial statements, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow up actions are taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt and non-trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Cash at banks and bank deposits are placed with banks and financial institutions with good credit ratings. The directors of the Company consider that the Group's credit risk on the cash at banks and bank deposits is low.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of reporting period, the Group has a certain concentration of credit risk as 10% (2010: 14%) of the total trade receivables was due from a single customer.

財務報表附註(續) Notes to the Financial Statements (continued)

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34. 金融工具(續)

(b) 流動資金風險(續)

下表列示本集團及本公司的衍生及非衍生性質金融負債於報告期末之餘下合約到期情況，乃根據合約非貼現現金流量(包括使用合約利率或(如為浮息)於報告期末之利率計算之利息付款)及本集團及本公司可能被要求還款之最早日期作出：

本集團

二零一一年

34. FINANCIAL INSTRUMENT (continued)

(b) Liquidity risk (continued)

The following tables show the remaining contractual maturities at the end of reporting period of the Group's and the Company's derivative and non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of reporting period) and the earliest date the Group and the Company can be required to pay:

The Group

2011

		已訂約未貼現現金流出 Contractual undiscounted cash outflow				
賬面值 Carrying amount 人民幣千元 RMB'000		總計 Total 人民幣千元 RMB'000	一年內 或應要求 Within 1 year or on demand 人民幣千元 RMB'000	一年以上 兩年以內 More than 1 year but less than 2 years 人民幣千元 RMB'000	兩年以上 五年以內 More than 2 years but less than 5 years 人民幣千元 RMB'000	五年以上 More than 5 years 人民幣千元 RMB'000
衍生金融負債	Derivative financial liabilities					
持有作現金流量套期 工具的遠期外匯合約	Foreign currency forward contracts held as cash flow hedging instruments					
— 流入	— inflow	(2,524,930)	(570,060)	(1,954,870)	—	—
— 流出	— outflow	2,558,793	573,882	1,984,911	—	—
		32,671	3,822	30,041	—	—
非衍生金融負債	Non-derivative financial liabilities					
應付賬款	Trade payables	14,646,188	14,646,188	—	—	—
其他應付款及應計費用	Other payables and accrued charges	2,471,234	2,471,234	—	—	—
應付同系附屬公司款項	Amounts due to fellow subsidiaries	36,266	36,266	—	—	—
欠控股公司款項	Advance from holding company	1,172,623	1,483,495	54,597	155,436	1,221,650
借款	Borrowings	1,895,867	1,978,679	610,038	602,766	365,244
		20,222,178	17,818,323	452,443	758,202	1,586,894

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

34. 金融工具(續)

(b) 流動資金風險(續)

本集團

二零一零年

34. FINANCIAL INSTRUMENT (continued)

(b) Liquidity risk (continued)

The Group

2010

	賬面值 Carrying amount	總計 Total	已訂約未貼現現金流出 Contractual undiscounted cash outflow			
			一年內 或應要求 Within 1 year or on demand	一年以上 兩年以內 More than 1 year but less than 2 years	兩年以上 五年以內 More than 2 years but less than 5 years	五年以上 More than 5 years
	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
	(重列) (restated)	(重列) (restated)	(重列) (restated)	(重列) (restated)	(重列) (restated)	(重列) (restated)
非衍生金融負債	Non-derivative financial liabilities					
應付賬款	11,867,247	11,867,247	11,867,247	—	—	—
其他應付款及應計費用	2,069,232	2,069,232	2,069,232	—	—	—
應付同系附屬公司款項	24,418	24,418	24,418	—	—	—
欠控股公司款項	1,063,396	1,341,454	66,821	46,343	139,029	1,089,261
借款	2,209,964	2,350,010	697,820	514,769	944,462	192,959
	17,234,257	17,652,361	14,725,538	561,112	1,083,491	1,282,220
已作出之財務擔保： 最高擔保金額(附註38)	Financial guarantee issued: Maximum amount guaranteed (note 38)					
	—	5,000	5,000	—	—	—

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

34. 金融工具(續)

(b) 流動資金風險(續)

本公司

二零一一年

34. FINANCIAL INSTRUMENT (continued)

(b) Liquidity risk (continued)

The Company

2011

		已訂約未貼現現金流出 Contractual undiscounted cash outflow					
		賬面值 Carrying amount 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000	一年內 或應要求 Within 1 year or on demand 人民幣千元 RMB'000	一年以上 兩年以內 More than 1 year but less than 2 years 人民幣千元 RMB'000	兩年以上 五年以內 More than 2 years but less than 5 years 人民幣千元 RMB'000	五年以上 More than 5 years 人民幣千元 RMB'000
非衍生金融負債	Non-derivative financial liabilities						
應付賬款	Trade payables	176,860	176,860	176,860	—	—	—
其他應付款及應計費用	Other payables and accrued charges	81,243	81,243	81,243	—	—	—
應付附屬公司款項	Amounts due to subsidiaries	2,596,945	2,596,945	2,596,945	—	—	—
欠控股公司款項	Advance from holding company	392,960	516,272	20,552	20,552	61,656	413,512
借款	Borrowings	33,784	33,784	—	—	—	33,784
		3,281,792	3,405,104	2,875,600	20,552	61,656	447,296
已作出之財務擔保： 最高擔保金額(附註38)	Financial guarantee issued: Maximum amount guaranteed (note 38)	—	1,260,000	1,260,000	—	—	—

財務報表附註(續)
Notes to the Financial Statements (continued)
 截至二零一一年十二月三十一日止年度
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34. 金融工具(續)

(b) 流動資金風險(續)

本公司

二零一零年

34. FINANCIAL INSTRUMENT (continued)

(b) Liquidity risk (continued)

The Company

2010

		已訂約未貼現現金流出 Contractual undiscounted cash outflow					
		賬面值 Carrying amount 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000	一年內 或應要求 Within 1 year or on demand 人民幣千元 RMB'000	一年以上 兩年以內 More than 1 year but less than 2 years 人民幣千元 RMB'000	兩年以上 五年以內 More than 2 years but less than 5 years 人民幣千元 RMB'000	五年以上 More than 5 years 人民幣千元 RMB'000
非衍生金融負債	Non-derivative financial liabilities						
應付賬款	Trade payables	123,521	123,521	123,521	—	—	—
其他應付款及應計費用	Other payables and accrued charges	22,153	22,153	22,153	—	—	—
應付附屬公司款項	Amounts due to subsidiaries	1,564,418	1,564,418	1,564,418	—	—	—
欠控股公司款項	Advance from holding company	392,960	505,658	18,783	18,783	56,349	411,743
借款	Borrowings	33,784	33,784	—	—	—	33,784
		2,136,836	2,249,534	1,728,875	18,783	56,349	445,527
已作出之財務擔保：	Financial guarantee issued:						
最高擔保金額(附註38)	Maximum amount guaranteed (note 38)	—	1,575,699	1,575,699	—	—	—

(c) 利率風險

(i) 所面對之利率風險

本集團及本公司之利率風險主要來自借款、現金及銀行存款。現金及銀行存款於二零一一年十二月三十一日的年利率介乎0.5%至3.1%之間(二零一零年：0.36%至2.25%)。本集團及本公司之借款利率於附註30中披露。

(c) Interest rate risk

(i) Exposure to interest rate risk

The Group and the Company's interest rate risk arises primarily from borrowings, cash at banks and bank deposits. The annual interest rates for cash at banks and bank deposits ranging from 0.5% to 3.1% as at 31 December 2011 (2010: 0.36% to 2.25%). The interest rates of the Group and the Company's borrowings are disclosed in note 30.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

34. 金融工具(續)

(c) 利率風險(續)

(i) 所面對之利率風險(續)

帶有各種利率的銀行存款及借款令本集團及本公司承受現金流量利率風險，而持有至到期的投資、欠控股公司款項及固定利率借款則令本集團及本公司承受公允價值利率風險。本集團及本公司並無進行任何套期活動以管理其利率風險。

(ii) 敏感度分析

本集團

倘息率增 減0.5% 而所有其他變量維持不變，本集團年內稅後溢利及保留溢利將增加 減少約人民幣36,157,000元(二零一零年(重列): 增加 減少人民幣54,368,000元)。

上述敏感度分析顯示，假設於報告期末利率已經變動，則會對本集團之除稅後溢利及保留溢利造成即時影響。就於報告期末本集團所持浮息非衍生性質工具所承受現金流量利率風險而言，本集團除稅後溢利及累積盈餘所受影響，乃按該等利率變動對年度化利息支出之影響估計。本分析乃按與二零一零年相同之基準進行。

管理層認為，敏感度分析並未能代表內在利率風險，因年終之風險並未反映整個年度內之風險。

34. FINANCIAL INSTRUMENT (continued)

(c) Interest rate risk (continued)

(i) Exposure to interest rate risk (continued)

Bank deposits and borrowings issued at variable rates expose the Group and the Company to cash flow interest rate risk, and held-to-maturity investments, advance from holding company and borrowings issued at fixed rates expose the Group and the Company to fair value interest rate risk. The Group and the Company does not carry out any hedging activities to manage its interest rate exposure.

(ii) Sensitivity analysis

The Group

If interest rates had been 0.5% higher/lower and all other variables were held constant, the Group's profit after tax and retained profits for the year would increase/decrease by approximately RMB36,157,000 (2010 (restated): increase/decrease RMB54,368,000).

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax and retained profits that would arise assuming that the change in interest rates had occurred at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit after tax and retained profits is estimated as an annualised impact on interest expense of such a change in interest rates. The analysis is performed on the same basis for 2010.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent interest rate risk as the year end exposure does not reflect the exposure during the year.

財務報表附註(續)
Notes to the Financial Statements (continued)
截至二零一一年十二月三十一日止年度
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34. 金融工具(續)

(d) 貨幣風險

人民幣不可自由兌換為外幣。所有涉及人民幣之外匯交易必須透過中國人民銀行(「人民銀行」)或其他獲授權買賣外匯之金融機構進行。外匯交易採納之匯率為人民銀行所報匯率，該匯率將在受控制下跟隨一籃子貨幣之匯率浮動。

外幣付款(包括將盈利匯出中國)須視乎是否有外匯(其取決於本集團以外幣結算之盈利)或必須在政府批准下透過人民銀行安排進行。

本集團之若干銀行現金結存、應收賬款及應付賬款以外幣計值。本集團的業務部分屬於海外建造合約，而此等合約一般以人民幣以外的貨幣計值。管理層密切注視外匯風險，並使用遠期外匯合約對沖若干風險。

(i) 所面對之貨幣風險

下表詳列於報告期末本集團就來自以有關企業之功能貨幣以外貨幣計值之已確認資產或負債所承受之貨幣風險。

34. FINANCIAL INSTRUMENT (continued)

(d) Currency risk

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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34. 金融工具(續)

34. FINANCIAL INSTRUMENT (continued)

(d) 貨幣風險(續)

(d) Currency risk (continued)

(i) 所面對之貨幣風險(續)

(i) Exposure to currency risk (continued)

		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)
本集團	The Group		
外幣計值之金融資產：	Financial assets denominated in foreign currencies:		
應收賬款	Trade receivables	1,747,147	2,254,057
銀行結存及現金	Bank balances and cash	790,554	365,365
		2,537,701	2,619,422
金融資產以下列外幣計值：	The financial assets were denominated in the following foreign currencies:		
歐元	EUR	853	6,888
美元	USD	2,462,872	2,597,959
港元	HKD	339	5,621
印尼盾	IDR	13,152	—
蘇丹鎊	Sudanese pound	47,524	—
其他	Others	12,961	8,954
		2,537,701	2,619,422
外幣計值之金融負債：	Financial liabilities denominated in foreign currencies:		
應付賬款	Trade payables	11,520	3,506
借款	Borrowings	—	145,699
		11,520	149,205
金融負債以下列外幣計值：	The financial liabilities were denominated in the following foreign currency:		
美元	USD	11,520	149,205

在本報告期末，本公司因其功能性貨幣以外的貨幣確認資產或負債而面對的貨幣風險並不重大。

At the end of the reporting period, the Company's exposure to currency risk arising from recognised assets or liabilities denominated in currency other than the functional currency of the Company was not significant.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

34. 金融工具(續)

(d) 貨幣風險(續)

(ii) 敏感度分析

下表列示本集團之除稅後溢利及本集團的其他權益部分因於報告期結束當日之匯率變動(本集團須就此變動承受重大風險)而產生之即時變動(已假設其他風險變量不變)。

34. FINANCIAL INSTRUMENT (continued)

(d) Currency risk (Continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit after tax and the Group's other components of equity that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

		2011		2010	
		對除稅後溢利及保留溢利之影響	對其他權益部分之影響	對除稅後溢利及保留溢利之影響	
		Effect on profit after taxation and retained profits	Effect on other components of equity	Effect on profit after taxation and retained profits	
		人民幣千元	人民幣千元	人民幣千元	
		RMB'000	RMB'000	RMB'000	
				(重列)	
				(restated)	
匯率上升 (下跌)	Increase/ (decrease) in foreign exchange rate				
歐元	EUR	5%	36	—	293
		(5%)	(36)	—	(293)
美元	USD	5%	(3,729)	(105,167)	(115,078)
		(5%)	3,729	105,167	115,078
港元	HKD	5%	14	—	239
		(5%)	(14)	—	(239)
印尼盾	IDR	5%	559	—	—
		(5%)	(559)	—	—
蘇丹鎊	Sudanese pound	5%	2,020	—	—
		(5%)	(2,020)	—	—

敏感度分析乃假設匯率變動應用於重估本集團於報告期末持有並面臨外匯風險的金融工具。該分析乃按與二零一零年相同之基準進行。

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of reporting period. The analysis is performed on the same basis for 2010.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

34. 金融工具(續)

(d) 貨幣風險(續)

(ii) 敏感度分析(續)

管理層認為，敏感度分析並未能代表內在貨幣風險，因年終之風險並未反映整個年度內之風險。

(e) 股價風險

本集團因分類為交易性證券之權益投資而面臨股價變動風險。

本集團之上市投資於上海證券交易所掛牌上市。購買或出售交易性證券之決定乃根據每日監控單個證券與指數及其他行業指標相比較之表現，以及本集團之流動資金需要而作出。

於二零一一年十二月三十一日，假設相關股市指數上升（下跌）5%（二零一零年：5%），而所有其他變量保持不變，則本集團之除稅前溢利將發生如下增加 減少：

34. FINANCIAL INSTRUMENT (continued)

(d) Currency risk (Continued)

(ii) Sensitivity analysis (Continued)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent currency risk as the year end exposure does not reflect the exposure during the year.

(e) Equity price risk

The Group is exposed to equity price changes arising from equity investments classified as trading securities.

The Group's listed investments are listed on the Shanghai Stock Exchange. Decisions to buy or sell trading securities are based on daily monitoring of the performance of individual securities compared to that of the Index and other industry indicators, as well as the Group's liquidity needs.

At 31 December 2011, it is estimated that an increase/ (decrease) of 5% (2010: 5%) in the relevant stock market index with all other variables held constant, would have increased/decreased the Group's profit before tax as follows:

		2011		2010	
		對除稅後溢利及保留溢利之影響 Effect on profit after tax and retained profits 人民幣千元 RMB'000		對除稅後溢利及保留溢利之影響 Effect on profit after tax and retained profits 人民幣千元 RMB'000	
相關股價風險變量之變動：	Change in the relevant equity price risk variable:				
交易性證券	Trading securities				
上升	Increase	5%	85,065	5%	50,490
下跌	Decrease	(5%)	(85,065)	(5%)	(50,490)

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

34. 金融工具(續)

(e) 股價風險(續)

敏感度分析所顯示對本集團除稅前溢利將會造成之即時影響，為假設股市指數之變動於報告期結束時已產生，並已應用於重新計量本集團持有且導致其於報告期結束時面臨股價風險之金融工具。亦假設本集團權益投資之公允價值將根據其與相關股市指數或相關風險變量之歷來相互關係而變動，而所有其他變量均維持不變。該項分析乃按與二零一零年相同之基準進行。

管理層認為，敏感度分析並未能代表內在股價風險，因年終之風險並未反映整個年度內之風險。

(f) 公允價值

(i) 按公允價值入賬之金融工具

下表呈列於報告期末在香港財務報告準則第7號「金融工具：披露」所界定之三個公允價值層級計量公允價值之金融工具賬面值。各金融工具之公允價值全部根據對該公允價值計量而言屬重要之最低層級輸入數據分類，該等層級界定如下：

第一級：(最高級)：使用活躍市場就相同金融工具之報價(未調整)計量之公允價值

第二級：使用活躍市場就相若金融工具之報價或所有重要輸入數據均直接或間接根據公開市場數據進行之估值技術計量之公允價值

第三級：(最低級)：使用任何重要輸入數據均非根據公開市場數據進行之估值技術計量之公允價值

34. FINANCIAL INSTRUMENT (continued)

(e) Equity price risk (continued)

The sensitivity analysis indicates the instantaneous change in the Group's profit before tax that would arise assuming that the changes in the stock market index had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to equity price risk at the end of the reporting period. It is also assumed that the fair values of the Group's equity investments would change in accordance with the historical correlation with the relevant stock market index or the relevant risk variables, and that all other variables remain constant. The analysis is performed on the same basis for 2010.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent equity price risk as the year end exposure does not reflect the exposure during the year.

(f) Fair value

(i) Financial instruments carried at fair value

The following table presents the carrying value of financial instruments measured at fair value at the end of reporting period across the three levels of the fair value hierarchy defined in HKFRS 7 "Financial Instruments: Disclosure" with the fair value of each financial instrument categorized in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

Level 1: (highest level): fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments

Level 2: fair values measured using quoted prices in active markets for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data

Level 3: (lowest level): fair values measured using valuation techniques in which any significant input is not based on observable market data

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

34. 金融工具(續)

(f) 公允價值(續)

(i) 按公允價值入賬之金融工具 (續)

本集團

34. FINANCIAL INSTRUMENT (continued)

(f) Fair value (continued)

(i) Financial instruments carried at fair value (continued)

The Group

		於二零一一年十二月三十一日 At 31 December 2011			
		第一級 Level 1	第二級 Level 2	第三級 Level 3	總計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
資產					
Assets					
衍生金融工具	Derivative financial instruments				
— 遠期外匯合約	— forward exchange contracts	—	92,641	—	92,641
交易性證券	Trading securities	2,001,530	—	—	2,001,530
		2,001,530	92,641	—	2,094,171
負債					
Liabilities					
衍生金融工具	Derivative financial instruments				
— 遠期外匯合約	— forward exchange contracts	—	32,671	—	32,671

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

34. 金融工具(續)

(f) 公允價值(續)

(i) 按公允價值入賬之金融工具 (續)

本集團(續)

		於二零一零年十二月三十一日 At 31 December 2010			
		第一級 Level 1	第二級 Level 2	第三級 Level 3	總計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
資產	Assets				
衍生金融工具	Derivative financial instruments				
— 遠期外匯合約	— forward exchange contracts	—	104,276	—	104,276
交易性證券	Trading securities	1,188,000	—	—	1,188,000
		1,188,000	104,276	—	1,292,276

本公司

The Company

		於二零一一年十二月三十一日 At 31 December 2011			
		第一級 Level 1	第二級 Level 2	第三級 Level 3	總計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
資產	Assets				
交易性證券	Trading securities	2,001,530	—	—	2,001,530

34. FINANCIAL INSTRUMENT (continued)

(f) Fair value (continued)

(i) Financial instruments carried at fair value (continued)

The Group (continued)

		於二零一零年十二月三十一日 At 31 December 2010			
		第一級 Level 1	第二級 Level 2	第三級 Level 3	總計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
	Derivative financial instruments				
	— forward exchange contracts	—	104,276	—	104,276
	Trading securities	1,188,000	—	—	1,188,000
		1,188,000	104,276	—	1,292,276

本公司

The Company

		於二零一一年十二月三十一日 At 31 December 2011			
		第一級 Level 1	第二級 Level 2	第三級 Level 3	總計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
	Trading securities	2,001,530	—	—	2,001,530

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

34. 金融工具(續)

(f) 公允價值(續)

(i) 按公允價值入賬之金融工具 (續)

本公司(續)

資產

交易性證券

Assets

Trading securities

1,188,000

—

—

1,188,000

截至二零一一年及二零一零年十二月三十一日止年度內，第一級與第二級的工具之間並無重大轉移。

(ii) 並非以公允價值入賬之金融工具之公允價值

本集團以成本或攤銷成本入賬之金融工具之賬面值與二零一一年十二月三十一日及二零一零年十二月三十一日之公允價值並無重大差異。

(g) 公允價值估計

下文概述用以估算金融工具之公允價值的主要方法及假設。

(i) 證券

公允價值乃按結算日之市場報價計算，而並無扣除任何交易成本。

34. FINANCIAL INSTRUMENT (continued)

(f) Fair value (continued)

(i) Financial instruments carried at fair value (continued)

The Company (continued)

於二零一零年十二月三十一日

At 31 December 2010

第一級 Level 1	第二級 Level 2	第三級 Level 3	總計 Total
人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
1,188,000	—	—	1,188,000

During the years ended 31 December 2011 and 2010, there were no significant transfers between instruments in Level 1 and Level 2.

(ii) Fair values of financial instruments carried at other than fair value

The carrying amounts of the Group's and the Company's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2011 and 2010.

(g) Estimation of fair values

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments.

(i) Securities

Fair value is based on quoted market prices at the end of the reporting period without any deduction for transaction costs.

財務報表附註(續)
Notes to the Financial Statements (continued)
截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

34. 金融工具(續)

(g) 公允價值估計(續)

(ii) 衍生工具

遠期外匯合約公允價值乃採用報告期結束日之遠期匯率，將其價值貼現至現值而釐定。

(iii) 計息貸款及借款

公允價值按未來現金流量之現值，以類似金融工具可得之現有市場利率貼現估算。

(iv) 財務擔保

已發出之財務擔保的公允價值乃參考就類似服務按公平原則進行交易所收取之費用而釐定，惟需以可取得有關資料之情況為限，或藉參考比較於提供擔保的情況下放款人所收取實際利率與倘並無提出擔保情況下放款人所收取之估計利率之間的利率差額進行估算，惟需以可就有關資料作出可靠估算之情況為限。

34. FINANCIAL INSTRUMENT (continued)

(g) Estimation of fair values (continued)

(ii) Derivatives

The fair value of foreign currency forward contracts is determined using forward exchange rates at the end of the reporting period with the resulting value discounted back to present value.

(iii) Interest-bearing loans and borrowings

The fair value is estimated as the present value of future cash flows, discounted at current market interest rates for similar financial instruments.

(iv) Financial guarantees

The fair value of financial guarantees issued is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantee not been available, where reliable estimates of such information can be made.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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35. 收購附屬公司 附屬公司之額外權益

- (a) 於二零一一年五月，本集團以向昆明電機注資人民幣250,000,000元的方式收購昆明電機55.64%股權。本集團的最終母公司哈電集團公司曾於二零一零年取得昆明電機78%的控制權益。本集團採用合併會計原則為收購昆明電機入賬，以包括合併實體自初次受共同控制當日以來的業績(附註3)。昆明電機於二零一零年受本集團的最終母公司哈電集團公司所控制，有關收購乃為配合發展環保產品(如水力發電設備及相關產品)的策略性考慮而作出。哈電集團公司取得昆明電機的控制權時其可辨認資產和承擔負債的公允價值如下：

35. ACQUISITION OF SUBSIDIARIES/ ADDITIONAL INTERESTS IN SUBSIDIARIES

- (a) In May 2011, the Group acquired 55.64% of the equity interest of Kunming Generator by way of capital contribution of RMB250,000,000 to Kunming Generator. The Group's ultimate parent company, HE, had previously obtained a controlling equity interest of 78% in Kunming Generator in 2010. The Group accounted for the acquisition of Kunming Generator using the principles of merger accounting in order to include the results of the combining entities since the date of which first come under common control (note 3). Kunming Generator come under control by the Group's ultimate parent company, HE, in 2010 and was acquired for the strategic consideration in respect of the development of environmental-friendly products such as hydropower electrical generation equipment and related products. The fair values of identifiable assets acquired and liabilities assumed of Kunming Generator at date of obtaining control by HE are as follows:

		人民幣千元 RMB'000
物業、廠房及設備	Property, plant and equipment	81,430
預付土地租賃款	Prepaid lease payments	54,486
遞延稅項資產	Deferred tax assets	6,892
於聯營公司之權益	Interests in associates	150
待銷售性投資	Available-for-sale investments	17,696
存貨	Inventories	184,601
應收賬款	Trade receivables	151,208
應收票據	Bills receivables	976
其他應收款、按金及預付款項	Other receivables, deposits and prepayments	45,624
已抵押銀行存款	Pledged bank deposits	22,119
銀行存款	Bank deposits	160
現金及現金等價物	Cash and cash equivalents	22,449
應付賬款	Trade payables	(118,435)
其他應付款及應計費用	Other payables and accrued charges	(21,227)
已收按金	Deposits received	(159,170)
借款	Borrowings	(97,850)
應交稅金	Tax payables	(15,518)
		175,591
非控股權益	Non-controlling interests	(88,536)
注資(附註)	Capital contribution (note)	(87,055)
		—
代價	Consideration	—
收購產生的淨現金流入：	Net cash inflow arising on acquisition:	
所收購的銀行結餘及現金	Bank balances and cash acquired	22,449
涉及收購附屬公司的現金及現金等價物淨額現金流入	Net cash inflow of cash and cash equivalents in respect of the acquisition of subsidiaries	22,449

附註：昆明電機於收購日期的公允價值以本集團資本儲備形式入賬。

Note: Fair values of Kunming Generator at acquisition date are accounted for as capital reserve of the Group.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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35. 收購附屬公司 附屬公司之額外權益(續)

於二零一零年間收購的附屬公司為本集團二零一零年的營業額貢獻約人民幣370,770,000元。在本年度的溢利中共有約人民幣44,943,000元的虧損來自昆明電機的業務。假設有關於收購於二零一零年一月一日完成，該收購不會令本集團截至二零一零年十二月三十一日止年度的營業額及溢利所受影響出現重大差別。

- (b) 於二零一一年七月，本集團已經向其中一間附屬公司，哈電發電設備國家工程研究中心有限公司(「研究中心」)，完成一次金額為人民幣50,000,000元的資本注資；而且同一時間，研究中心的非控股權益亦已經完成一次金額為人民幣20,000,000元的資本注資。研究中心於中國成立，從事研究及開發水力發電設備工程技術。是次資本注資引致本集團於研究中心的權益進一步增加6.67%。在資本注資前，本集團持有研究中心60%的權益。因為是次資本注資，其他儲備減少人民幣1,946,000元的同時，非控股權益則增加人民幣21,946,000元。
- (c) 於二零一零年一月，本集團分別以人民幣154,800,000元及人民幣58,880,000元的代價進一步完成向哈爾濱汽輪機廠有限公司(「汽輪機公司」)及哈爾濱電機廠有限責任公司(「電機公司」)的非控股股東收購汽輪機公司及電機公司的8.37%及2.26%權益。該等公司均在中國成立，分別從事汽輪機及汽輪發電機組的製造業務。於收購前，本集團分別擁有汽輪機公司及電機公司的62.53%及87.37%權益。由於增購汽輪機公司及電機公司的權益，非控股權益分別減少人民幣203,136,000元及人民幣78,426,000元。

35. ACQUISITION OF SUBSIDIARIES/ ADDITIONAL INTERESTS IN SUBSIDIARIES

(continued)

The subsidiaries acquired during the year 2010 contributed approximately RMB370,770,000 to the Group's turnover for 2010. Included in the profit for the year was a loss of RMB44,943,000 incurred by the business of Kunming Generator. Had the acquisition been completed on 1 January 2010, there would have no significant difference on the impact on the Group's turnover and profit for the year ended 31 December 2010.

- (b) In July 2011, the Group had completed a capital contribution of RMB50,000,000 to one of its subsidiaries, 哈電發電設備國家工程研究中心有限公司(「研究中心」) and at the same time, the non-controlling interest of 研究中心 also completed a capital contribution of RMB20,000,000 thereon. 研究中心 established in the PRC to engage in research and development of hydropower generation equipment engineerisation technology. The capital contribution resulted the Group an increase of further 6.67% equity interest on 研究中心, prior to the capital contribution, the Group had 60% equity interest in 研究中心. Due to the capital contribution, the other reserves had decreased by an amount of RMB1,946,000 while the non-controlling interest had increased an amount of RMB21,946,000.
- (c) In January 2010, the Group completed the acquisition of a further 8.37% and 2.26% equity interest in 哈爾濱汽輪機廠有限公司(「汽輪機公司」) and 哈爾濱電機廠有限責任公司(「電機公司」), companies established in the PRC to engage in manufacturing of steam turbines and manufacturing of steam turbine generator sets and hydro turbine generator sets in the PRC, respectively, for a consideration of RMB154,800,000 and RMB58,880,000 from the non-controlling shareholders of 汽輪機公司 and 電機公司, respectively. Prior to the acquisition, the Group had 62.53% and 87.37% equity interest in 汽輪機公司 and 電機公司 respectively. Due to the acquisition of additional interest in 汽輪機公司 and 電機公司, the non-controlling interests decreased by RMB203,136,000 and RMB78,426,000, respectively.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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36. 出售附屬公司

於截至二零一一年十二月三十一日止年度，本集團失去對其附屬公司哈爾濱三利亞股份有限公司(「三利亞」)及哈爾濱哈電進出口有限責任公司(「進出口公司」)經營及財務政策的控制權。因此，三利亞及進出口公司不再為本集團的附屬公司，但成為本集團的待銷售性投資。此乃一項非現金交易。

於二零一零年八月，本集團以總代價人民幣156,750,000元出售其於哈爾濱哈電地產置業股份有限公司(「哈電地產」)及其附屬公司所持有的全部35%股權。哈電地產及其附屬公司均於中國成立，於中國從事物業發展及物業租賃業務。是項出售產生出售收益約人民幣150,349,000元。

36. DISPOSAL OF SUBSIDIARIES

During the year ended 31 December 2011, the Group lost its control over the operating and financial policies of its subsidiaries namely, 哈爾濱三利亞股份有限公司(“三利亞”) and 哈爾濱哈電進出口有限責任公司(“進出口公司”). As a result, 三利亞 and 進出口公司 ceased to be subsidiaries and become available-for-sale investments of the Group. This represents a non-cash transaction.

In August 2010, the Group disposed of its entire 35% equity interest in 哈爾濱哈電地產置業股份有限公司(“哈電地產”) and its subsidiaries for a total consideration of RMB156,750,000. 哈電地產 and its subsidiaries were established in the PRC and engaged in property development and property leasing in the PRC. A gain on disposal of approximately RMB150,349,000 arose from this disposal.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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36. 出售附屬公司(續)

上述出售公司資產及負債於出售當日的賬面價值如下：

36. DISPOSAL OF SUBSIDIARIES (continued)

The carrying amounts of the assets and liabilities of the above companies disposed of as at the dates of disposal were as follows:

		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
出售的淨資產	Net assets disposed of		
於聯營公司之權益	Interests in associates	—	158
投資物業	Investment properties	—	236,328
物業、廠房及設備	Property, plant and equipment	21,990	4,254
預付土地租賃款	Prepaid lease payments	6,203	—
無形資產	Intangible assets	1,885	—
遞延稅項資產	Deferred tax assets	391	—
存貨	Inventories	10,146	355,454
應收賬款	Trade receivables	8,145	14,474
應收票據	Bills receivable	4,049	—
其他應收款、按金及預付款項	Other receivables, deposits and prepayments	50,756	22,202
現金及現金等價物	Cash and cash equivalents	16,913	102,294
應付賬款	Trade payables	(2,993)	(228,213)
其他應付款及應計費用	Other payables and accrued charges	(34,634)	(184,863)
借款	Borrowings	(3,000)	(227,099)
已收按金	Deposits received	(864)	(65,665)
應交稅金	Tax payables	(92)	(19,581)
		78,895	9,743
出售收益按下列方式計算：	The gain on disposal is calculated as follows:		
現金代價	Cash consideration	—	156,750
保留在待銷售性投資的權益之公允價值	Fair value of interest retained in available-for-sale investments	45,100	—
於出售附屬公司時實現的資本儲備	Statutory capital reserve realised on disposal of subsidiaries	6,621	—
所出售淨資產	Net assets disposed of	(78,895)	(9,743)
非控股權益	Non-controlling interests	27,563	3,342
出售收益	Gain on disposal	389	150,349
收取方式：	Satisfied by:		
待銷售性投資之公允價值	Available-for-sale investments, at fair value	45,100	—
已收現金	Cash received	—	156,750
		45,100	156,750
出售產生的淨現金(流出) 流入：	Net cash (outflow)/inflow arising on disposal:		
已收現金代價	Cash consideration received	—	156,750
所出售的銀行結餘及現金	Bank balances and cash disposed of	(16,913)	(102,294)
涉及出售附屬公司的現金及現金等價物淨額現金(流出) 流入	Net cash (outflow)/inflow of cash and cash equivalents in respect of the disposal of subsidiaries	(16,913)	54,456

財務報表附註(續) Notes to the Financial Statements (continued)

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37. 資本承擔

於報告期末本集團及本公司有如下資本承擔：

37. CAPITAL COMMITMENTS

The Group and the Company had the following capital commitments at the end of reporting period:

		本集團 The Group		本公司 The Company	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
已簽約但未撥備	Contracted, but not provided for				
收購下列項目：	In respect of the acquisition of:				
— 廠房及機器	— plant and machinery	567,068	758,051	9,396	114,471
向下列公司注資：	In respect of capital contribution to:				
— 附屬公司	— subsidiaries	—	—	548,605	—
於十二月三十一日	At 31 December	567,068	758,051	558,001	114,471

財務報表附註(續)
Notes to the Financial Statements (continued)
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37. 資本承擔(續)

除上文所披露者外，本集團於上年度曾進行下列交易：

- (i) 於二零一零年九月二十六日，本公司一家附屬公司與獨立第三方訂立協議，以總代價約人民幣160,000,000元收購通用電氣能源(瀋陽)有限公司49%股權。通用電氣能源(瀋陽)有限公司主要於中國從事風電業務，其名稱將於收購後更改為通用哈電風能(瀋陽)有限公司。有關交易已於截至二零一一年十二月三十一日止年度內完成。
- (ii) 於二零一零年九月二十六日，本公司一家附屬公司與獨立第三方訂立協議，成立新附屬公司哈電通用風能(江蘇)有限公司。根據該協議，本公司需注資人民幣186,000,000元，等同該新附屬公司51%股權。有關附屬公司已於截至二零一一年十二月三十一日止年度內成立。

37. CAPITAL COMMITMENTS (continued)

Save as disclosed above, the Group had entered into the following transactions in last year:

- (i) On 26 September 2010, a subsidiary of the Company had entered into an agreement with an independent third party to acquire 49% equity interest of GE Energy (Shenyang) Co., Ltd. at a total consideration of approximately RMB160,000,000. GE Energy (Shenyang) Co., Ltd is principally engaged in the wind power business in the PRC. After the acquisition, the company will change its name as GE & HE Wind Power (Shenyang) Co., Ltd. Such transaction was completed during the year ended 31 December 2011.
- (ii) On 26 September 2010, a subsidiary of the Company had entered into an agreement with an independent third party to form a new subsidiary, namely Harbin Electric and General Electric Wind Power (Jiangsu) Co., Ltd. According to the agreement, the Company needs to contribute RMB186,000,000 representing 51% equity interest of the new subsidiary. Such formation was completed during the year ended 31 December 2011.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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38. 或然負債

(a) 已發出財務擔保

38. CONTINGENT LIABILITIES

(a) Financial guarantees issued

		本集團 The Group	
		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
就外部第三方所獲一般銀行融資 向銀行及財務機構提供擔保	Guarantee given to bank and financial institution in respect of general banking facilities granted to external parties	—	5,000

於報告期末，本公司曾就一家全資附
屬公司之銀行融資提供擔保。

As at the end of the reporting period, the Company has given corporate guarantees to a bank in respect of banking facilities granted to a wholly owned subsidiary. The maximum liability of the Company under the guarantees issued represents the amount drawn down by the subsidiary of approximately RMB1,260,000,000 (2010: RMB1,575,699,000) at the end of the reporting period. The directors of the Company consider that the fair value of the guarantee was insignificant as it is not probable that a claim will be made against the Company under the guarantee.

(b) Pending litigation

In 2010, a litigation was brought against the Group's subsidiary namely, Kunming Generator, by one of its customers (the "Plaintiff") in relation to a dispute in sales transaction for a compensation of a sum of approximately RMB8.8 million. The Plaintiff was granted a freezing order by Sichuan Provincial Liangshan Yi Autonomous Prefecture Intermediate People's Court over Kunming Generator's bank deposits of RMB9 million of which a sum of RMB4 million was subsequently released in return for a pledge of Kunming Generator's prepaid lease payment and buildings with carrying values of approximately RMB1,452,000 and RMB326,000 respectively.

財務報表附註(續)
Notes to the Financial Statements (continued)
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38. 或然負債(續)

(b) 待決訴訟(續)

於二零一一年四月，昆明電機將其賬面值約人民幣15,712,000元的機器質押，作為上述銀行存款、預付土地租賃款及樓宇獲解凍的交換條件。有關訴訟仍在進行中，而本公司董事認為無法可靠計量有關債務的金額，故並無就此項待決訴訟計提撥備。

於報告期末，本集團並無任何其他重大或然負債。

39. 重大關聯方交易

本集團已訂立下列重大關聯方交易：

(a) 融資安排

	應收關聯方款項 Amounts due from related parties		應付關聯方款項 Amounts due to related parties		相關利息 (支出) 收入 Related interest (expenses)/income	
	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000 (重列) (restated)	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
欠控股公司款項 (附註39(a)(i))	—	—	1,169,838	1,042,918	(17,690)	(37,626)
於同系附屬公司所存 現金及現金等價物 (附註39(a)(iii))	730,843	759,381	—	—	27,749	543

38. CONTINGENT LIABILITIES (continued)

(b) Pending litigation (continued)

In April 2011, Kunming Generator pledged its machinery with carrying amount of approximately RMB15,712,000 in exchange for a release of the abovementioned bank deposits, prepaid lease payment and buildings. The litigation is still in progress and the directors of the Company consider that the amount of the obligation cannot be measured with sufficient reliability, no provision was made for this pending litigation.

The Group did not have any other significant contingent liabilities as at the end of the reporting period.

39. MATERIAL RELATED PARTY TRANSACTIONS

The Group has entered into the following material related party transactions:

(a) Financing arrangement

財務報表附註(續) Notes to the Financial Statements (continued)

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39. 重大關聯方交易(續)

(a) 融資安排(續)

附註：

- (i) 欠控股公司款項結餘包括不計息及計息之貸款，分別為人民幣179,160,000元(二零一零年：人民幣73,400,000元)及人民幣990,678,000元(二零一零年：人民幣969,518,000元)。實際年利率為5.23%(二零一零年：4.78%)。此欠款無固定還款期。於報告期末後的五年內，不會被要求歸還此款項。
- (ii) 有關金額反映存於一家同系附屬公司(為哈電集團旗下為方便處理哈電集團企業融資及相關融資活動而成立之非銀行財務機構)之現金及現金等價物。該等交易亦為本集團於年內之持續關連交易，有關財務服務詳情載於本公司日期為二零一零年十二月十四日之公佈。

(b) 買賣交易

本年度買賣交易金額

39. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(a) Financing arrangement (continued)

Notes:

- (i) The balance of the advance from holding company comprises of non-interest bearing and interest bearing loans amounting to RMB179,160,000 (2010: RMB73,400,000) and RMB990,678,000 (2010: RMB969,518,000) respectively with effective interest rate of 5.23% (2010: 4.78%) per annum and have no fixed repayment term. The amount will not be demanded for repayment in the next five years from the end of the reporting period.
- (ii) The amount represents cash and cash equivalents deposit with a fellow subsidiary which is a non-bank financial institution within the HE Group to facilitate handling of the corporate funding and related finance activities of the HE Group. These transactions were also continuing connected transactions of the Group during the year and the details of the financial services have been set out in the announcement of the Company dated 14 December 2010.

(b) Trading transactions

Amount of trading transactions during the year

		2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
銷售產品	Sales of goods		
— 同系附屬公司	— Fellow subsidiaries	24,192	36,278
採購產品	Purchases of goods		
— 同系附屬公司	— Fellow subsidiaries	181,789	202,964
服務費收入	Service fee income		
— 同系附屬公司	— Fellow subsidiaries	8,021	7,823
服務費開支	Service fee expenses		
— 同系附屬公司	— Fellow subsidiaries	57,138	54,126

該等交易亦為本集團於年內之持續關連交易，有關交易詳情載於本公司日期為二零一零年十二月二十二日之公佈。

These transactions were also continuing connected transactions of the Group during the year and the details of the transactions have been set out in the announcement of the Company dated 22 December 2010.

財務報表附註(續)
Notes to the Financial Statements (continued)
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39. 重大關聯方交易(續)

(b) 買賣交易(續)

下列買賣交易產生之結餘於年底尚未結清：

39. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(b) Trading transactions (continued)

The following balances arising from trading transactions were outstanding at the end of the year:

		應收款項 Amounts due from		應付款項 Amounts due to	
		二零一一年 2011	二零一零年 2010	二零一一年 2011	二零一零年 2010
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
欠控股公司款項 (附註39(b)(i))	Advance from holding company (note 39(b)(i))	—	—	2,785	20,478
應收同系附屬公司款項 (附註39(b)(ii))	Amounts due from fellow subsidiaries (note 39(b)(ii))	59,929	112,920	—	—
應付同系附屬公司款項 (附註39(b)(iii))	Amounts due to fellow subsidiaries (note 39(b)(iii))	—	—	36,266	24,418

附註：

- (i) 該款項為無抵押、免息及須按要
求償還。欠控股公司貸款之條款
及條件詳情於附註29披露。
- (ii) 該等款項為無抵押、免息及須按
要求償還。

Notes:

- (i) The amount is unsecured, non-interest bearing and
repayable on demand. Details of terms and conditions of
the loan from holding company are disclosed in note 29.
- (ii) The amounts are unsecured, non-interest bearing and
are repayable on demand.

財務報表附註(續) Notes to the Financial Statements (continued)

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39. 重大關聯方交易(續)

(c) 主要管理人員薪酬

主要管理人員之薪酬(包括附註8所披露向本公司董事支付之款項)如下:

工資與其他短期員工福利

退休福利

薪酬總額計入「員工成本」(參見附註6(b))。

(d) 與其他中國國有企業之交易 結存

本集團目前營運的經濟環境直接或間接由中國政府擁有或控制的企業(「國有企業」)支配。此外,本集團本身為由中國政府控制的哈電集團的一部分。除與哈電集團以及在上文披露的同系附屬公司進行交易外,本集團亦與其他國有企業有業務往來。董事認為該等國有企業在與本集團進行業務交易層面上屬獨立第三方。

本集團就與其他國有企業的交易制定其定價策略及審批過程時,並無區分對方是否為國有企業。

39. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(c) Key management personnel compensation

Compensation for key management personnel, including amounts paid to the Company's directors as disclosed in note 8, is as follows:

	2011 人民幣千元 RMB'000	2010 人民幣千元 RMB'000
工資與其他短期員工福利	1,919	1,606
退休福利	90	80
	2,009	1,686

Total remuneration is included in "staff costs" (see note 6(b)).

(d) Transactions/balances with other state-controlled entities in the PRC

The Group operates in an economic environment currently predominated by entities directly or indirectly owned or controlled by the PRC government ("state-controlled entities"). In addition, the Group itself is part of a larger group of companies under HE, which is controlled by the PRC government. Apart from the transactions with HE and fellow subsidiaries disclosed above, the Group also conducts business with other state-controlled entities. The directors consider those state-controlled entities are independent third parties so far as the Group's business transactions with them are concerned.

In establishing its pricing strategies and approval process for transactions with other state-controlled entities, the Group does not differentiate whether the counter-party is a state-controlled entity or not.

財務報表附註(續)
Notes to the Financial Statements (continued)
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39. 重大關聯方交易(續)

續

財務報表附註(續)
Notes to the Financial Statements (continued)
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40. 報告期後未經調整事項

- (a) 於二零一二年三月，本集團訂立一項配售協議，以代價人民幣388,000,000元認購香港境外若干上市權益證券。
- (b) 本公司董事已於報告期末後建議派發末期股息，詳情已於附註33(b)內披露。

41. 關鍵會計估計及判斷

用於編製綜合財務報表之估計及判斷，乃基於過往經驗及其他因素(包括預期日後在有關情況下相信合理出現之事件)而作出。本集團作出有關未來之估計及假設。按此規範，所作的會計估計甚少與有關之實際結果相同。可能會對資產及負債之賬面值造成重大影響之估計及假設乃主要涉及生產主要電力設備。

40. NON-ADJUSTING EVENT AFTER THE REPORTING PERIOD

- (a) In March 2012, the Group entered into a placing agreement to subscribe certain equity securities listed outside Hong Kong for a consideration of RMB388,000,000.
- (b) After the end of the reporting period, the directors of the Company proposed a final dividend. Further details are disclosed in note 33(b).

41. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements used in preparing the consolidated financial statements are evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities mainly include those related to manufacturing activities of main power equipments.

財務報表附註(續)
Notes to the Financial Statements (continued)
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41. 關鍵會計估計及判斷(續)

(a) 即期稅項及遞延稅項

本集團須繳納中國企業所得稅。於釐定相關稅項撥備金額及付款時間時須作出判斷。大量交易及計算之最終釐定稅項於日常業務中無法確定。倘有關事項之最終稅項結果有別於最初記錄金額，有關差額將影響作出相關釐定之期間之所得稅及遞延稅項撥備。於二零一一年十二月三十一日，應付企業所得稅的賬面值約為人民幣635,239,000元(二零一零年(重列)：人民幣406,831,000元)。

由於管理層認為將可能有日後應課稅溢利以應用暫時性可扣稅差異或稅項虧損作抵銷，故已確認有關若干暫時性可扣稅差異之遞延稅項。倘預期與最初估計不同，有關差異將影響有關估計變更期間遞延稅項的確認。於二零一一年十二月三十一日遞延稅項資產的賬面值約為人民幣277,366,000元(二零一零年(重列)：人民幣205,071,000元)。於二零一一年十二月三十一日未實現的未用稅項虧損以及可扣稅暫時差異約為人民幣1,418,101,000元(二零一零年：人民幣1,579,096,000元)。

41. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(a) Current taxation and deferred taxation

The Group is subject to Enterprise Income Tax in the PRC. Judgement is required in determining the amount of the provision for taxation and the timing of payment of the related taxation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the periods in which such determination is made. As at 31 December 2011, the carrying amount of Enterprise Income Tax payable was approximately RMB635,239,000 (2010 (restated): RMB406,831,000).

Deferred taxation relating to certain temporary deductible differences is recognised as management considers it is probable that future taxable profit will be available against which the temporary deductible differences or tax losses can be utilized. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred taxation in the periods in which such estimate is changed. The carrying value of deferred tax assets at 31 December 2011 was approximately RMB277,366,000 (2010 (restated): RMB205,071,000). The amount of unrecognised unused tax losses and deductible temporary differences at 31 December 2011 was approximately RMB1,418,101,000 (2010: RMB1,579,096,000).

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

41. 關鍵會計估計及判斷(續)

(b) 存貨撇減

管理層審閱可變現淨值及存貨賬齡分析並按現存市場環境，過往年度銷售表現和估計可變現淨值(即是估計銷售價減去估計完成成本及產生銷售時必須的估計成本)而對陳舊及滯銷存貨項目進行撥備。如存貨的估計可變現淨值低於其賬面值時，將會對存貨作出針對性撥備。於二零一一年十二月三十一日存貨的賬面值約為人民幣11,616,296,000元(二零一零年(重列): 人民幣12,824,895,000元)。

(c) 建造合同

誠如附註2(o)及2(w)(ii)所載之政策所述，有關未完成項目之收入及溢利確認方式，取決於估計建造合同成果總額，以及目前已完成工程。根據本集團之近期經驗及本集團承辦的建造活動性質，本集團作出估計時，乃基於工作進度已達至充份程度，致使完成服務之成本及收益能可靠預計。因此，在達至有關階段前，於附註22內披露之應收(應付)客戶之合同工程款額不會包括本集團就目前已完成工程而最終可能變現之溢利。此外，成本總額或收入總額之實際結果可能會高於或低於報告期末所作的估計(作為對結算日所列金額之調整)，因而將影響於未來年度確認的收入及溢利。

41. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(b) Write-down of inventories

Management reviews the net realisable values and aging of inventories and makes allowance for obsolete and slow moving inventory items identified with reference to existing market environment, the sales performance in previous years and estimated net realisable value, i.e. the estimated selling price, less estimated cost of completion and the estimated cost necessary to make the sale. A specific allowance for inventories is made if the estimated net realisable value of the inventories is lower than its carrying value. The carrying amount of inventories at 31 December 2011 was approximately RMB11,616,296,000 (2010 (restated): RMB12,824,895,000).

(c) Construction contracts

As explained in policy notes 2(o) and 2(w)(ii), revenue and profit recognition on an uncompleted project is dependent on estimating the total outcome of the construction contract, as well as the work done to date. Based on the Group's recent experience and the nature of the construction activity undertaken by the Group, the Group makes estimates of the point at which it considers the work is sufficiently advanced such that the costs to complete and revenue can be reliably estimated. As a result, until this point is reached the amounts due from/(to) customers for contract work as disclosed in note 22 will not include profit which the Group may eventually realise from the work done to date. In addition, actual outcomes in terms of total cost or revenue may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

財務報表附註(續)
Notes to the Financial Statements (continued)
截至二零一一年十二月三十一日止年度
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41. 關鍵會計估計及判斷(續)

(d) 物業、廠房及設備及預付土地租賃款減值

倘若情況顯示可能無法收回物業、廠房及設備及預付土地租賃款的賬面值，有關資產便會視為「已減值」，並可能根據附註2(m)(ii)所述有關物業、廠房及設備及預付土地租賃款減值的會計政策確認減值虧損。物業、廠房及設備及預付土地租賃款的賬面值會定期評估，以評估可收回數額是否下跌至低於賬面值。當事項或環境變動顯示資產的賬面值可能無法收回時，有關資產便會進行減值測試。如果出現下跌跡象，賬面值便會減至可收回值。可收回值是以公允價值減銷售成本與使用價值兩者中的較高者計算。在釐定使用價值時，該資產所產生的預期現金流量會貼現至其現值，因而需要對售價水平及經營成本金額等作出重大判斷。本集團在釐定與可收回數額相若的合理數額時會採用所有已經可供使用的資料，包括根據合理及可支持的假設所作出的估計及售價和經營成本的預測。該等估計出現變化，可能會對資產的賬面值產生重大影響，並可能導致產生額外減值費用或有關減值於未來期間撥回。於二零一一年十二月三十一日，物業、廠房及設備及預付土地租賃款的賬面值分別約為人民幣5,799,944,000元(二零一零年(重列): 人民幣4,890,113,000元)及人民幣444,922,000元(二零一零年(重列): 人民幣432,708,000元)。

41. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(d) Impairment of property, plant and equipment and prepaid lease payments

If circumstances indicate that the carrying amounts of property, plant and equipment and prepaid lease payments may not be recoverable, the asset may be considered "impaired", and an impairment loss is recognised in accordance with the accounting policy for impairment of property, plant and equipment and prepaid lease payments as described in note 2(m)(ii). The carrying amounts of property, plant and equipment and prepaid lease payments are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to the recoverable amount. The recoverable amount is the greater of the fair value less costs to sell and the value in use. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to the level of selling price and the amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of selling price and the amount of operating costs. Changes in these estimates could have a significant impact on the carrying amount of the assets and could result in additional impairment charge or reversal of impairment in future periods. As at 31 December 2011, the carrying amounts of property, plant and equipment and prepaid lease payments were approximately RMB5,799,944,000 (2010 (restated): RMB4,890,113,000) and RMB444,922,000 (2010 (restated): RMB432,708,000) respectively.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
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41. 關鍵會計估計及判斷(續)

(e) 應收賬款及其他應收款減值

本集團估計因債務人未能作出所須付款而對應收賬款及其他應收款導致之減值虧損。本集團根據應收賬款及其他應收款結餘的賬齡、債務人信譽及過往撇賬經驗估計應收賬款及其他應收款結餘之減值虧損。倘債務人之財政狀況惡化，實際撇銷金額可能高於所估計者。於二零一一年十二月三十一日，應收賬款及其他應收款的賬面值分別約為人民幣12,918,135,000元(二零一零年(重列): 人民幣11,270,063,000元)及人民幣580,642,000元(二零一零年(重列): 人民幣430,478,000元)。

(f) 衍生金融工具

在決定衍生金融工具的公允價值時，需要大量判斷來解釋估值技術中使用的市場數據。採用不同的市場假設及或估值方法可能會對估計公允價值產生重大影響。於二零一一年十二月三十一日，衍生金融資產及衍生金融負債的賬面值分別約為人民幣92,641,000元(二零一零年: 人民幣104,276,000元)及人民幣32,671,000元(二零一零年: 人民幣零元)。

(g) 物業、廠房和設備之預計可使用年限

本集團對物業、廠房及設備在考慮其殘值後，按直線法計提折舊。本集團定期審閱預計可使用年限，以決定物業、廠房及設備項目的相關折舊費用數額。有關方面是憑藉過往對性質及功能相若的物業、廠房及設備實際可使用年限方面的經驗並在考慮到預期的技術改良後作出估計。倘過往的假設及估計發生重大變化，則可調整折舊費用。

41. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(e) Impairment for trade and other receivables

The Group estimates impairment losses for trade and other receivables resulting from the inability of the debtors to make the required payments. The Group bases the estimates on the ageing of the trade and other receivables balance, debtors' credit-worthiness, and historical write-off experience. If the financial conditions of the debtors were to deteriorate, actual write-offs would be higher than estimated. As at 31 December 2011, the carrying amounts of trade receivables and other receivables were approximately RMB12,918,135,000 (2010 (restated): RMB11,270,063,000) and RMB580,642,000 (2010 (restated): RMB430,478,000) respectively.

(f) Derivative financial instruments

In determining the fair value of the derivative financial instruments, considerable judgement is required to interpret market data used in the valuation techniques. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts. As at 31 December 2011, the carrying amounts of derivative financial assets and derivative financial liabilities were approximately RMB92,641,000 (2010: RMB104,276,000) and RMB32,671,000 (2010: RMBNil) respectively.

(g) Useful lives of property, plant and equipment

The property, plant and equipment are depreciated on a straight-line basis by taking into account the residual value. The Group reviews the estimated useful lives periodically to determine the related depreciation charges for its items of property, plant and equipment. The estimation is based on the historical experience of the actual useful lives of items of property, plant and equipment of similar nature and functions with consideration of expected technology renovation. Depreciation charges may be adjusted if there are significant changes in prior assumptions and estimation.

財務報表附註(續) Notes to the Financial Statements (continued)

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41. 關鍵會計估計及判斷(續)

(h) 撥備

本集團就產品保養及法定義務合約計提撥備。管理層根據合約條款、既有知識及過往經驗估計撥備金額。本集團只在過往事件將導致現有法定或推定責任，且極有可能需要流出資源以履行責任，而有關金額能可靠估計時方確認撥備。於二零一一年十二月三十一日，撥備的賬面值約為人民幣1,463,359,000元(二零一零年：人民幣783,397,000元)。

(i) 持有至到期投資

本集團把具有固定或可釐定付款，及固定到期日且企業具有正面意向及能力持有至到期的非衍生金融資產分類為持有至到期投資。這種分類需要作出重大判斷。在作出判斷時，本集團評估其持有該等投資至到期日的意向和能力。倘本集團未能持有這些投資至到期日，這些投資將被重新分類為待銷售性投資。這些投資因此需要以公允價值而非攤銷成本計量。於二零一一年十二月三十一日持有至到期投資的賬面值約為人民幣236,085,000元(二零一零年：人民幣零元)。

42. 比較數字

若干比較數字已作出調整，以符合本年度的列賬形式。

41. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(h) Provisions

The Group makes provisions for product warranty and onerous contracts. Management estimates the provision based on contract terms, available knowledge and past experience. The Group recognises provisions to the extent that it has a present legal or constructive obligation as a result of a past event; it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation; and that the amount can be reliably estimated. As at 31 December 2011, the carrying amount of provisions was approximately RMB1,463,359,000 (2010: RMB783,397,000).

(i) Held-to-maturity investments

The Group classifies non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity as held to maturity. This classification requires significant judgment. In making this judgment, the Group evaluates its intention and ability to hold such investments to maturity. If the Group fails to keep these investments to maturity, it will be required to reclassify the whole class as available-for-sale. The investments would therefore be measured at fair value not amortised cost. The carrying amount of held-to-maturity investments at 31 December 2011 was approximately RMB236,085,000 (2010: RMBNil).

42. COMPARATIVE FIGURES

Certain comparative figures have been adjusted to conform to current year's presentation.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

43. 截至二零一一年十二月三十一日止年度已頒佈但仍未生效之修訂、新準則及詮釋之潛在影響

截至本財務報表發出當日，香港會計師公會曾頒佈以下於截至二零一一年十二月三十一日止年度尚未生效的修訂、新準則及詮釋。

本集團並無提早應用下列已頒佈但尚未生效之修訂、新準則及詮釋。

香港財務報告準則第7號(修訂)	金融工具：披露 — 轉讓金融資產 ¹ 披露 — 抵銷金融資產及金融負債 ² 香港財務報告準則第9號的強制生效日期及過渡期的披露 ³
香港財務報告準則第9號	金融工具 ³
香港財務報告準則第10號	綜合財務報表 ²
香港財務報告準則第11號	聯合安排 ²
香港財務報告準則第12號	披露其他實體之權益 ²
香港財務報告準則第13號	公允價值計量 ²
香港會計準則第1號(修訂)	呈列其他全面收益項目 ⁵
香港會計準則第12號(修訂)	遞延稅項：收回相關資產 ⁴
香港會計準則第19號(於二零一一年修訂)	僱員福利 ²
香港會計準則第27號(於二零一一年修訂)	單獨財務報表 ²
香港會計準則第28號(於二零一一年修訂)	於聯營公司及合營企業之投資 ²
香港會計準則第32號(修訂)	抵銷金融資產及金融負債 ⁶
香港(國際財務報告詮釋委員會) - 詮釋第20號	露天礦場生產階段之剝採成本 ²

43. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2011

Up to the date of issue of these financial statements, the HKICPA has issued the following amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2011.

The Group has not early applied any of the following amendments, new standards and interpretations that have been issued but are not yet effective.

Amendments to HKFRS 7	Disclosures — Transfers of Financial Assets ¹ Disclosures — Offsetting Financial Assets and Financial Liabilities ² Mandatory Effective Date of HKFRS 9 and Transition Disclosures ³
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財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

43. 截至二零一一年十二月三十一日止年度已頒佈但仍未生效之修訂、新準則及詮釋之潛在影響(續)

- ¹ 於二零一一年七月一日或之後開始之年度期間生效。
- ² 於二零一三年一月一日或之後開始之年度期間生效。
- ³ 於二零一五年一月一日或之後開始之年度期間生效。
- ⁴ 於二零一二年一月一日或之後開始之年度期間生效。
- ⁵ 於二零一二年七月一日或之後開始之年度期間生效。
- ⁶ 於二零一四年一月一日或之後開始之年度期間生效。

本集團現正評估應用該等新訂及經修訂香港財務報告準則之影響，但尚未能確定該等新訂及經修訂香港財務報告準則會否對本集團之經營業績及財務狀況構成重大影響。

43. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2011 (continued)

- ¹ Effective for annual periods beginning on or after 1 July 2011.
- ² Effective for annual periods beginning on or after 1 January 2013.
- ³ Effective for annual periods beginning on or after 1 January 2015.
- ⁴ Effective for annual periods beginning on or after 1 January 2012.
- ⁵ Effective for annual periods beginning on or after 1 July 2012.
- ⁶ Effective for annual periods beginning on or after 1 January 2014.

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

44. 本公司主要附屬公司詳情

下表僅包括本公司於二零一一年十二月三十一日之附屬公司中董事認為主要影響本集團業績、資產或負債者。該等附屬公司均在中國註冊成立及營運。

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

The following list contains only the particulars of the Company's subsidiaries at 31 December 2011 which, in the opinion of the directors, principally affected the results, assets or liabilities of the Group. All of these subsidiaries are incorporated and operating in the PRC.

附屬公司名稱 Name of subsidiary	註冊股本詳情 Particulars of registered share capital 人民幣千元 RMB'000	本公司持有 註冊資本面值比例 Percentage of nominal value of registered capital held by the Company		主要活動 Principal activities
		直接 Directly	間接 Indirectly	
		%	%	
哈爾濱鍋爐廠有限責任公司*	746,853	90.94	—	Manufacture of boilers 生產鍋爐
哈爾濱電機廠有限責任公司*	709,237	89.63	—	Manufacture of steam turbines generator sets and hydro turbine generator sets 生產蒸汽渦輪發動裝置和水渦輪發動裝置
哈爾濱電氣國際工程有限責任公司 (formerly known as “哈爾濱電站工程有限責任公司”)* (前稱「哈爾濱電站工程有限責任 公司」)*	300,000	100	—	Provision of engineering services for power stations 為電站提供工程服務
哈爾濱動力科技貿易股份 有限公司**	27,000	55.55	44.45	Trading 貿易
哈爾濱汽輪機廠有限責任公司*	859,723	70.90	—	Manufacture of steam turbines 生產電站汽輪機
哈電集團哈爾濱電站閘門有限公司*	80,000	100	—	Manufacture of valves 生產閘門
哈電發電設備國家工程研究中心 有限公司*	120,000	66.67	—	Research and development of power equipment engineerisation technology 研究及開發發電設備工程技術
哈動國家水力發電設備工程技術 研究中心有限公司*	10,000	—	100	Research and development of hydropower generation equipment engineerisation technology 研究及開發水力發電設備技術

財務報表附註(續) Notes to the Financial Statements (continued)

截至二零一一年十二月三十一日止年度
For the year ended 31 December 2011

44. 本公司主要附屬公司詳情(續)

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

附屬公司名稱 Name of subsidiary	註冊股本詳情 Particulars of registered share capital 人民幣千元 RMB'000	本公司持有 註冊資本面值比例 Percentage of nominal value of registered capital held by the Company		主要活動 Principal activities
		直接 Directly %	間接 Indirectly %	
哈爾濱鍋爐廠預熱器有限責任公司*	70,000	—	96.86	Manufacture of engineering equipment 生產工程設備
哈爾濱汽輪機廠輔機工程有限公司*	60,000	—	100	Provision of engineering service to turbines 為渦輪提供工程服務
哈爾濱汽輪機廠熱工有限責任公司*	3,000	—	100	Development and manufacture of thermal technology product, power plant equipment and parts 開發及生產熱工藝產品、電廠設備及配件
哈電集團現代制造服務產業 有限責任公司*	30,000	100	—	Provision of engineering service 提供工程服務
哈爾濱電機廠(昆明)有限責任公司*	87,550	—	55.64	Manufacture of small-scale hydro power equipment 生產小型水力發電設備
哈爾濱電氣動力裝備有限公司 (formerly known as “哈爾濱電機廠交直流電機 有限責任公司”)* (前稱「哈爾濱電機廠交直流電機 有限責任公司」)*	87,207	100	—	Manufacture of medium-to-heavy -duty AC/DC motors and nuclear power main pump motors 生產大中型交直流電機及核電主泵電機
哈電集團(秦皇島)重型裝備 有限公司*	2,050,000	34.15	65.85	Manufacture and assembly of large-scale thermal power, nuclear power and gas turbine 生產和裝配大型火電、核電及燃氣輪機

* 有限責任公司

* Limited liability company

** 股份有限公司

** Joint stock limited company

本年度並無任何附屬公司發行任何債務證券。

None of the subsidiaries had issued any debt securities during the year.

重要事項揭示

Disclosure of Significant Events

1. 股東大會

- (1) 2011年5月13日，公司在中華人民共和國黑龍江省哈爾濱市香坊區三大動力路39號B座17樓會議大廳舉行了2010年度股東周年大會，會議審議通過了載於2011年3月18日股東周年大會通知所列之議案。
- (2) 2011年7月6日，公司在中華人民共和國黑龍江省哈爾濱市香坊區三大動力路39號B座17樓會議大廳舉行了2011年股東特別大會，公司與哈電集團財務公司於2011年4月13日訂立的財務服務框架協議未獲通過。

2. 董事會

- (1) 2011年3月18日，公司召開了六屆八次董事會議，審議並批准了工程公司增資、交直流公司和閘門公司增資、汽輪機公司燃壓機組廠房建設、工程公司設立印度分支機構及哈電集團財務公司為公司提供金融服務業務關聯交易等事項。
- (2) 2011年5月18日，公司六屆董事會做出書面議案，同意以申購價格發行價下限申購1億股大唐國際定向增發股票，資金自籌。
- (3) 2011年8月6日，公司召開了六屆九次董事會議，審議並批准了動力科貿公司開發六順街自有土地事項。

1. General Meeting

- (1) The 2010 Annual General Meeting of the Company was held in the conference room at 17th Floor, Block B, No.39 Sandadongli Road, Xiangfang District, Harbin, Heilongjiang Province, the People's Republic of China on 13 May 2011. All the proposed resolutions set out in the Notice of Annual General Meeting dated 18 March 2011 were duly passed at the meeting.
- (2) The 2011 Extraordinary General Meeting of the Company was held in the conference room at 17th Floor, Block B, No.39 Sandadongli Road, Xiangfang District, Harbin, Heilongjiang Province, the People's Republic of China on 6 July 2011. The resolution in connection with the Financial Service Framework Agreement dated 13 April 2011 was not passed at the meeting.

2. The Board

- (1) On 18 March 2011, the sixth session Board of the Company convened its eighth meeting to consider and approve capital increase of Engineering Company, AC/DC Company and Valve Company, construction works of fuel gas compressor units of Turbine Corporation, establishment of a branch in India by Engineering Company and provision of financial services as connected transactions to the Company by HE Finance Company Limited.
- (2) On 18 May 2011, the sixth session Board of the Company by way of a written resolution approved to subscribe for 100,000,000 shares of Datang International at the minimum subscription price under a private placing.
- (3) On 6 August 2011, the sixth session Board of the Company convened its ninth meeting to consider and approve the development of a self-owned land located at Liushun Street (六順街) by Harbin Power Technology & Trade Inc.

重要事項揭示(續) Disclosure of Significant Events (continued)

(4) 2011年12月16日，公司召開了六屆十一次董事會議，同意馬遂先生辭去公司秘書，聘任劉智全先生為公司秘書，自2011年12月16日生效。同意李惠芬女士辭去在香港的聯席公司秘書，聘任佟達釗先生為在香港的聯席公司秘書，自2012年1月1日起生效。

(5) 2011年12月16日，公司召開了六屆十一次董事會議，審議並批准了贊助藏區旅游文化試驗區建設項目及捐贈「清華之友 — 哈電集團勵學基金」等事項。

3. 重大事項及重要合同簽訂情況

(1) 2011年7月1日，公司的註冊中文名稱「哈爾濱動力設備股份有限公司」、英文名稱「HARBIN POWER EQUIPMENT COMPANY LIMITED (縮寫為「HPEC」)」正式更改為公司註冊中文名稱「哈爾濱電氣股份有限公司」、英文名稱「HARBIN ELECTRIC COMPANY LIMITED」。

(2) 2011年，本公司及所屬的哈爾濱電機廠有限責任公司、哈爾濱鍋爐廠有限責任公司、哈爾濱汽輪機廠有限責任公司、哈爾濱電氣動力裝備有限公司、哈電集團哈爾濱電站閘門有限公司等六家企業獲得了高新技術企業的重重新認定，將繼續享受15%的企業所得稅優惠稅率。

(4) On 16 December 2011, the sixth session Board of the Company convened its eleventh meeting to approve the resignation of Mr. Ma Sui and appointment of Mr. Liu Zhi-quan as company secretary with effect from 16 December 2011; and the resignation of Ms. Lee Wai-fun Betty and appointment of Mr. Tung Tat-chiu, Michael as joint company secretary in Hong Kong with effect from 1 January 2012.

(5) On 16 December 2011, the sixth session Board of the Company convened its eleventh meeting to consider and approve the sponsorship of the construction works of pilot cultural tourism region in Tibet and donation to “Alumni of Tsinghua — Harbin Electric scholarship (清華之友 — 哈電集團勵學基金)”.

3. Significant Events and Material Contracts

(1) On 1 July 2011, the name of the Company has been formally changed from “哈爾濱動力設備股份有限公司” in Chinese and “HARBIN POWER EQUIPMENT COMPANY LIMITED” (“HPEC”) in English to “哈爾濱電氣股份有限公司” in Chinese and “HARBIN ELECTRIC COMPANY LIMITED” in English, respectively.

(2) In 2011, the Company and five of its subsidiaries, namely Harbin Electrical Machinery Company Limited, Harbin Boiler Company Limited, Harbin Turbine Company Limited, Harbin Electric Power Equipment Company Limited and HE Harbin Power Plant Valve Company Limited were re-recognised as High and New Technology Enterprises, which entitles the Company to a 15% preferential income tax rate.

重要事項揭示(續) Disclosure of Significant Events (continued)

- (3) 2011年3月3日，與江蘇國信集團簽訂江蘇溧陽6×250MW抽水蓄能水輪發電機組設備供貨合同。
- (3) On 3 March 2011, the Company and Jiangsu Guoxin Group signed a supply contract for 6×250MW pumped-storage water turbines for Liyang, Jiangsu.
- (4) 2011年5月28日，與杭州華電半山發電有限責任公司簽訂杭州半山3套9F級熱電聯產聯合循環發電機組機島設備供貨合同。
- (4) On 28 May 2011, the Company and Hangzhou Huadian Banshan Power Generation Co., Ltd. signed a supply contract for three units of 9F-class combined-cycle cogeneration power units for Banshan, Hangzhou.
- (5) 2011年6月12日，與在平信發物資供應服務有限公司簽訂新疆農六師4×1,100MW超超臨界鍋爐合同。
- (5) On 12 June 2011, the Company and Chiping Xinfa Materials Supplies Service Co., Ltd. signed a contract for 4×1,100MW ultra supercritical boiler units for Nongluishi, Xinjiang.
- (6) 2011年6月15日，與中國水電集團國際工程有限公司簽訂厄瓜多爾CCS 8×188.27MW水輪發電機組設備供貨合同。
- (6) On 15 June 2011, the Company and China Hydropower Group International Engineering Co., Ltd. signed a supply contract for CCS 8×188.27MW water turbine power generating units for Ecuador.
- (7) 2011年7月27日，與中國電力工程有限公司簽訂了老撾洪薩3台600MW亞臨界機組配套脫硫島總承包項目合同。
- (7) On 27 July 2011, the Company and China National Electric Engineering Co., Ltd. signed a turn-key contract for three units of 600MW sub-critical desulfation units for Hongsa, Laos.
- (8) 2011年8月25日，與山東電力建設第三工程公司簽訂印度古德洛爾電廠海水淡化設備供貨合同。
- (8) On 25 August 2011, the Company and Shandong No.3 Electric and Construction Company signed a supply contract for desalination equipment for a power plant located at Cuddalore, India.
- (9) 2011年8月31日，與大唐江山發電有限公司簽訂浙江江山6FA熱電聯產機組機島設備供貨合同。
- (9) On 31 August 2011, the Company and Datang Jiangshan Power Generation Co., Ltd. signed a supply contract for 6FA cogeneration power units for Jiangshan, Zhejiang.
- (10) 2011年10月14日，與中電投珠海橫琴發電有限公司簽訂珠海橫琴2套9F級熱電聯產聯合循環發電機組機島設備供貨合同。
- (10) On 14 October 2011, the Company and CPI Hengqin Power Generation Co., Ltd. signed a supply contract for two units of 9F-class combined-cycle cogeneration power units for Hengqin, Zhuhai.

重要事項揭示(續) Disclosure of Significant Events (continued)

- (11) 2011年11月10日，與長江電力簽訂了葛洲壩電站機組改造增容共13台水輪機的設備採購合同。
- (12) 2011年12月19日，與大唐國際簽訂了浙江烏沙山電廠配套2萬立方米 日 的海水淡化項目供貨合同
- (13) 2011年12月27日，與蒲城清潔能源化工有限責任公司簽訂4台氣化爐供貨合同。

除以上事項外，本公司未有其他需披露而未披露之事項。

- (11) On 10 November 2011, the Company and Yangtze Power signed a purchase contract for upgrade of thirteen water turbines for a power station located at Gezhouba.
- (12) On 19 December 2011, the Company and Datang International signed a supply contract for a desalination unit with a capacity of 20,000 cubic meters per day for a power plant located at Wushashan, Zhejiang.
- (13) On 27 December 2011, the Company and Pucheng Clean Energy Chemical Co., Ltd signed a supply contract for four gasifiers.

Save for disclosed above, the Company does not have any other discloseable matters which are not disclosed.

公司資料

Information on the Company

公司法定名稱

哈爾濱電氣股份有限公司

公司英文名稱

Harbin Electric Company Limited

公司註冊地址

中華人民共和國
黑龍江省
哈爾濱市
南崗高科技生產基地
3號樓
註冊號：2301001003796

公司辦公地址

中華人民共和國
黑龍江省
哈爾濱市
香坊區三大動力路
39號B座
郵政編碼：150040
電話：86-451-82135717 或 82135727
傳真：86-451-82135700
網址：www.chpec.com

在香港的營業地址

香港
芥蘭耕 棧

REGISTERED NAME OF THE COMPANY

哈爾濱電氣股份有限公司

ENGLISH NAME OF THE COMPANY

Harbin Electric Company Limited

REGISTERED ADDRESS OF THE COMPANY

Block 3
Nangang District High Technology Production Base
Harbin
Heilongjiang Province
People's Republic of China
Registration No. 2301001003796

OFFICE ADDRESS OF THE COMPANY

Block B, 39 Sandadongli Road
Xiangfang District
Harbin
Heilongjiang Province
People's Republic of China
Postcode: 150040
Tel: 86-451-82135717 or 82135727
Fax: 86-451-82135700
Website: www.chpec.com

PLACE OF BUSINESS IN HONG KONG

Room 1601, 16th Floor
LHT Tower
31 Queen's Road Central
Hong Kong

LEGAL REPRESENTATIVE

Mr. Gong Jing-kun

AUTHORISED REPRESENTATIVES

Mr. Wu Wei-zhang
Mr. Liu Zhi-quan

公司資料(續) Information on the Company (continued)

公司秘書

劉智全先生
佟達釗先生

核數師

國富浩華(香港)會計師事務所有限公司
執業會計師
香港
銅鑼灣希慎道33號
利園34樓

國富浩華會計師事務所
中華人民共和國
北京市海澱區
西四環中路16號院2號樓4層
100039

法律顧問

中國法律
海問律師事務所
中華人民共和國
北京
朝陽區
東三環北路2號
南銀大廈1016室

香港法律
禮德齊伯禮律師行
香港
中環
遮打道18號
歷山大廈二十樓

上市資料

H股
香港聯合交易所
編號：1133

COMPANY SECRETARY

Mr. Liu Zhi-quan
Mr. Tung Tat Chiu, Michael

AUDITORS

Crowe Horwath (HK) CPA Limited
Certified Public Accountants
34/F The Lee Gardens
33 Hysan Avenue, Causeway Bay
Hong Kong

Crowe Horwath China CPAs
4/F, Tower 2, No. 16 XiSihuanZhongLu
Haidian District
Beijing
People's Republic of China
100039

LEGAL ADVISORS

as to PRC Law

HAIWEN & PARTNERS
Room 1016, Beijing Silver Tower
No. 2, Dongsanhuan North Road
Chaoyang District
Beijing
People's Republic of China

as to Hong Kong Law

Reed Smith Richards Butler
20th Floor, Alexandra House
18 Chater Road
Central
Hong Kong

LISTING INFORMATION

H Shares
The Stock Exchange of Hong Kong Limited
Stock Code: 1133

公司資料(續) Information on the Company (continued)

預托股份機構

紐約銀行
美國托存證券
22nd Floor West
110 Barclay Street
New York, NY 10286 USA

投資者關係

P.O. Box 11258
Church Street Station
New York, NY 10286-1258

股份過戶登記處

香港證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心
17樓1712-1716室

公司資料索閱地點

哈爾濱電氣股份有限公司
董事會秘書局
中國
哈爾濱市
香坊區
三大動力路39號B座

股東接待日

每月8日、18日、28日(節假日順延)
上午: 9:00-11:00
下午: 2:00-4:00
電話: 86-451-82135717 或 82135727
傳真: 86-451-82135700

DEPOSITARY

The Bank of New York
American Depositary Receipts
22nd Floor West
110 Barclay Street
New York, NY 10286 USA

INVESTOR RELATIONS

P.O. Box 11258
Church Street Station
New York, NY 10286-1258

SHARE REGISTRAR AND TRANSFER OFFICE

Hong Kong Registrars Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

INFORMATION ON THE COMPANY

Available at the Secretariat of the Board of Directors of
Harbin Electric Company Limited
Block B, 39 Sandadongli Road
Xiangfang District
Harbin
PRC

SHAREHOLDERS RECEPTION TIME

On 8th, 18th, and 28th (the following day in case a holiday)
From 9:00 a.m. to 11:00 a.m. and
From 2:00 p.m. to 4:00 p.m.
Tel: 86-451-82135717 or 82135727
Fax: 86-451-82135700

備查文件 Documents Available for Inspection

1. 本公司二零一一年度報告正本。
2. 本公司經審核之財務報表正本。

1. The original copy of the 2011 Annual Report of the Company.
2. The original copy of the Company's audited financial statements.

股東週年大會通知

Notice of Annual General Meeting

茲通告哈爾濱電氣股份有限公司(本公司)謹定於2012年5月17日(星期四)上午九時在中華人民共和國黑龍江省哈爾濱市香坊區三大動力路39號B座17樓會議大廳,舉行2011年度股東周年大會,以便處理下列事項:

普通事項

1. 審議並批准公司截至2011年12月31日止年度的董事會報告書;
2. 審議並批准公司截至2011年12月31日止年度的監事會報告書;
3. 審議並批准公司2011年1月1日至2011年12月31日期間經審核帳目和核數師報告;
4. 宣布派發公司2011年年度股息每股人民幣0.14元(含適應稅率);
5. 委任白紹桐先生為本公司監事。

特別事項

6. 授權公司董事會有權委任任何人士填補董事會臨時空缺或增任為董事,其任期至本公司下一次股東大會完結時為止;
7. 授權公司董事會聘任核數師並釐定其酬金;

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Harbin Electric Company Limited (the "Company") for the year of 2011 will be held at Conference Room, 17th Floor, Block B, 39 Sandadongli Road, Xiangfang District, Harbin, Heilongjiang Province, the People's Republic of China on Thursday, 17 May 2012 at 9:00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To consider and approve the Report of the Directors for the year ended 31 December 2011;
2. To consider and approve the Report of the Supervisory Committee for the year ended 31 December 2011;
3. To consider and approve the audited accounts and the auditor's report for the period from 1 January 2011 to 31 December 2011;
4. To declare the 2011 final dividend of RMB0.14 per share (appropriate tax included);
5. To appoint Mr. Bai Shao-tong as a supervisor of the Company.

AS SPECIAL BUSINESS

6. To authorize the Board of Directors of the Company to appoint any person to fill in a casual vacancy in the Board of Directors or as an additional director, his term of office shall expire at the conclusion of the next general meeting of the Company;
7. To authorize the Board of Directors of the Company to appoint auditors and fix their remuneration;

股東週年大會通知(續) Notice of Annual General Meeting (continued)

8. 授權本公司董事會在遵守有關法律、法規的前提下，在董事會認為適當時機，一次或多次配發面值總額不超過等於本決議案通過日本公司已發行股份面值總額的20%的H股或A股新股。授權有效期為決議案通過日起12個月或至股東大會通過特別決議撤銷或更改本決議案時為止。如果上述配發新股決議案被通過並得以實施，授權董事會對本公司的《公司章程》第十五條、第十六條有關內容進行必要的修改，以反映公司股本結構和註冊資本由於配發新股所發生的變動。

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承董事會命
公司秘書
劉智全

中國•哈爾濱，2012年3月18日

公司註冊地址：

中華人民共和國
黑龍江省•哈爾濱市
南崗區高科技生產基地三號樓

公司辦公通訊地址：

中華人民共和國
黑龍江省•哈爾濱市
香坊區三大動力路39號B座

股東週年大會通知(續)

Notice of Annual General Meeting (continued)

附註：

1. 為確定有權出席股東週年大會並表決的股東名單，本公司將於2012年4月17日至2012年5月16日期間(包括首尾兩天)，暫停辦理股東名冊變更登記，暫停登記前已經在冊的股東有權出席股東週年大會並進行表決，暫停登記期間買入本公司股份的人士無權出席股東週年大會。確保有資格出席股東週年大會，所有填妥之過戶文件連同有關股票須於2012年4月16日下午4時30分前送達本公司於香港之過戶登記處香港證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。
2. 擬出席股東週年大會的股東應在2012年4月26日下午五時前，將擬出席會議的書面回覆送達公司的辦公通訊地址。
3. 任何有權出席股東週年大會並由表決權的股東，均有權委派一個或多個人(不論該人是否為股東) 座其股東代理人，代他出席及表決。
4. 股東代理人委任表格連同簽署人的經公證的授權書或其他授權文件(如有)必須於股東週年大會指定舉行時間二十四小時前送交本公司的辦公通訊地址方為有效。
5. 白紹桐先生簡歷：

白紹桐先生，1963年2月出生，畢業于東北電力學院，工學學士，高級工程師，中共黨員。曾任：電力工業部電力機械局電站處處長、處長，中國華電電站裝備工程(集團)總公司電站裝備綜合部經理，中國華電電站裝備工程(集團)總公司副總經理，中國華電工程(集團)公司副總經理、總經理，中國華電集團公司江蘇分公司總經理等職務。自2011年12月起，任哈爾濱電氣集團公司黨委常委、紀委書記。

Notes:

1. For the purpose of determining shareholders' entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from 17 April 2012 to 16 May 2012 (both dates inclusive) during which period no transfer of shares will be registered. Shareholders whose names appear on the register before book closure shall be entitled to attend and vote at the Annual General Meeting. Persons buying shares of the Company during the period of book closure shall not be entitled to attend the Annual General Meeting. In order to qualify for attending the Annual General Meeting, all transfers of shares accompanied with the relevant share certificates must be lodged with the Company's Registrar in Hong Kong, namely, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on 16 April 2012.
2. Shareholders intending to attend the Annual General Meeting shall give written reply to the Company at its office address by 5:00 p.m. on 26 April 2012.
3. A Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more persons (whether or not a shareholder of the Company) as his proxy to attend and vote on his behalf.
4. To be valid, the form of proxy, together with a notarially certified power of attorney or other document of authority, if any, under which the form is signed, must be deposited at the office address of the Company not less than 24 hours before the time appointed for holding the Annual General Meeting.
5. Brief particulars of Mr. Bai Shao-tong:

Mr. Bai Shao-tong, born in February, 1963, is a graduate of Northeast China Institute of Electric Power holding a bachelor's degree in engineering. He is a senior engineer and a member of the China Communist Party. He was the deputy head and head of the power station department of the Electric Machinery Bureau under the Ministry of Electric Power Industry, manager of the power station equipment department of 中國華電電站裝備工程(集團)總公司 (China Huadian Power Station Equipment Engineering Group Corporation), deputy general manager and general manager of 中國華電電站裝備工程(集團)總公司 (China Huadian Power Station Equipment Engineering Group Corporation), and general manager of Jiangsu branch of China Huadian Corporation. Mr. Bai has been a standing committee member appointed by the China Communist Party and a secretary of the disciplinary committee of Harbin Electric Corporation since December 2011.

