Stock Code: 200771 Stock ID: Hangqilun B Announcement No. 2016-14

Hangzhou Steam Turbine Co., Ltd.
Public Notice on Abnormal Fluctuation of Stock Price

The members of the Board and the Company acknowledge being responsible for the truthfulness, accuracy, and completeness of the announcement. Not any false record, misleading statement or significant omission carried in this announcement.

I. Briefing the extraordinary fluctuation of stock price

The price of the Company's stock (**Stock Code: 200771 Stock ID: Hangqilun B) has been** falling successively in March 4, 7, and 8, 2016 for accumulatively 20%. According to Rules of Transaction of Shenzhen Stock Exchange, it is regarded as abnormal fluctuation.

II. Verification and attention

As verified to the holding shareholder and its substantial holder, the Board of Directors, the Supervisory Committee, and executives of the Company, the following facts are taken into concern:

1. The company disclosed on March 4, 2016 " Announcement on the progress of major Events and Resumption ", the content see Securities Times, Shanghai Securities News , Hong Kong Commercial Daily and http://www.cninfo.com.cn (announcement No.: 2016-11);

2. No issued to be represented or supplemented with the information disclosed previously by the Company;

3. No material information reported by public presses recently which was previously held from public, and might cast significant influence on the stock price.

4. No major change happened to the Company internally or externally.

5. No major events held from public which should be disclosed by the Company, the holding shareholder or its substantial holder; neither material events under planning.

6. No trading of the Company's stocks by the holding shareholder or its substantial holder during the period of abnormal fluctuation as described above.

III. Statement on information withheld but should be disclosed

The Board confirms that there was not any issues, or related plans, negotiations, intentions, agreements that hasn't been disclosed, which should has been disclosed according to the "Share Listing Rules of Shenzhen Stock Exchange" and relative regulations. The Board was not informed with any information that is making major influence on the Company's stock and its derivate financial instruments that hasn't been disclosed, which should has been disclosed according to the "Share Listing Rules of Shenzhen Stock Exchange" and relative regulations. No supplementation or alternation to previous information disclosure either.

IV. Necessary prompt of risks

1. Upon introspection, no violating of fair information disclosure by the Company.

2. Investors please be aware of that Securities Times, Shanghai Securities Daily, Hong Kong Commercial Daily and http://www.cninfo.com.cn are the official presses of the Company. All information disclosure of the Company are released by these presses. Investors please be aware of the risks attached to investment decisions.

The Board of Directors of

Hangzhou Steam Turbine Co., Ltd.

March 9, 2016