



Shanghai Electric Group Company Limited

上海電氣集團股份有限公司

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

(Stock Code: 2727)

Form of proxy for the Extraordinary General Meeting in 2006 to be held on 31 August 2006

I/We ^(Note 1) _____
of _____

being the registered holder(s) of ^(Note 2) _____ domestic shares/H shares
of RMB1.00 each in the share capital of Shanghai Electric Group Company Limited (the "Company") **HEREBY APPOINT THE
CHAIRMAN OF THE MEETING** ^(Note 3) or _____

of _____
as my/our proxy to attend and act for me/us at the Extraordinary General Meeting of the Company to be held at Grand Ball Room A,
3/F, Sheraton Grand Tai Ping Yang Hotel Shanghai, No. 5 Zunyi Nan Road, Shanghai, the People's Republic of China at 10:00 a.m. on
31 August 2006 (the "Meeting") (and any adjournment thereof) for the purpose of considering and, if thought fit, passing the
resolutions as set out in the notice convening the Meeting and at the Meeting (and at any adjournment thereof) to vote for me/us and
in my/our name(s) in respect of the resolutions as indicated below ^(Note 4).

ORDINARY RESOLUTIONS		FOR ^(Note 4)	AGAINST ^(Note 4)
1.	To consider, approve, ratify and confirm the Supplemental Framework Purchase Agreement dated 29 June 2006 and the non-exempt continuing connected transactions contemplated thereunder.		
2.	To consider, approve, ratify and confirm the non-exempt continuing connected transactions with the Siemens Group as described in the Circular.		
3.	To consider, approve, ratify and confirm the Framework Financial Services Agreements dated 29 June 2006 and the non-exempt continuing connected transactions contemplated thereunder.		

Date: _____ 2006 Signature(s) ^(Note 5): _____

1. Full name(s) and address(es) must be inserted in **BLOCK CAPITALS**.
2. Please insert the number of shares registered in your name(s) to which this proxy relates. If no number is inserted, this form of proxy will be deemed to relate to all shares registered in your name(s). Please also strike out the type of shares (domestic shares or H shares) to which the proxy does not relate.
3. If any proxy other than the Chairman of the Meeting is preferred, strike out the words "THE CHAIRMAN OF THE MEETING" and insert the name and address of the proxy desired in the space provided. A shareholder entitled to attend and vote at the Meeting may appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company but must attend the Meeting in person to represent you. **ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE INITIALLED BY THE PERSON WHO SIGNS IT.**
4. **IMPORTANT: IF YOU WISH TO VOTE FOR A RESOLUTION, TICK IN THE BOX MARKED "FOR". IF YOU WISH TO VOTE AGAINST A RESOLUTION, TICK IN THE BOX MARKED "AGAINST".** If no direction is given, your proxy may vote or abstain at his discretion. Your proxy will also be entitled to vote at his discretion on any resolution properly put to the Meeting other than those referred to in the notice convening the Meeting.
5. This form of proxy must be signed by you or your attorney duly authorised in writing. In case of a corporation, the same must be either under its common seal or under the hand of its director(s) or duly authorised attorney(s). If the form of proxy is signed by an attorney of the shareholder, the power of attorney authorising that attorney to sign or other authorisation document must be notarised.
6. In case of joint holders of any share, any one of such joint holders may vote at the Meeting, either personally or by proxy, in respect of such shares as if he is solely entitled thereto. However, if more than one of such joint holders are present at the Meeting, personally or by proxy, the vote of the joint holder whose name stands first in the register of members and who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of other joint holder(s).
7. In order to be valid, the form of proxy together with the power of attorney or other authorisation document (if any) must be deposited at the Secretariat of the Board of Directors of the Company for holders of domestic shares and at the H share registrar of the Company for holders of H shares not less than 24 hours before the time fixed for holding the meeting or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person at the meeting if he so wishes. The H share registrar of the Company is Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
8. Shareholders or their proxies attending the Meeting shall produce their identity documents.