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 **株洲南車時代電氣股份有限公司**  
**ZHUZHOU CSR TIMES ELECTRIC CO., LTD.**  
*(a joint stock company incorporated in the People's Republic of China with limited liability)*  
(Stock Code: 3898)

## ANNOUNCEMENT

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

The Board is pleased to announce that the proposed Acquisition by the Company of 75% of the outstanding Common Shares of Dynex by way of an Arrangement at the cash consideration of Cdn\$0.55 per Common Share has been approved by over 99% of the votes cast by Holders at a special meeting of the Holders held on 23 October 2008, with approximately 80% of all outstanding Common Shares being represented at the meeting.

Following that approval, Dynex sought and received an order of the Ontario Superior Court of Justice confirming that the terms and conditions of the Arrangement are fair and reasonable to Dynex and its shareholders and approving the Arrangement. The Company and Dynex intend to close the transaction on 31 October 2008, or as soon as practical thereafter.

**The Board reiterates there can be no assurance that all other conditions precedent to the closing of the transaction will be satisfied, or that the transaction will be completed, as a result of the aforesaid approval. Shareholders and potential investors in the Company are therefore advised to exercise caution in dealing in the shares of the Company.**

Save as disclosed herein, the Board is not aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

On 29 August 2008, Zhuzhou CSR Times Electric Co., Ltd. (“**Company**”) entered into an arrangement agreement (“**Arrangement Agreement**”) with Dynex Power Inc. (“**Dynex**”) in respect of the proposed acquisition (“**Acquisition**”) of 75% of the outstanding common shares (“**Common Shares**”) of Dynex at the cash consideration of Cdn\$0.55 from the holders (“ **Holders**”) of the Common Shares.

The Acquisition is to proceed by way of an arrangement (“**Arrangement**”) under Section 192 of the Canada Business Corporations Act. The terms of the Arrangement are set out in the Arrangement Agreement and a Plan of Arrangement which is appended to the Arrangement Agreement as “Exhibit B”.

The consummation of the Arrangement is conditional upon the conditions precedent set out in the Arrangement Agreement, which includes, *inter alia*, the requirement that the Arrangement shall have been duly approved by at least 66.67% or two-third of the Holders present in person or by proxy at a special meeting of the Holders (“**Dynex Shareholders’ Meeting**”) called to approve the Arrangement.

The board of directors (“**Board**”) of the Company is pleased to announce that, at the Dynex Shareholders’ Meeting held on 23 October 2008, the Arrangement was approved by over 99% of the votes cast at the meeting, with approximately 80% of all outstanding Common Shares being represented at the meeting. Following that approval, Dynex sought and received an order of the Ontario Superior Court of Justice confirming that the terms and conditions of the Arrangement are fair and reasonable to Dynex and its shareholders and approving the Arrangement. The Company and Dynex intend to close the transaction on 31 October 2008, or as soon as practical thereafter.

The completion of the transaction is subject to certain other conditions precedent, such as the receipt of regulatory approvals and the maintenance of Dynex’s status as a publicly-listed company on the TSX Venture Exchange. **The Board reiterates there can be no assurance that all other conditions precedent to the closing of the transaction will be satisfied, or that the transaction will be completed, as a result of the aforesaid approval. Shareholders and potential investors in the Company are therefore advised to exercise caution in dealing in the shares of the Company.**

Save as disclosed herein, the Board is not aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

By order of the Board  
**Ding Rongjun**  
*Chairman*

Zhuzhou, China, 26 October 2008

*As at the date of this announcement, our chairman of the Board and executive Director is Ding Rongjun, our other executive Director is Lu Penghu, our non-executive Directors are Song Yali, Liao Bin and Ma Yunkun, and our independent non-executive Directors are Gao Yucai, Chan Kam Wing, Clement, Pao Ping Wing, Tan Xiao’ao and Liu Chunru.*