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(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 on 14 April 2010, the Company entered into the Sales Contract with CSR Sifang under which the Company will supply to CSR Sifang certain train-borne electrical systems in connection with the 350km/h EMUs project for a consideration of RMB5,145,128,972.

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**”).

The board of directors (“**Board**”) of Zhuzhou CSR Times Electric Co., Ltd. (“**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that on 14 April 2010, the Company entered into a sales contract (“**Sales Contract**”) with 南車青島四方機車車輛股份有限公司 (CSR Qingdao Sifang Locomotive Joint Stock Company Limited) (“**CSR Sifang**”) under which the Company will supply to CSR Sifang certain train-borne electrical systems (including traction converters, auxiliary converters and train information systems) (“**350EMUs Products**”) in connection with the 350km/h electric multiple units (“**EMUs**”) project for a consideration of RMB5,145,128,972. Pursuant to the Sales Contract, the Company committed to supply the 350EMUs Products to CSR Sifang according to an agreed schedule commencing in the second quarter of 2010 and ending in the second quarter of 2012.

Reference is made to the announcements dated 28 April 2008 and 14 April 2009 and the circulars dated 9 May 2008 and 5 May 2009 respectively issued by the Company. The Company entered into a mutual supply framework agreement with China Southern Locomotive & Rolling Stock Industry (Group) Corporation (“**CSRG**”, together with its subsidiaries but excluding the Group, the “**CSRG Group**”) on 28 April 2008 and a supplemental agreement thereto on 14 April 2009 (“**CSRG Mutual**

Supply Agreement”) for the mutual supply of, among others, certain products, parts and components and after-sales services between the Group and the CSRG Group for a term of five years commenced on 1 January 2009 and ending on 31 December 2013.

CSR Sifang is a 97.17% owned subsidiary of China South Locomotive & Rolling Stock Corporation Limited (“**CSR**”), which is in turn directly and indirectly owned as to 57.57% by CSRG and holds the entire equity interest in CSR Zhuzhou Electric Locomotive Research Institute Co., Ltd.) (“**Parent Company**”). The Parent Company is a promoter and the controlling shareholder of the Company. CSR Sifang is therefore a connected person of the Company under the Listing Rules. The Sales Contract constitutes a continuing connected transaction for the Company under the Listing Rules and forms part of the CSRG Mutual Supply Agreement which was approved by the independent shareholders of the Company at the extraordinary general meetings of the Company held on 27 June 2008 and 23 June 2009 respectively.

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, 14 April 2010

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, Deng Huijin 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.