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株洲南车时代电气股份有限公司

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 OF UNAUDITED RESULTS
FOR THE THREE MONTHS ENDED 31 MARCH 2012**

The board of directors (the “Board”) of Zhuzhou CSR Times Electric Co., Ltd. (the “Company”) is pleased to announce the unaudited results of the Company and its subsidiaries (the “Group”) for the three months ended 31 March 2012 which have been prepared in accordance with the “Accounting Standards for Business Enterprises”, set out (unless otherwise stated, the figures contained in this announcement are denominated in Renminbi) as follows:

In accordance with the “Consultation Conclusions on Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong” which was published by the Stock Exchange of Hong Kong Limited (“the Hong Kong Stock Exchange”) in December 2010, upon approval by the general meeting of the Company, from this financial year, the Company decided to prepare the financial statements in accordance with “Accounting Standards for Business Enterprises” and the relevant regulations issued by the China Ministry of Finance for information disclosure at the Hong Kong Stock Exchange. The Company re-presented the relevant financial information for the first quarter of 2011 according to “Accounting Standards for Business Enterprises”.

Consolidated Balance Sheet

31 March 2012

ASSETS	31 March 2012 (Unaudited)	31 December 2011 (Audited)
CURRENT ASSETS		
Cash and bank balances	1,434,000,553	2,157,721,027
Bills receivable	989,579,737	1,051,609,300
Trade receivables	1,797,181,279	1,119,253,348
Prepayments	283,272,139	109,766,313
Other receivables	50,770,658	103,373,942
Inventories	1,307,751,254	1,668,583,237
Non-current assets due within one year	1,092,595	1,092,595
Other current assets	859,528,643	326,745,808
Total current assets	<u>6,723,176,858</u>	<u>6,538,145,570</u>
NON-CURRENT ASSETS		
Long-term receivables	1,772,676	1,772,676
Long-term equity investments	209,559,263	202,853,768
Fixed assets	1,360,382,512	1,367,692,631
Construction in progress	163,746,032	135,340,542
Intangible assets	196,947,746	200,313,770
Development expenditure	39,322,801	39,322,801
Goodwill	58,696,114	58,694,931
Deferred tax assets	55,799,114	59,717,549
Other non-current assets	73,526,336	50,325,133
Total non-current assets	<u>2,159,752,594</u>	<u>2,116,033,801</u>
TOTAL ASSETS	<u><u>8,882,929,452</u></u>	<u><u>8,654,179,371</u></u>

	31 March 2012 (Unaudited)	31 December 2011 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term borrowings	139,000,000	139,000,000
Short-term bonds payable	500,000,000	500,000,000
Bills payable	407,838,101	448,604,661
Trade payables	1,021,302,390	906,553,647
Receipts in advance	275,930,774	351,164,281
Employee benefits payable	74,460,759	15,390,522
Taxes payable	197,576,556	286,584,166
Interests payable	18,398,887	12,468,969
Other payables	148,209,616	134,599,283
Non-current liabilities due within one year	140,529,449	125,258,321
Total current liabilities	<u>2,923,246,532</u>	<u>2,919,623,850</u>
NON-CURRENT LIABILITIES		
Long-term borrowings	58,359,486	57,075,276
Deferred tax liabilities	15,928,033	15,725,481
Provisions	134,093,984	134,147,121
Other non-current liabilities	88,996,346	89,923,075
Total non-current liabilities	<u>297,377,849</u>	<u>296,870,953</u>
Total liabilities	<u>3,220,624,381</u>	<u>3,216,494,803</u>
SHAREHOLDERS' EQUITY		
Share capital	1,084,255,637	1,084,255,637
Capital reserve	1,693,508,949	1,693,508,949
Surplus reserve	350,134,445	350,134,445
Retained earnings	2,448,720,142	2,218,523,143
Exchange fluctuation reserve	(29,852,705)	(29,761,317)
Total equity attributable to shareholders of the Parent	<u>5,546,766,468</u>	<u>5,316,660,857</u>
Minority interests	<u>115,538,603</u>	<u>121,023,711</u>
Total shareholders' equity	<u>5,662,305,071</u>	<u>5,437,684,568</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>8,882,929,452</u></u>	<u><u>8,654,179,371</u></u>

Consolidated Income Statement

	For the three months ended 31 March	
	2012 (Unaudited)	2011 (Audited)
Revenue	1,446,560,011	2,003,562,557
Less: Cost of sales	927,684,217	1,184,325,982
Business taxes and surcharges	8,585,802	3,256,644
Selling expenses	69,144,820	101,599,028
Administrative expenses	198,477,896	165,448,052
Finance costs	538,345	(1,388,244)
Asset impairment losses	(3,915,441)	752,598
Add: Investment income	13,452,421	14,304,238
including: share of profits of an associate and a jointly controlled entity	6,705,495	13,748,467
Operating profit	259,496,793	563,872,735
Add: Non-operating income	2,507,528	2,489,062
Less: Non-operating expenses	—	—
including: loss on disposal of non-current assets	—	—
Total profit	262,004,321	566,361,797
Less: Income tax expense	36,693,525	96,052,593
Net profit	225,310,796	470,309,204
Net profit attributable to shareholders of the Parent	230,196,997	472,473,900
Minority interests	(4,886,201)	(2,164,696)
Earnings per share (Yuan/Share)		
Basic	0.21	0.44

The Group's revenue decreased by RMB557.0 million or 27.8% from RMB2,003.6 million for the three month ended 31 March 2011 to RMB1,446.6 million for the three months ended 31 March 2012.

The Group's gross profit decreased by 36.7% from RMB819.3 million for the three months ended 31 March 2011 to RMB518.9 million for the three months ended 31 March 2012. The Group's gross profit margin decreased from 40.9% for the three months ended 31 March 2011 to 35.9% for the three months ended 31 March 2012. The change in gross profit margin was mainly due to the change in the sales structure of products.

Net profit attributable to the shareholders of the Parent decreased by 51.3% from RMB472.5 million for the three months ended 31 March 2011 to RMB230.2 million for the three months ended 31 March 2012. The decrease in the net profit attributable to the shareholders of the Parent was attributed to decreased revenue.

The Group's earnings per share (basic) for the three months ended 31 March 2012 decreased by RMB0.23 or 52.3% to RMB0.21 from RMB0.44 in same period last year.

As at the date of this announcement, the immediate controlling shareholder of the Company is CSR Zhuzhou Electric Locomotive Research Institute Co., Ltd. ("CSR ZELRI") and the ultimate controlling shareholder of the Company is CSR Group ("CSRG"). CSRG holds approximately 55.06% equity interests in CSR Corporation Limited which in turn holds approximately 56.17% equity interests in the Company through its three subsidiaries, i.e., approximately 54.38%, 0.87% and 0.92% through CSR ZELRI, CSR Investment & Leasing Co., Ltd. and CSR Zhuzhou Electric Locomotive Co., Ltd. respectively.

Review by Audit Committee

The Group's unaudited results for the three months ended 31 March 2012 and this results announcement have been reviewed and confirmed by the audit committee of the Board.

General

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.

By Order of the Board

Ding Rongjun

Chairman

Zhuzhou, China, 16 April 2012

As at the date of this announcement, our chairman of the Board and executive director is Ding Rongjun, our vice chairman of the Board and non-executive director is De Huijin, our executive director is Li Donglin, our non-executive directors are Yan Wu and Ma Yunkun, and our independent non-executive directors are Gao Yucai, Chan Kam Wing, Clement, Pao Ping Wing and Liu Chunru.