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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 NINE MONTHS ENDED 30 SEPTEMBER 2015

The board of directors (the “Board”) of Zhuzhou CSR Times Electric Co., Ltd. (the “Company”) is pleased to announce the unaudited operating results of the Company and its subsidiaries (the “Group”) for the nine months ended 30 September 2015 set out (unless otherwise stated, the figures contained in this announcement are denominated in Renminbi yuan) as follows.

Consolidated Statement of Financial Position 30 September 2015

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
ASSETS		
CURRENT ASSETS		
Cash and bank balances	3,622,258,974	2,679,867,325
Bills receivable	2,062,898,293	3,184,352,916
Trade receivables	5,709,472,186	2,813,878,700
Prepayments	219,007,378	147,627,653
Other receivables	194,452,213	79,220,006
Inventories	3,644,184,267	2,207,339,644
Other current assets	<u>1,125,457,116</u>	<u>3,053,675,472</u>
Total current assets	<u>16,577,730,427</u>	<u>14,165,961,716</u>
NON-CURRENT ASSETS		
Available-for-sale financial assets	900,000	900,000
Long-term receivables	15,295,852	22,082,991
Long-term equity investments	283,789,564	237,010,505
Fixed assets	1,737,362,217	1,770,444,529
Construction in progress	155,643,537	112,914,938
Intangible assets	687,450,653	268,531,012
Development expenditure	15,737,660	15,092,149
Goodwill	600,632,820	13,770,533
Deferred tax assets	265,110,930	251,382,881
Other non-current assets	<u>66,678,882</u>	<u>66,812,276</u>
Total non-current assets	<u>3,828,602,115</u>	<u>2,758,941,814</u>
TOTAL ASSETS	<u><u>20,406,332,542</u></u>	<u><u>16,924,903,530</u></u>

Consolidated Statement of Financial Position (continued)

30 September 2015

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term borrowings	81,182,570	4,385,940
Bills payable	1,493,879,691	1,569,649,099
Trade payables	2,543,977,421	1,861,391,032
Advances from customers	570,157,091	588,010,023
Employee benefits payable	198,317,672	52,112,041
Taxes payable	259,751,094	146,880,754
Interests payable	3,225,244	—
Other payables	364,830,113	373,833,468
Current portion of non-current liabilities	29,557,491	11,315,264
Provisions	336,248,484	329,643,512
Deferred income	47,223,058	49,528,830
Total current liabilities	<u>5,928,349,929</u>	<u>4,986,749,963</u>
NON-CURRENT LIABILITIES		
Long-term borrowings	942,320,673	37,492,529
Long-term payables	93,338,287	66,444,529
Provisions	519,882,436	480,083,471
Deferred income	192,442,127	168,992,811
Other non-current liabilities	6,686,120	—
Deferred tax liabilities	84,275,088	14,374,351
Total non-current liabilities	<u>1,838,944,731</u>	<u>767,387,691</u>
Total liabilities	<u>7,767,294,660</u>	<u>5,754,137,654</u>
SHAREHOLDERS' EQUITY		
Share capital	1,175,476,637	1,175,476,637
Capital reserve	3,352,123,129	3,352,499,586
Other comprehensive income	(26,789,393)	(30,272,682)
Special reserve	3,033,938	2,920,995
Surplus reserve	984,257,722	859,087,844
Retained earnings	6,968,086,567	5,631,283,306
Total equity attributable to shareholders of the Parent	<u>12,456,188,600</u>	<u>10,990,995,686</u>
Non-controlling interests	<u>182,849,282</u>	<u>179,770,190</u>
Total shareholders' equity	<u>12,639,037,882</u>	<u>11,170,765,876</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>20,406,332,542</u></u>	<u><u>16,924,903,530</u></u>

Consolidated Statement of Profit or Loss
For the nine months ended 30 September 2015

	For the nine months ended 30 September 2015 (Unaudited)	For the nine months ended 30 September 2014 (Unaudited)
Revenue	8,823,685,941	8,821,168,843
Less: Cost of sales	5,209,189,205	5,324,117,339
Business taxes and surcharges	50,820,402	61,634,870
Selling expenses	392,376,412	494,047,189
Administrative expenses	1,035,753,660	872,472,004
Finance costs	(3,740,215)	(34,295,593)
Asset impairment losses	117,485,515	173,676,520
Add: Investment income	101,693,163	108,956,914
Including: share of profits of associates and joint ventures	44,100,048	52,070,243
Operating profit	2,123,494,125	2,038,473,428
Add: Non-operating income	139,686,090	91,384,960
Less: Non-operating expenses	7,643,309	1,663,993
Total profit	2,255,536,906	2,128,194,395
Less: Income tax expense	319,368,716	380,506,266
Net profit	<u>1,936,168,190</u>	<u>1,747,688,129</u>
Net profit attributable to shareholders of the Parent	<u>1,932,163,793</u>	<u>1,746,583,103</u>
Non-controlling interests	<u>4,004,397</u>	<u>1,105,026</u>
Other comprehensive income, net of tax		
Other comprehensive income attributable to shareholders of the Parent, net of tax		
Other comprehensive income to be reclassified to profit or loss in subsequent periods		
Exchange fluctuation reserve	<u>3,483,289</u>	<u>(11,842,484)</u>
Total other comprehensive income attributable to non-controlling interests, net of tax	<u>642,189</u>	<u>(204,495)</u>
Total comprehensive income	<u>1,940,293,668</u>	<u>1,735,641,150</u>
Including:		
Total comprehensive income attributable to shareholders of the Parent	<u>1,935,647,082</u>	<u>1,734,740,619</u>
Total comprehensive income attributable to non-controlling interests	<u>4,646,586</u>	<u>900,531</u>
Earnings per share (Yuan/Share)		
Basic	<u>1.64</u>	<u>1.49</u>
Diluted	<u>1.64</u>	<u>1.49</u>

The Group's revenue increased by RMB2.5 million from RMB8,821.2 million for the nine months ended 30 September 2014 to RMB8,823.7 million for the nine months ended 30 September 2015.

The Group's gross profit increased by RMB117.4 million or 3.4% from RMB3,497.1 million for the nine months ended 30 September 2014 to RMB3,614.5 million for the nine months ended 30 September 2015. The Group's gross profit margin increased from 39.6% for the nine months ended 30 September 2014 to 41.0% for the nine months ended 30 September 2015. The change in gross profit margin was mainly due to the change of product sales mix.

Net profit attributable to the shareholders of the Parent increased by RMB185.6 million or 10.6% from RMB1,746.6 million for the nine months ended 30 September 2014 to RMB1,932.2 million for the nine months ended 30 September 2015. The increase in net profit attributable to the shareholders of the Parent was mainly attributable to the result of the Group's efforts to reduce costs and increase efficiencies.

The Group's earnings per share increased by RMB0.15 or 10.1% from RMB1.49 for the nine months ended 30 September 2014 to RMB1.64 for the nine months ended 30 September 2015.

Review by Audit Committee

The Group's unaudited results for the nine months ended 30 September 2015 and this results announcement have been reviewed and confirmed by the audit committee of the Board.

General

This announcement is made by the Company pursuant to Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") under Part XIVA of the Securities and Futures Ordinance (Cap. 571) and Rule 13.09(2)(a) of the Listing Rules.

By Order of the Board
Ding Rongjun
Chairman

Zhuzhou, China, 16 October 2015

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 Deng Huijin, our other executive directors are Li Donglin and Yan Wu, our non-executive director is Ma Yunkun, and our independent non-executive directors are Gao Yucai, Chan Kam Wing, Clement, Pao Ping Wing, and Liu Chunru.