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## **OVERSEAS REGULATORY ANNOUNCEMENT**

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing The Listing of Securities on The Stock Exchange of Hong Kong Ltd.

Please refer to the attached unaudited third quarterly results announcement (the “Dynex Announcement”) filed by Dynex Power Inc., a company incorporated in Canada having its issued shares listed on the TSX Venture Exchange. Dynex Power Inc. is a 75% owned subsidiary of Zhuzhou CSR Times Electric Co., Ltd. (the “Company”).

The financial information contained in the Dynex Announcement have not been reviewed by the Company’s auditors or audited by certified public accountants. Investors are advised to exercise caution when dealing in the shares of the Company.

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

Zhuzhou, China, 21 November 2008

*As at the date of this notice 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.*



PRESS RELEASE

2008.15

For more information:

**Dr. Paul Taylor**  
**President and Chief Executive Officer**

or

**Bob Lockwood**  
**Finance Director and Chief Financial Officer**

Dynex Power Inc.

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**FOR IMMEDIATE RELEASE**

**Listing: TSX Venture Exchange**

**Symbol: DNX**

**Dynex Power Announces Third Quarter Results for 2008**

***Sales and Order Book Remain Strong***

**Lincoln, England, November 20th, 2008** – Dynex Power Inc., a leading specialist high power semiconductor company, today announced results for the third quarter of 2008.

Summary financial information in Canadian dollars for the three and nine months ended September 30th, 2008 is as follows:

	<b>Sept 30, 2008</b>	Sept 30, 2007	<b>YTD 2008</b>	YTD 2007
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
Revenue	<b>9,349</b>	8,706	<b>27,206</b>	22,499
Gross Margin	<b>2,146</b>	2,220	<b>8,628</b>	4,903
Net Earnings	<b>395</b>	915	<b>3,857</b>	1,066
No. of Common Shares-average	<b>39,748,782</b>	33,343,908	<b>36,147,746</b>	33,303,066
Earnings per Share in Dollars-diluted	<b>0.01</b>	0.03	<b>0.10</b>	0.03

The Company's revenue in the third quarter was 7% ahead of that reported in the corresponding quarter of last year with strong growth reported in the Power Modules, Power Electronic Assemblies and Bipolar Discrete Units product groups whilst revenue for Integrated Circuits declined steeply from the high figure reported last year. Revenue for the year to date is 21% ahead of the same period last year, with growth in all four product groups. As expected, the less favourable mix of sales resulted in a gross margin of 23.0% in the quarter compared with 25.5% in the same quarter last year. The business reported earnings of \$395,000 in the quarter and \$3.9 million for the year to date. Last year the Company recorded earnings of \$915,000 for the quarter and \$1.1 million for the year to date.

Dr Paul Taylor, President and Chief Executive Officer commented that “As we expected, our gross margins and net profits are lower in the third quarter than they were in the first two quarters of the year. Our order book remains at a record level and the outlook is for continuing growth in the power business units, but we expect sales in Integrated Circuits to be lower until at least the middle of 2009”. Commenting on the recent corporate transaction, Dr Taylor added “The acquisition of 75% of the Company’s equity by Zhuzhou CSR Times Electric Co., Ltd., which was completed at the end of October, opens a new chapter in the Company’s history. We look forward to the opportunities this will give us to strengthen our business, particularly in power modules, and to co-operate with CSR Times Electric.”

Bob Lockwood, Chief Financial Officer, stated that “The reduction in sales of Integrated Circuits has led to a lower gross profit margin in the third quarter and this is expected to continue until new Integrated Circuit die stocks become available sometime in the middle of next year. In addition, one-off costs related to the recently completed acquisition of 75% of the Company’s equity by CSR Times Electric have increased our overhead costs substantially in the quarter. Despite these changes, and the steep increase in electricity costs which will impact on the fourth quarter results, we remain on track and confident that revenue and earnings for 2008 will be significantly better than those reported in 2007.”

Mr Lu Penghu, the President of CSR Times Electric and the newly appointed Chairman of Dynex said “It is clear that Dynex has been growing its position in the world market and strengthening its financial performance over recent years. We are delighted to have completed our acquisition of 75% of Dynex’s common shares at such a point in its history and I look forward to working with Dynex’s existing directors and employees to ensure that the Company continues to grow and fulfil its potential.”

In commenting on its expectations, the Company cautioned existing and potential shareholders about relying on the Company’s expectations in that the Company’s expectations contain forward looking statements and assumptions which are subject to the risks and uncertainties of the markets and the future, which could cause actual results to differ materially from expectations, and which are each difficult and subjective to forecast. Certain of those risks and uncertainties are discussed in the Company’s management discussion and analysis for the quarter ended September 30th, 2008 and include, among other things, risks and uncertainties relating to: the level of worldwide demand for power semiconductors and power semiconductor assemblies; the level of investment in power electronic equipment, electrification of transport systems, alternative power generation and high quality power transmission and distribution; the worldwide demand for and supply of silicon; and fluctuations in exchange rates between Canadian Dollars, Sterling, US dollars and Euros. As a consequence of these and other risks and uncertainties, shareholders and potential investors must make their own independent judgments about the accuracy and reliability of the Company’s expectations. Dynex disclaims any intention or obligation to update or revise any forward looking statement whether as a result of new information, future events or otherwise.

### ***About the Company***

Dynex designs and manufactures high power bipolar semiconductors, high power insulated gate bipolar transistor (IGBT) modules, high power electronic assemblies and radiation hard silicon-on-sapphire integrated circuits (SOS IC’s). The company’s power products are used worldwide in power electronic applications including electric power transmission and distribution, renewable and distributed energy, marine and rail traction motor drives, aerospace, electric vehicles, industrial automation and controls and power supplies. Our IC products are used in demanding applications in the aerospace industry. Dynex Semiconductor Ltd is its only operating business and is based in Lincoln, England in a facility housing the fully integrated silicon fabrication, assembly and test, sales, design and development operations. Dynex is majority owned by Zhuzhou CSR Times Electric Co., Ltd.

Zhuzhou CSR Times Electric Co., Ltd. is based in Hunan Province in the People's Republic of China. It is listed on the Hong Kong stock exchange. CSR Times Electric is the leading train-borne electrical system provider and integrator for the railway industry in China. It is engaged in developing, manufacturing and selling train power converters, auxiliary power supply equipment and control systems for trains for urban rail systems. In addition, CSR Times Electric designs, manufactures and sells electrical components including power semiconductor devices.

Press announcements and other information about Dynex are available at [www.dynexsemi.com](http://www.dynexsemi.com).

Further information on CSR Times Electric can be found at [www.timeselectric.cn/en](http://www.timeselectric.cn/en)

All monetary values expressed in this release are in Canadian dollars unless stated otherwise.

**DYNEX POWER INC.**

**Consolidated Statements of Earnings and Deficit (Unaudited)**

**Quarters and Years To Date Ended September 30th, 2008 and 2007**

	3 months Sept 30th 2008	3 months Sept 30th 2007	YTD Sept 30th 2008	YTD Sept 30th 2007
<b>Revenue</b>	\$ 9,348,952	\$ 8,706,374	\$ 27,206,284	\$ 22,499,302
<b>Cost of sales</b>	7,203,244	6,486,247	18,578,186	17,596,426
<b>Gross margin</b>	2,145,708	2,220,127	8,628,098	4,902,876
<b>Expenses</b>				
General and administration	1,261,504	797,642	3,230,102	2,099,998
Sales and marketing	230,918	211,082	724,061	790,568
Research and development	216,176	175,062	635,152	477,095
Interest expense	135,587	218,611	499,892	647,766
	1,844,185	1,402,397	5,089,207	4,015,427
<b>Earnings before other income</b>	301,523	817,730	3,538,891	887,449
<b>Other income</b>				
Interest and other income	86,470	94,041	178,615	231,221
Foreign exchange gain (loss)	7,116	3,478	139,080	(52,830)
	93,586	97,519	317,695	178,391
<b>Income taxes</b>	-	-	-	-
<b>NET EARNINGS</b>	395,109	915,249	3,856,586	1,065,840
<b>DEFICIT, BEGINNING OF PERIOD, as</b>	(8,269,350)	(13,751,739)	(11,730,827)	(14,098,044)
<b>Adjustment to deficit, beginning of period</b>	-	-	-	195,714
<b>DEFICIT, END OF PERIOD</b>	\$ (7,874,241)	\$ (12,836,490)	\$ (7,874,241)	\$ (12,836,490)
<b>Earnings per share</b>				
Basic	\$ 0.01	\$ 0.03	\$ 0.11	\$ 0.03
Diluted	\$ 0.01	\$ 0.03	\$ 0.10	\$ 0.03
<b>Weighted average number of shares</b>				
Basic	39,748,782	33,343,908	36,147,746	33,303,066
Diluted	44,271,047	33,778,444	40,553,647	33,676,678

DYNEX POWER INC.

Consolidated Statements of Comprehensive Income (Unaudited)

Quarters and Year To Date Ended September 30th, 2008 and 2007

	3 months Sept 30th 2008	3 months Sept 30th 2007	YTD Sept 30th 2008	YTD Sept 30th 2007
Net earnings	\$ 395,109	\$ 915,249	\$ 3,856,586	\$ 1,065,840
Other Comprehensive loss, net of tax:				
Unrealized loss on translating financial	(390,137)	(45,271)	(291,322)	(23,231)
<b>OTHER COMPREHENSIVE LOSS</b>	<b>(390,137)</b>	<b>(45,271)</b>	<b>(291,322)</b>	<b>(23,231)</b>
<b>COMPREHENSIVE INCOME</b>	<b>\$ 4,972</b>	<b>\$ 869,978</b>	<b>\$ 3,565,264</b>	<b>\$ 1,042,609</b>

Consolidated Statements of Accumulated Other Comprehensive Loss (Unaudited)

As At September 30th, 2008 and December 31st, 2007

	Sept 30th 2008	Dec 31st 2007
Accumulated other comprehensive loss, beginning of period	\$ (760,787)	\$ (563,234)
Other comprehensive loss	(291,322)	(197,553)
<b>ACCUMULATED OTHER COMPREHENSIVE LOSS</b>	<b>\$ (1,052,109)</b>	<b>\$ (760,787)</b>

DYNEX POWER INC.

Consolidated Balance Sheets (Unaudited)

As At September 30th, 2008 and December 31st, 2007

**CURRENT ASSETS**

	Sept 30th	Dec 31st
Cash		
Accounts receivable		

Inventories	8,364,120	7,521,573
Prepaid expenses and deposits	636,307	597,805
	<b>14,844,806</b>	14,003,295
<b>PROPERTY, PLANT AND EQUIPMENT</b>	<b>3,358,733</b>	1,083,540
	<b>\$ 18,203,539</b>	\$ 15,086,835

**CURRENT LIABILITIES**

Accounts payable and accrued liabilities	\$ 5,565,768	\$ 4,346,095
Short-term loan	2,554,202	3,814,585
Current portion of long-term debt	640,236	279,768
Current portion of deferred revenue	146,567	151,942
	<b>8,906,773</b>	8,592,390

**LONG-TERM DEBT**

	1,942,548	3,446,595
<b>LONG-TERM DEFERRED REVENUE</b>	1,245,820	1,405,465
	<b>12,095,141</b>	13,444,450

**SHAREHOLDERS' EQUITY**

Share capital	15,034,748	14,133,999
Deficit	(7,874,241)	(11,730,827)
Accumulated other comprehensive loss	(1,052,109)	(760,787)
	<b>(8,926,350)</b>	(12,491,614)
	<b>6,108,398</b>	1,642,385
	<b>\$ 18,203,539</b>	\$ 15,086,835

**DYNEX POWER INC.****Consolidated Statements of Cash Flows (Unaudited)****Quarters and Years To Date Ended September 30th, 2008 and 2007**

	3 months Sept 30th 2008	3 months Sept 30th 2007	YTD Sept 30th 2008	YTD Sept 30th 2007
<b>OPERATING</b>				
Net earnings	\$ 395,109	\$ 915,249	\$ 3,856,586	\$ 1,065,840
<u>Items not affecting cash</u>				
Amortization	87,832	30,583	207,046	154,617
Gain on disposal of property, plant and equipment	(37,895)	(40,778)	(115,422)	(139,922)
Shares and options issued for services	6,890	2,453	20,625	47,771
Non-cash interest	17,454	44,143	70,984	145,848
Non-cash grant income	-	-	(2,355)	(28,660)
Provision for inventory obsolescence	186,287	354,628	463,787	504,693
Changes in non-cash operating working capital	909,840	(1,930,854)	(416,922)	(2,559,201)
	<u>1,565,517</u>	<u>(624,576)</u>	<u>4,084,329</u>	<u>(809,014)</u>
<b>FINANCING</b>				
Shares issued for cash	-	762	34,500	762
Increase in loans from a director	-	(1,098,138)	-	-
(Decrease) increase in short-term loan	(259,035)	1,844,404	(1,171,755)	1,361,387
Decrease in long-term debt	(108,941)	(108,900)	(265,473)	(183,887)
	<u>(367,976)</u>	<u>638,128</u>	<u>(1,402,728)</u>	<u>1,178,262</u>
<b>INVESTING</b>				
Proceeds of disposal of property, plant and	-	-	401	12,518
Purchase of property, plant and equipment	(1,228,181)	(128,633)	(2,625,016)	(474,519)
	<u>(1,228,181)</u>	<u>(128,633)</u>	<u>(2,624,615)</u>	<u>(462,001)</u>
<b>NET (DECREASE) INCREASE IN CASH</b>	<b>(30,640)</b>	<b>(115,081)</b>	<b>56,986</b>	<b>(92,753)</b>
<b>Effect of foreign currency translation on cash</b>	<b>30,646</b>	<b>39,937</b>	<b>2,122</b>	<b>40,583</b>
<b>Cash, beginning of period</b>	<b>199,969</b>	<b>380,016</b>	<b>140,867</b>	<b>357,042</b>
<b>CASH, END OF PERIOD</b>	<b>\$ 199,975</b>	<b>\$ 304,872</b>	<b>\$ 199,975</b>	<b>\$ 304,872</b>