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(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 3898)

PRICE-SENSITIVE INFORMATION AND OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.09(1) and Rule 13.09(2) of the Listing Rules.

On 26 October 2009, Dynex Power, the Company's 75% owned subsidiary, filed a preliminary prospectus with the securities commissions in the provinces of British Columbia, Alberta and Ontario relating to the Rights Offering. The net proceeds of the Rights Offering will be used by Dynex Power to repay the ICBC Loan and to complete the Expansion Project.

The Board announces that the Company intends to subscribe for, with its own resources, 75% of all the rights shares to be issued pursuant to the Rights Offering. The number of common shares to be issued, the number of rights required to purchase one common share, the subscription price per common share, the record date and the expiry date of the Rights Offering will be determined at the time of filing the final prospectus.

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) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**").

On 26 October 2009, Dynex Power Inc. (“**Dynex Power**”), a subsidiary of Zhuzhou CSR Times Electric Co., Ltd. (the “**Company**”), filed a preliminary prospectus with the securities commissions in the provinces of British Columbia, Alberta and Ontario relating to a rights offering (the “**Rights Offering**”). As at the date of this announcement, the Company, being the majority shareholder of Dynex Power, holds 30,146,126 shares of Dynex Power, representing 75% of the total issued share capital of Dynex Power. Dynex Power is a company incorporated in Canada having its issued shares listed on the TSX Venture Exchange. Dynex Power 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. The power products of Dynex Power are used worldwide in power electronic applications. The IC products of Dynex Power are used in demanding applications in the aerospace industry.

Dynex Power’s subsidiary, Dynex Semiconductor Limited, is in the process of replacing and expanding its fabrication facility for silicon chips to be used in IGBT modules (the “**Expansion Project**”). The existing line, which processes 4-inch diameter silicon, is being replaced by two 6-inch lines. The installation of the two new lines will increase capacity approximately tenfold and is expected to require £11 million in capital expenditure, based on estimates received from suppliers, and an increase of approximately £1.5 million of working capital.

In order to start the Expansion Project, as disclosed in the Company’s announcement dated 1 June 2009, a short term facility of £7.3 million was arranged with ICBC (London) Ltd (the “**ICBC Loan**”), and was guaranteed by the Company. The net proceeds of the Rights Offering will be used by Dynex Power to repay the ICBC Loan and to complete the Expansion Project.

Under the terms of the Rights Offering, shareholders of record will receive rights to subscribe for common shares in the capital of Dynex Power. Holders of rights that fully exercise their rights will be entitled to subscribe for additional common shares, if available, that were not otherwise subscribed for in the Rights Offering.

The board of directors of the Company (the “**Board**”) announces that the Company intends to subscribe for, with its own resources, 75% of all the rights shares to be issued pursuant to the Rights Offering, being the whole part of the rights shares to which it is entitled under the Rights Offering.

The number of common shares to be issued, the number of rights required to purchase one common share, the subscription price per common share, the record date and the expiry date of the Rights Offering will be determined at the time of filing the final prospectus. Further details concerning the Rights Offering are contained in the preliminary prospectus, which has been filed on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

The Rights Offering is subject to regulatory approval, including that of the TSX Venture Exchange.

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 not an offer to sell or the solicitation of an offer to buy securities in any jurisdiction. The rights and common shares issuable on exercise of the rights have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.

By order of the Board
Ding Rongjun
Chairman

Zhuzhou, China, 26 October 2009

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.