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(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3898)

**CHANGE OF POSITIONS OF EXECUTIVE DIRECTOR
AND MEMBER OF SENIOR MANAGEMENT
AND
RESIGNATION AND APPOINTMENT OF SUPERVISOR**

The Board is pleased to announce the following changes:

- (A) with effect from 19 January 2010, (1) Mr. Lu Penghu ("Mr. Liu"), an executive Director, has resigned as the president of the Company but will remain as an executive Director of the Company; and (2) Mr. Li Donglin ("Mr. Li"), a member of the Senior Management, has resigned as the vice president of the Company and has been appointed as the general manager of the Company; and
- (B) with effect from 20 January 2010, (1) Mr. Liu Kean ("Mr. Liu"), a Supervisor, has resigned as the employees' representative Supervisor and will take up the chief technology officer position in the Company; and (2) Dr. Zhou Guifa ("Dr. Zhou") has been appointed as the employees' representative Supervisor, in replacement of Mr. Liu Kean.

The Board is pleased to announce the following changes:

CHANGE OF POSITION OF EXECUTIVE DIRECTOR

Owing to normal change in job position, Mr. Lu, an executive Director, has resigned as the president of the Company with effect from 19 January 2010 but will remain as an executive Director of the Company. Mr. Lu will take up the deputy general manager position in the Parent Company.

Mr. Lu confirmed that he has no disagreement with the Board and there is no matter concerning his resignation as the president of the Company that need to be brought to the attention of the shareholders of the Company.

CHANGE OF POSITION OF MEMBER OF SENIOR MANAGEMENT

Owing to normal change in job position, Mr. Li, a member of the Senior Management, has resigned as the vice president of the Company and has been appointed as the general manger of the Company with effect from 19 January 2010.

Mr. Li confirmed that he has no disagreement with the Senior Management and there is no matter concerning his resignation as the vice president of the Company that need to be brought to the attention of the shareholders of the Company.

RESIGNATION AND APPOINTMENT OF SUPERVISOR

In compliance with the articles of association of the Company which provides that a member of Senior Management shall not act as the employees' representative Supervisor, Mr. Liu, a Supervisor, has resigned as the employees' representative Supervisor and will take up the chief technology officer position in the Company with effect from 20 January 2010. Dr. Zhou has been appointed as the employees' representative Supervisor, in replacement of Mr. Liu with effect from 20 January 2010.

Dr. Zhou has entered into a service contract with the Company for a term commencing from 20 January 2010 and ending on the conclusion of the Company's 2013 employees' representative annual meeting. Such service contract may be terminated by the Company by giving three months' notice in advance or in accordance with the other terms provided in the service contract. Pursuant to such service contract, Dr. Zhou will receive an annual remuneration of RMB21,893 (equivalent to approximately HK\$24,895). The emoluments of all Supervisors are determined on the basis of the relevant Supervisor's experience, level of responsibilities within the Group, the Company's performance, as well as remuneration benchmark in the industry and the current market situation.

Mr. Liu confirmed that he has no disagreement with the Supervisory Committee and there is no matter concerning his resignation as the employees' representative Supervisor that need to be brought to the attention of the shareholders of the Company.

PARTICULARS OF THE NEWLY APPOINTED SUPERVISOR

Experience

Dr. Zhou Guifa (周桂法先生), aged 45, the employees' representative Supervisor. Dr. Zhou is a professor ranked senior engineer. Dr. Zhou graduated from Dalian Railway Institute (大連鐵道學院) with a bachelor degree in engineering in 1985, obtained a master degree in engineering from the Central South University (中南大學) in 1997 and a doctorate degree in engineering from the Tongji University (同濟大學) in 2009. From 1985 to 2005, Dr. Zhou held various positions as the engineer, senior engineer and professor ranked senior engineer, in the research and development institute of the Parent Company and the technical institute of the Company. From September 2005 to December 2006, Dr. Zhou held the position as the chief technical executive of the Company's Shanghai branch technical institute. Dr. Zhou has held the position as the chief engineering specialist of the Company since January 2007.

Relationships

Save as disclosed herein:

- (a) Dr. Zhou has no relationship with any other directors, senior management or substantial (as defined in the Listing Rules) or controlling shareholders (as defined in the Listing Rules) of the Company; and
- (b) Dr. Zhou has not held any directorships in any other listed companies in the last three years.

Interests in Shares

So far as the Directors are aware, as at the date hereof, Dr. Zhou does not have any interest (within the meaning of Part XV of the Securities and Futures Ordinance) in the shares of the Company.

Matters that Need to be Brought to the Attention of the Shareholders

Save as disclosed herein, there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules and there are no other matters concerning the appointment of Dr. Zhou that need to be brought to the attention of the shareholders of the Company.

TERMS USED IN THIS ANNOUNCEMENT

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| “Board” | the board of Directors |
| “Company” | 株洲南車時代電氣股份有限公司 (Zhuzhou CSR Times Electric Co., Ltd.), a joint stock company incorporated in the PRC with limited liability |
| “Director(s)” | the director(s) of the Company |
| “Listing Rules” | The Rules Governing the Listing of Securities on the Stock Exchange |
| “Parent Company” | 中國南車株洲電力機車研究所有限公司 (CSR Zhuzhou Electric Locomotive Research Institute Co., Ltd.), a Promoter and the controlling shareholder of the Company holding approximately 54.30% of the registered share capital of the Company |
| “PRC” or “China” | The People’s Republic of China |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Senior Management” | the senior management of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Supervisor(s)” | the supervisor(s) of the Company |
| “Supervisory Committee” | the supervisory committee of the Company |

For illustrative purposes of this announcement, RMB87.94 = HK\$100 save as otherwise stated.

By order of the Board
Ding Rongjun
Chairman

Zhuzhou, China, 20 January 2010

As at the date of this announcement, the chairman of the Board and executive Director is Ding Rongjun, the other executive Director is Lu Penghu, the non-executive Directors are Song Yali, Deng Huijin and Ma Yunkun, and the independent non-executive Directors are Gao Yucai, Chan Kam Wing, Clement, Pao Ping Wing, Tan Xiao’ao and Liu Chunru.