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

## **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 year end results announcement for the year ended 31 December 2009 (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, 19 April 2010

*As at the date of this notice the chairman of the board and executive director is Ding Rongjun, the other executive director is Li Donglin, the non-executive directors are Deng Huijin, Lu Penghu 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.*



For more information:

**Dr. Paul Taylor**  
**President and Chief Executive Officer**  
or  
**Bob Lockwood**  
**Finance Director and Chief Financial Officer**  
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**FOR IMMEDIATE RELEASE**

**Listing: TSX Venture Exchange**  
**Symbol: DNX**

**Dynex Power Announces Year End Results for 2009**

*Continuing Good Performance Whilst Preparing for Future Growth*

**Lincoln, England, April 19th, 2010** - Dynex Power Inc., a leading, high power semiconductor company, today announced results for the year ended December 31st, 2009.

Summary financial information for the twelve months ended December 31st, 2009 is as follows:

| Dollars (000's)                                  | Dec. 31, 2009 | Dec. 31, 2008 |
|--|---------------|---------------|
| Revenue  | 39,884        | 37,017        |
| Gross Margin                                     | 9,534         | 10,457        |
| Expenses   | (5,784)       | (6,644)       |
| Earnings before Other Income (Expenses ) and Tax | 3,750         | 3,813         |
| Other Income (Expenses)                          | 77            | 751           |
| Income taxes                                     | (414)         | (2)           |
| Net Earnings                                     | 3,414         | 4,562         |
| Common shares outstanding <sup>1</sup> - diluted | 40,673,893    | 37,250,602    |
| Earnings per share - diluted                     | \$0.08        | \$0.12        |

<sup>1</sup> Weighted average for the period

Revenue growth of 8% in 2009 was achieved against a difficult economic climate in many of the world's major economies. The growth reflected continued strong demand in the market place for Dynex bipolar discrete products and power electronic assemblies, offset in part by a weaker market for power modules and integrated circuits.

The 2009 gross margin of 23.9% was below the 28.3% reported last year. The 2008 level had been boosted by a particularly favourable product mix in the first half of the year which had not been expected to be repeated. The 2009 gross margin percentage was ahead of the levels reported in the years prior to 2008.

The Company reduced expenses by 13% compared to 2008. There had been significant one-off costs in 2008 associated with the acquisition of a majority stake in the Company by CSR Times Electric. Nevertheless, expenses have now fallen to 14.5% of revenue, the lowest ratio ever achieved and less than half what it had been five years previously.

As a result of these improvements in efficiency, the Company generated earnings before other income (expenses) and income taxes of \$3.75 million, which was less than 2% below the figure reported in 2008, despite a much more challenging external environment.

An income tax charge of \$0.4 million, following the exhaustion of UK tax losses, resulted in net earnings of \$3.4 million.

Weaker economic markets saw order in-take decline from \$49.0 million last year to \$33.9 million this year, giving a book to bill ratio of 0.85. Nevertheless, the Company still had a strong order book at the end of 2009 of \$31.4 million which represents 41 weeks of sales at the current revenue level. The decline reflected not only the softer market now being experienced but also the cancellation of over-bookings last year by some customers and the strength of the Dollar against Sterling, the Euro and the US Dollar in which all bookings are recorded. The strength of the order book enables management to remain confident that modest growth in revenue can be achieved in 2010.

As has previously been reported, Dynex is currently undertaking a major expansion of its facilities to enable it to benefit from the very strong demand for power modules in China. The project will continue throughout 2010. The dislocation caused by this expansion, together with the impact of the additional costs of establishing the line before it can generate revenue, means that net earnings are expected to decline in 2010. However, strong growth in both revenue and net earnings is expected to result from the expansion, beginning in early 2011.

Dr. Paul Taylor, President and Chief Executive Officer commented, "The Company's results were pretty much as expected. It is pleasing to be able to report that the business maintained the level of earnings before other income (expenses) and income taxes at a time when the external environment was providing many challenges to business. We were particularly pleased with the expense to revenue ratio achieved in 2009, although it is always disappointing to have to report a reduction in net earnings. We therefore consider our first full year as part of the CSR Group to have been very successful and we continue to see many new opportunities within the Group and in China generally from which we can benefit. We have completed the installation of a 6 inch bipolar fabrication facility and made significant progress on the expansion of our IGBT facility. The first of the two new lines is now being commissioned and we are starting on the installation of the second new line. The next year will be very challenging with a more difficult external market and with the costs of the new lines and preparing for major growth but with the extra revenue from that growth only coming through in 2011."

Bob Lockwood, Chief Financial Officer commented, "In the current environment, this is another outstanding set of results.. The strength of our order book means that we expect revenue in 2010 to be similar to that reported in 2009 despite a softer market. The expansion plans that Paul Taylor has referred to and our relationship with CSR Times Electric all point to an exciting future. The next year will be one of preparing for the expected growth in 2011 and beyond. The cost of that preparation and the move to a full tax charge in the UK means that our net earnings will be reduced. However, it is important to note that because we can defer this tax charge, it will not affect our cash flow."

Mr Lu, Chairman of Dynex and Vice General Manager of CSR Zhuzhou Electric Locomotive Research Institute Co., Ltd, the parent of CSR Times Electric, concluded, "CSR Times Electric is delighted with the

progress that Dynex has achieved in the last year. We continue to identify exciting new opportunities for both CSR Times Electric and Dynex from our new relationship. The management of Dynex has delivered another set of excellent results and together we are laying the foundations for strong growth from 2011 onwards.”

### ***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 mainly engaged in the research, development, manufacture and sales of locomotive train power converters, control systems and other train-borne electrical systems, as well as the development, manufacturing and sales of urban railway train electrical systems. In addition, CSR Times Electric is also engaged in the design, manufacturing and sales of electric components including power semiconductor devices for the railway industry, urban railway industry and non-railway purposes.

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.

The TSX Venture Exchange has neither approved nor disapproved of the information in this press release.

**DYNEX POWER INC.**  
**Consolidated Statements of Earnings and Deficit**  
**Years Ended December 31st, 2009 and 2008**

|   | <u>2009</u>           | <u>2008</u>           |
|---|-----------------------|-----------------------|
| <b>Revenue</b>  | <b>\$ 39,883,801</b>  | <b>\$ 37,016,731</b>  |
| <b>Cost of sales</b>  | <b>30,349,403</b>     | <b>26,559,302</b>     |
| <b>Gross margin</b>   | <b>9,534,398</b>      | <b>10,457,429</b>     |
| <b>Expenses</b>   |                       |                       |
| General and administration                                      | 3,168,185             | 4,077,965             |
| Sales and marketing   | 949,287               | 1,010,798             |
| Research and development  | 1,171,970             | 796,414               |
| Interest expense  | 494,955               | 759,128               |
|   | <b>5,784,397</b>      | <b>6,644,305</b>      |
| <b>Earnings before other income (expenses) and income taxes</b> | <b>3,750,001</b>      | <b>3,813,124</b>      |
| <b>Other income (expenses)</b>                                  |                       |                       |
| Interest and other income                                       | 229,163               | 297,254               |
| Foreign exchange (loss) gain                                    | (151,714)             | 453,603               |
|   | <b>77,449</b>         | <b>750,857</b>        |
| <b>Earnings before income taxes</b>                             | <b>3,827,450</b>      | <b>4,563,981</b>      |
| Income taxes  | (413,777)             | (2,298)               |
| <b>NET EARNINGS</b>   | <b>3,413,673</b>      | <b>4,561,683</b>      |
| <b>DEFICIT, BEGINNING OF YEAR</b>                               | <b>(7,169,144)</b>    | <b>(11,730,827)</b>   |
| <b>DEFICIT, END OF YEAR</b>                                     | <b>\$ (3,755,471)</b> | <b>\$ (7,169,144)</b> |

**DYNEX POWER INC.**  
**Consolidated Statements of Comprehensive Income**  
**Years Ended December 31st, 2009 and 2008**

|  | 2009                | 2008                |
|--|---------------------|---------------------|
| <b>Net earnings</b>  | <b>\$ 3,413,673</b> | <b>\$ 4,561,683</b> |
| <b>Other Comprehensive loss, net of tax:</b>   |                     |                     |
| Unrealized foreign exchange loss on translating financial statements of self-sustaining foreign operations | (473,090)           | (619,314)           |
| <b>OTHER COMPREHENSIVE LOSS</b>  | <b>(473,090)</b>    | <b>(619,314)</b>    |
| <b>COMPREHENSIVE INCOME</b>  | <b>\$ 2,940,583</b> | <b>\$ 3,942,369</b> |

**DYNEX POWER INC.**  
**Consolidated Statements of Accumulated Other Comprehensive Loss and Deficit**  
**As at December 31st, 2009 and 2008**

|  | 2009                  | 2008                  |
|--|-----------------------|-----------------------|
| <b>Accumulated other comprehensive loss, beginning of year</b> | <b>\$ (1,380,101)</b> | <b>\$ (760,787)</b>   |
| <b>Other comprehensive loss</b>                                | <b>(473,090)</b>      | <b>(619,314)</b>      |
| <b>Accumulated other comprehensive loss</b>                    | <b>(1,853,191)</b>    | <b>(1,380,101)</b>    |
| <b>Deficit</b>   | <b>(3,755,471)</b>    | <b>(7,169,144)</b>    |
| <b>TOTAL ACCUMULATED OTHER COMPREHENSIVE LOSS AND DEFICIT</b>  | <b>\$ (5,608,662)</b> | <b>\$ (8,549,245)</b> |

**DYNEX POWER INC.**  
**Consolidated Balance Sheets**  
**As At December 31st, 2009 and 2008**

|  | 2009                 | 2008                 |
|--|----------------------|----------------------|
| <b>CURRENT ASSETS</b>                            |                      |                      |
| Cash   | \$ 22,942,550        | \$ 404,638           |
| Accounts receivable                              | 6,439,200            | 6,081,965            |
| Inventories                                      | 8,872,155            | 8,041,747            |
| Amounts owing from parent company                | 218,568              | -                    |
| Income tax recoverable                           | 96,413               | 2,838                |
| Prepaid expenses and deposits                    | 794,170              | 696,625              |
|  | <b>39,363,056</b>    | <b>15,227,813</b>    |
| <b>PROPERTY, PLANT &amp; EQUIPMENT</b>           |                      |                      |
|  | <b>17,420,677</b>    | <b>5,433,347</b>     |
|  | <b>\$ 56,783,733</b> | <b>\$ 20,661,160</b> |
| <b>CURRENT LIABILITIES</b>                       |                      |                      |
| Accounts payable and accrued liabilities         | \$ 4,964,864         | \$ 5,688,807         |
| Short-term loan                                  | 16,273,732           | 3,551,495            |
| Amounts owing to parent company                  | 955,026              | -                    |
| Current portion of long-term debt                | 24,921               | 45,610               |
| Obligation under capital leases                  | 113,602              | 114,146              |
| Current portion of deferred revenue              | 1,174,803            | 137,271              |
|  | <b>23,506,948</b>    | <b>9,537,329</b>     |
| <b>LONG-TERM DEBT</b>                            | <b>942</b>           | <b>2,846,811</b>     |
| <b>LONG-TERM OBLIGATION UNDER CAPITAL LEASES</b> | <b>512,935</b>       | <b>642,659</b>       |
| <b>LONG-TERM DEFERRED REVENUE</b>                | <b>949,290</b>       | <b>1,132,483</b>     |
| <b>FUTURE INCOME TAXES</b>                       | <b>380,756</b>       | <b>-</b>             |
|  | <b>25,350,871</b>    | <b>14,159,282</b>    |
| <b>SHAREHOLDERS' EQUITY</b>                      |                      |                      |
| Share capital                                    | 37,041,524           | 15,051,123           |
| Deficit  | (3,755,471)          | (7,169,144)          |
| Accumulated other comprehensive loss             | (1,853,191)          | (1,380,101)          |
|  | <b>31,432,862</b>    | <b>6,501,878</b>     |
|  | <b>\$ 56,783,733</b> | <b>\$ 20,661,160</b> |

**DYNEX POWER INC.**  
**Consolidated Statements of Cash Flows**  
**Years Ended December 31st, 2009 and 2008**

|   | 2009                 | 2008               |
|---|----------------------|--------------------|
| <b>OPERATING</b>                                      |                      |                    |
| Net earnings  | \$ 3,413,673         | \$ 4,561,683       |
| <u>Items not affecting cash</u>                       |                      |                    |
| Amortization  | 693,984              | 310,446            |
| Gain on disposal of property, plant and equipment     | (137,672)            | (101,245)          |
| Future income taxes                                   | 399,541              | -                  |
| Shares and options issued for services                | -                    | 37,000             |
| Non-cash interest                                     | 6,248                | 183,226            |
| Non-cash grant income                                 | -                    | (2,355)            |
| Provision for inventory obsolescence                  | 1,823,084            | 1,149,172          |
| Changes in non-cash operating working capital         | (4,223,368)          | (1,799,184)        |
|   | <b>1,975,490</b>     | <b>4,338,743</b>   |
| <b>FINANCING</b>                                      |                      |                    |
| Shares issued for cash                                | 22,509,671           | 34,500             |
| Cost of share issue                                   | (35,943)             | -                  |
| Increase in amounts owing to parent company           | 2,521,141            | -                  |
| Decrease in amounts owing to parent company           | (4,650,459)          | -                  |
| Increase in short-term loans                          | 13,619,037           | 62,836             |
| Payments on capital leases                            | (99,832)             | (79,743)           |
| Increase (decrease) in long-term debt                 | (45,779)             | 126,489            |
|   | <b>33,817,836</b>    | <b>144,082</b>     |
| <b>INVESTING</b>                                      |                      |                    |
| Proceeds of disposal of property, plant and equipment | 263                  | 4,374              |
| Purchase of property, plant and equipment             | (13,121,302)         | (4,333,637)        |
|   | <b>(13,121,039)</b>  | <b>(4,329,263)</b> |
| Effect of foreign currency translation on cash        | (134,375)            | 110,209            |
| <b>NET INCREASE IN CASH</b>                           | <b>22,537,912</b>    | <b>263,771</b>     |
| <b>Cash, beginning of year</b>                        | <b>404,638</b>       | <b>140,867</b>     |
| <b>CASH, END OF YEAR</b>                              | <b>\$ 22,942,550</b> | <b>\$ 404,638</b>  |