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中国南车

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

JOINT VENTURE AGREEMENT WITH WABTEC CHINA RAIL PRODUCTS & SERVICES HOLDING LIMITED FOR ESTABLISHMENT OF A JOINT VENTURE COMPANY

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

The Board is pleased to announce that, on 26 April 2011, the Company entered into the Agreement with Wabtec for the establishment of the JV Company in Changsha City of Hunan Province of the PRC to engage in the application engineering, development, manufacturing, sale, after-sale service, refurbishment and repair services of brake systems for mass transit vehicles.

The JV Company is intended to be established in the form of a limited liability company in the PRC with a registered capital of RMB 32,500,000, among which the Company shall contribute RMB16,250,000 by way of cash to be funded by the internal resources of the Group and Wabtec shall contribute the equivalent amount of RMB16,250,000 by way of cash in US dollars. Upon establishment, the JV Company will be held equally by the Company and Wabtec.

The establishment of the JV Company is subject to the approval of the relevant PRC government authorities which may or may not be obtained. As such, shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing The Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

THE JOINT VENTURE

The board (the “**Board**”) of directors (the “**Directors**”) of Zhuzhou CSR Times Electric Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that, on 26 April 2011, the Company entered into a joint venture agreement (the “**Agreement**”) with Wabtec China Rail Products & Services Holding Limited (“**Wabtec**”) for the establishment of a joint venture company with a proposed name of Hunan CSR Wabtec Railway Transportation Technology Co., Ltd. (the “**JV Company**”) in Changsha City of Hunan Province of the People’s Republic of China (the “**PRC**”) subject to the final approval of the relevant departments of the State Administration for Industry and Commerce to engage in the application engineering, development, manufacturing, sale, after-sale service, refurbishment and repair services of brake systems for mass transit vehicles.

REGISTERED CAPITAL CONTRIBUTIONS

The JV Company is intended to be established in the form of a limited liability company in the PRC with a registered capital of RMB 32,500,000, among which the Company shall contribute RMB16,250,000 by way of cash to be funded by the internal resources of the Group and Wabtec shall contribute the equivalent amount of RMB16,250,000 by way of cash in United States dollars (the “**US dollars**”).

The registered capital of the JV Company shall be contributed by the Company and Wabtec equally in a lump sum payment upon fulfilling certain conditions stated in the Agreement.

Upon establishment, the JV Company will be held equally by the Company and Wabtec.

COMPOSITION OF THE JV BOARD

The board of directors of the JV Company (the “**JV Board**”) shall comprise five directors, among which two directors shall be nominated by the Company and the remaining three directors shall be nominated by Wabtec. The chairman of the JV Board shall be nominated by the Company and appointed by the JV Board.

INFORMATION ON THE COMPANY AND WABTEC

The Group is principally engaged in the sale and manufacture of train-borne electrical systems and electrical components.

Wabtec is principally engaged in manufacturing products for locomotives, freight cars and passenger transit vehicles.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, prior to the establishment of the JV Company, Wabtec and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

GENERAL

The establishment of the JV Company is subject to the approval of the relevant PRC government authorities which may or may not be obtained. As such, shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

By order of the Board
Ding Rongjun
Chairman

Zhuzhou, China, 26 April 2011

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 Director is Li Donglin, our other non-executive Directors are Yan Wu 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.