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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
PRICE-SENSITIVE INFORMATION
ISSUE OF SHORT-TERM DEBENTURES**

This announcement is made by Zhuzhou CSR Times Electric Co., Ltd. (the “**Company**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

Reference is made to the announcements of the Company dated 8 July 2010 and 19 July 2010.

On 8 July 2010, the Company obtained an approval for the registration of the issuance of short-term debenture with a registered principal amount of RMB1 billion from the National Association of Financial Market Institutional Investors of the People's Republic of China (the “**PRC**”) and the Company completed the issue of the first tranche of short-term debentures in the principal amount of RMB 500 million for 2010 on 19 July 2010.

The board of directors of the Company (the “**Board**”) is pleased to announce that the Company will issue the second tranche of short-term debentures in the principal amount of RMB 500 million for 2011 (the “**Debentures**”) to qualified domestic institutional investors in the national inter-bank bond market of the PRC (save for those investors who are prohibited by PRC laws or regulations from subscribing for the Debentures).

Shanghai Pudong Development Bank Co., Ltd acts as the lead underwriter to form an underwriting syndicate for the Debentures. The issue size of the Debentures shall be RMB 500 million with a maturity period of 366 days and a unit face value of RMB100. The interest rate of the Debentures will be determined at the close of the offer period on 20 June 2011.

The Company intends to apply the net proceeds of the issue of the Debentures to supplement the working capital needs of its major production and business operation activities.

The offering circular and other relevant legal documentation in respect of the Debentures are posted on www.chinamoney.com.cn and www.chinabond.com.cn on 9 June 2011.

The issue of the Debentures does not constitute any transaction under Chapter 14 and Chapter 14A of the Listing Rules.

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.

By order of the Board
Ding Rongjun
Chairman

Zhuzhou, China, 9 June 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.