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If you are in doubt about this circular, you should consult your stockbroker, other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in ZHUZHOU CSR TIMES ELECTRIC CO., LTD., you should at once hand this circular together with the accompanying form of proxy and reply slip to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**PROPOSED CHANGE IN AUDITORS AND
PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION AND
PROPOSED AMENDMENTS TO THE RELEVANT INTERNAL RULES AND
PROPOSED ISSUE AND REGISTRATION OF THE ISSUE OF
MEDIUM-TERM NOTES AND
GENERAL MANDATE TO REPURCHASE H SHARES
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING
NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES
NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES**

A letter from the Board of the Company is set out on pages 3 to 8 of this circular.

A notice convening the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting to be convened on Tuesday, 13 December 2011 is set out on pages 22 to 32 of this circular. Whether or not you intend to attend the said meetings, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours before the time scheduled for holding of the relevant meetings or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting or any adjourned meeting thereof should you so wish.

If you intend to attend the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting in person or by proxy, you should also complete and return the accompanying reply slip in accordance with instructions printed thereon on or before Wednesday, 23 November 2011.

28 October 2011

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DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions have the following meanings:

“Articles” or “Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors of the Company
“Company”	Zhuzhou CSR Times Electric Co., Ltd. (株洲南車時代電氣股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	domestic share(s) of RMB1.00 each in the share capital of the Company
“Domestic Shareholders”	registered holders of Domestic Shares
“Domestic Shareholders’ Class Meeting”	the class meeting of the Domestic Shareholders to be held on Tuesday, 13 December 2011 at 11:30 a.m.
“EGM”	an extraordinary general meeting of the Company to be held on Tuesday, 13 December 2011 at 9:00 a.m. for the purpose of approving, among others, the proposed change in auditors and the proposed amendments to the Articles, details of which are set out in the notice of EGM on pages 22 to 26 of this circular
“E&Y”	Ernst & Young
“E&Y Hua Ming”	Ernst & Young Hua Ming
“Group”	the Company and its subsidiaries and “Group Company” means any of them
“H Share(s)”	overseas listed foreign share(s) of RMB1.00 each in the share capital of the Company which are listed on the Main Board of the Stock Exchange and traded in HKD
“H Shareholders”	registered holders of H Shares
“H Shareholders’ Class Meeting”	the class meeting of the H Shareholders to be held on Tuesday, 13 December 2011 at 11:00 a.m.
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Latest Practicable Date”	26 October 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Mandatory Provisions”	The Mandatory Provisions for the Articles of Association of Companies Seeking a Listing outside the PRC
“PRC”	the People’s Republic of China
“Relevant Internal Rules”	(a) the Rules of Procedures for General Meetings of the Company, (b) the Rules of Procedures for Board Meetings of the Company, and (c) the Rules of Procedures for Meetings of Supervisory Committee of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Repurchase Mandate”	subject to the conditions set out in the proposed resolution approving the Repurchase Mandate at the EGM, H Shareholders’ Class Meeting and Domestic Shareholders’ Class Meeting, the general mandate to exercise the power of the Company to repurchase H Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal value of H Shares in issue as at the date of the said resolution
“Share(s)”	Domestic Share(s) and/or H Share(s)
“Shareholder(s)”	the holder(s) of Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SAFE”	State Administrative of Foreign Exchange of the PRC
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Ding Rongjun (*Chairman*)
Mr. Li Donglin

Non-executive Directors:

Mr. Deng Huijin
Mr. Yan Wu
Mr. Ma Yunkun

Independent non-executive Directors:

Mr. Gao Yucai
Mr. Chan Kam Wing, Clement
Mr. Pao Ping Wing
Ms. Liu Chunru

Registered office:

Times Road
Shifeng District
Zhuzhou
Hunan Province
PRC 412001

*Principal Place of Business
in Hong Kong:*

Unit 1106, 11th Floor
Jubilee Centre
18 Fenwick Street
Wanchai
Hong Kong

28 October 2011

To the Shareholders

Dear Sir or Madam,

**PROPOSED CHANGE IN AUDITORS AND
PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION AND
PROPOSED AMENDMENTS TO THE RELEVANT INTERNAL RULES AND
PROPOSED ISSUE AND REGISTRATION OF THE ISSUE OF
MEDIUM-TERM NOTES AND
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AND
NOTICE OF EXTRAORDINARY GENERAL MEETING
NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES
NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES**

BACKGROUND

Reference is made to the announcement dated 20 October 2011 issued by the Company in relation to, among others, the proposed change in auditors, proposed amendments to Articles of Association and the proposed amendments to the Relevant Internal Rules.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among other things, details of the proposed change in auditors, the proposed amendments to Articles, the proposed amendments to the Relevant Internal Rules, the proposed issue and registration of the issue of medium-term notes and information relating to the proposal for general mandate to repurchase H Shares and notices of the EGM, H Shareholders' Class Meeting and Domestic Shareholders' Class Meeting.

PROPOSED CHANGE IN AUDITORS

Reference is made to the announcement of the Company dated 10 June 2011 regarding, among others, the approval by the Shareholders at the annual general meeting held on 10 June 2011 of the re-appointment of the then retiring auditors as the auditors of the Company until the conclusion of the next annual general meeting of the Company.

The Board proposed, subject to the approval by the Shareholders by way of an ordinary resolution at the EGM, to terminate the appointment of E&Y as the international auditors of the Company and appoint E&Y Hua Ming as the sole auditors of the Company, in light of the acceptance of Mainland accounting and auditing standards and Mainland audit firms by the Stock Exchange.

Pursuant to the "Consultation Conclusions on Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong" issued by the Stock Exchange in December 2010 and the related amendments to the Listing Rules, commencing from 15 December 2010, Mainland incorporated issuers listed on the Stock Exchange are allowed to prepare their financial statements using Mainland accounting standards, and Mainland accounting firms that have been approved (the "**Approved Mainland Accounting Firms**") by the Ministry of Finance of the PRC and the China Securities Regulatory Commission are eligible to provide auditing services to Mainland incorporated companies listed in Hong Kong using Mainland auditing standards.

At present, E&Y Hua Ming and E&Y are acting as the Company's PRC and international auditors respectively. To enhance efficiency and reduce the cost of the Company, the Board proposed, subject to the approval by the Shareholders at the EGM, to terminate the appointment of E&Y as the Company's international auditors while E&Y Hua Ming, being one of the Approved Mainland Accounting Firms, will become the sole auditors of the Company to audit the Company's financial statements for the year ending 31 December 2011 prepared in accordance with China Accounting Standards for Business Enterprises and to undertake all such activities as required to be performed by international auditors under the Listing Rules (including but not limited to the preliminary announcement on annual results and annual review of continuing connected transactions) and to hold office until the conclusion of the next annual general meeting of the Company.

E&Y has confirmed in writing that there were no circumstances connected with the proposed termination of appointment that it considered should be brought to the attention of the Shareholders or creditors of the Company. The Board is not aware of any matter regarding the proposed termination of appointment that needs to be brought to the attention of the Shareholders. The Board and the audit committee of the Company confirmed that there were no disagreement or unresolved matters between the Company and E&Y regarding the proposed termination of appointment.

LETTER FROM THE BOARD

The Board is of the view that there will not be any material financial impact on the adoption and preparation of its financial statements under China Accounting Standards for Business Enterprises.

PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

The Board announced that a special resolution will be proposed at the EGM to amend the Articles to, among others, adopt the China Accounting Standards for Business Enterprises and align with certain changes in the Listing Rules.

In view of the provisions of Rule 2.07A of the Listing Rules relating to the use of electronic means or website for communication with shareholders and the acceptance of Mainland accounting and auditing standards and Mainland audit firms by the Stock Exchange and the related amendments to the Listing Rules, amendments to the Articles are proposed. Certain amendments to the Articles are also proposed to bring them in line with the Company's updated position. Details of the proposed amendments to the Articles are set out in the Appendix I to this circular.

The proposed amendments to the Articles are subject to the approval of the Shareholders by way of a special resolution at the EGM and the approval of or registration or filing with the relevant PRC government authorities.

The Articles are written in Chinese. There is no official English version. The English version should only be for reference. Should there be any discrepancies, the Chinese version shall prevail.

PROPOSED AMENDMENTS TO THE RELEVANT INTERNAL RULES

The Board further announced that ordinary resolutions will be proposed at the EGM to amend the Relevant Internal Rules to, among others, align with certain changes in the Listing Rules and bring them in line with the Company's updated position. Details of the proposed amendments to the Relevant Internal Rules are set out in the Appendix II to this circular.

The proposed amendments to the Relevant Internal Rules are subject to the approval by the Shareholders by way of ordinary resolutions at the EGM.

The Relevant Internal Rules are written in Chinese. There are no official English versions. The English versions should only be for reference. Should there be any discrepancies, the Chinese versions shall prevail.

PROPOSED ISSUE AND REGISTRATION OF THE ISSUE OF MEDIUM-TERM NOTES

In order to meet the funding requirement of the Company and to reduce the cost of financing, the Board has approved the proposed issue of medium-term notes in the aggregate principal amount of up to RMB800 million (the "Notes") with a term not exceeding 5 years.

LETTER FROM THE BOARD

The proposed issue and registration of the issue of the Notes is subject to approval by the Shareholders by way of a special resolution at the EGM and the approval of or registration or filing with the relevant PRC authorities.

GENERAL MANDATE TO REPURCHASE H SHARES

The Company Law of the PRC (to which the Company is subject) provides that a joint stock limited company incorporated in the PRC may not repurchase its share unless such repurchase is effected for the purpose of (a) reducing its registered share capital; (b) in connection with a merger between itself and another entity that holds its shares; (c) granting shares as reward to the staff of the company; or (d) the repurchase is made at the request of its shareholders who disagrees with shareholders' resolutions in connection with a merger or division. The Mandatory Provisions which the Company has incorporated in its Articles of Association provides that subject to obtaining the approval of the relevant regulatory authorities and compliance with its articles of association, share repurchases may be effected by a joint stock limited company listed outside the PRC for the purpose of reducing its share capital or in connection with a merger between itself and another entity that holds its shares or in circumstances permitted by law or administrative regulations.

The Listing Rules permit shareholders of a PRC joint stock limited company to grant a general mandate to the Directors to repurchase H shares of such company that are listed on the Stock Exchange.

Such mandate is required to be given by way of a special resolution passed by shareholders in general meeting and special resolutions passed by holders of domestic shares and overseas listed foreign shares in class meetings.

As H Shares are traded on the Stock Exchange in Hong Kong dollars and the price payable by the Company upon any repurchase of H Shares will, therefore, be paid in Hong Kong dollars, the approval of the Zhuzhou branch of SAFE is required.

In accordance with the requirements of Article 26 of the Articles of Association applicable to capital reduction, the Company will have to notify its creditors of the passing of such special resolution and the reduction to the registered capital of the Company that would occur at the time when the Directors decide to exercise the Repurchase Mandate. Such notification has to be given in writing to the Company's creditors within 10 days after the passing of such resolution by the Board and also by way of the publication on 3 occasions of a press announcement within 30 days after the passing of such resolutions by the Board. Creditors then have a period of up to 30 days after the Company's written notification or if no such notification has been received, up to 90 days after the first publication of the press announcement to require the Company to repay amounts due to them or to provide guarantees in respect of such amounts.

In accordance with the legal and regulatory requirements described above, the Director will convene the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting.

LETTER FROM THE BOARD

At each such meeting, a special resolution will be proposed to grant to the Directors a conditional general mandate to purchase H Shares in issue on the Stock Exchange with an aggregate nominal value not exceeding 10% of the aggregate nominal value of H Shares in issue as at the date of the passing of such resolution.

The Repurchase Mandate will be conditional upon (a) the special resolution approving the grant of the Repurchase Mandate being approved at each of the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting; (b) the approvals of the Zhuzhou branch of SAFE and/or any other regulatory authorities (if applicable) as required by the laws, rules and regulations of the PRC being obtained; and (c) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure under Article 26 of the Articles of Association as described above.

If the Company determines to repay any amount to any of its creditors in circumstances described under condition (c), it expects to do so out of its internal resources. If the conditions are not fulfilled, the Repurchase Mandate will not be exercisable by the Directors.

A special resolution will be proposed at the EGM, H Shareholders' Class Meeting and Domestic Shareholders' Class Meeting to grant to the Directors the Repurchase Mandate, details of which are set out in special resolution numbered 7 of the notice of the EGM, special resolution in the notice of H Shareholders' Class Meeting and special resolution in the notice of the Domestic Shareholders' Class Meeting. The H Shares which may be repurchased pursuant to the Repurchase Mandate shall not exceed 10% of the aggregate nominal value of H Shares in issue as at the date of passing of the resolutions approving the Repurchase Mandate.

An explanatory statement giving certain information regarding the Repurchase Mandate is set out in Appendix III to this circular.

EGM, H SHAREHOLDERS' CLASS MEETING AND DOMESTIC SHAREHOLDERS' CLASS MEETING

The Board proposes to seek the Shareholders' approval at the EGM to approve, among others, the proposed change in auditors, proposed amendments to Articles, the proposed amendments to the Relevant Internal Rules, the proposed issue and registration of the issue of the Notes and the proposed Repurchase Mandate. The Board also proposes to seek the approval from the H Shareholders and Domestic Shareholders on the proposed Repurchase Mandate. Notices of the EGM, H Shareholders' Class Meeting and Domestic Shareholders' Class Meeting to be held at The Howard Johnson Tropical Garden Plaza Kunming, the PRC, on Tuesday, 13 December 2011 are set out on pages 22 to 32 of this circular.

For the purposes of the EGM, H Shareholders' Class Meeting and Domestic Shareholders' Class Meeting, the register of members of the Company will be closed from Monday, 14 November 2011 to Tuesday, 13 December 2011, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify to attend and vote at the EGM, H Shareholders' Class Meeting and

LETTER FROM THE BOARD

Domestic Shareholders' Class Meeting, all transfers accompanied by the relevant share certificates must be lodged, for holders of H Shares, with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or, for holders of Domestic Shares, the registered office address of the Company at Times Road, Shifeng District, Zhuzhou, Hunan Province, 412001, PRC no later than 4:30 p.m. on Friday, 11 November 2011.

A form of proxy for appointing proxy is despatched with this circular and published on the website of the Stock Exchange (www.hkex.com.hk). Whether or not you intend to attend the EGM, H Shareholders' Class Meeting and Domestic Shareholders' Class Meeting, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time scheduled for holding the relevant meetings or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM, H Shareholders' Class Meeting and Domestic Shareholders' Class Meeting or any adjournment thereof if you so wish.

If you intend to attend the EGM, H Shareholders' Class Meeting and Domestic Shareholders' Class Meeting in person or by proxy, you should also complete and return the accompanying reply slip in accordance with the instructions printed thereon on or before Wednesday, 23 November 2011.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at the EGM, H Shareholders' Class Meeting and Domestic Shareholders' Class Meeting must be taken by poll. The chairman of the meetings will therefore demand a poll for every resolution put to vote at the EGM, H Shareholders' Class Meeting and Domestic Shareholders' Class Meeting in accordance with the Articles. An announcement on the poll vote results will be made by the Company after the EGM, H Shareholders' Class Meeting and Domestic Shareholders' Class Meeting in the manner prescribed under Rule 13.39(5).

RECOMMENDATION

The Board considers that the proposed change in auditors, the proposed amendments to Articles, the proposed amendments to the Relevant Internal Rules, the proposed issue and registration of the issue of the Notes and the proposed Repurchase Mandate are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that the Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM, H Shareholders' Class Meeting and Domestic Shareholders' Class Meeting (as the case may be) as set out in the notice of EGM, H Shareholders' Class Meeting and Domestic Shareholders' Class Meeting.

Yours faithfully,
By order of the Board
Ding Rongjun
Chairman

The proposed amendments to the Articles of Association are as follows:

1. Delete the following particulars of the Company in the third and fourth lines of existing Article 3 in their entireties which provide that:

“Telephone: 0733-8493447

Facsimile: 0733-8493447”

and replace them with the following:

“Telephone: 0731-28493447

Facsimile: 0731-28493447”

2. Delete all references to “president” in the existing Articles of Association in their entireties and replace them with “general manager”.
3. Delete the first paragraph of existing Article 61 in its entirety which provides that:

“The notice of a general meeting shall be sent to shareholders (regardless of whether they are entitled to vote at the general meeting) by personal delivery or by prepaid mail. The addresses of the recipients shall be such addresses as shown in the register of members. For holders of domestic shares, such notice of the general meeting may also be given by way of announcement.”

and replace it with the following:

“The notice of a general meeting shall be sent to shareholders (regardless of whether they are entitled to vote at the general meeting) by personal delivery or by prepaid mail. The addresses of the recipients shall be such addresses as shown in the register of members. Subject to compliance with the relevant laws and regulations, the listing rules of the place where the Company’s shares are listed and these Articles of Association, the Company may also send the notice of a general meeting to its H shareholders by means of facsimile, electronic mail, disc or other electronic means; or by publication thereof on the website of the relevant stock exchange where the Company’s shares are listed (and the Company’s website); or by such other means as recognized by the relevant regulatory authorities of the place where the Company’s shares are listed or provided under these Articles of Association. For holders of domestic shares, such notice of the general meeting may also be given by way of announcement.”

APPENDIX I PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

4. Delete the first sentence of existing Article 98 in its entirety which provides that:

“At least four regular meetings of the board of directors shall be held each year, which shall be convened by the chairman and a notice of the meeting shall be sent to all directors and supervisors 10 days in advance of such meeting.”

and replace it with the following:

“At least four regular meetings of the board of directors shall be held each year, which shall be convened by the chairman and a notice of the meeting shall be sent to all directors and supervisors 14 days in advance of such meeting.”

5. Delete the second paragraph of existing Article 145 in its entirety which provides that:

“The Company shall at least deliver or send to each shareholder of overseas listed foreign-shares by prepaid mail the abovementioned reports not later than 21 days before the date of every annual general meeting and the addresses of the recipients shall be such addresses as shown in the register of members.”

and replace it with the following:

“The Company shall at least deliver or send to each shareholder of overseas listed foreign shares by prepaid mail the abovementioned reports not later than 21 days before the date of every annual general meeting and the addresses of the recipients shall be such addresses as shown in the register of members; or by other means as provided in these Articles of Association.”

6. Delete the existing Article 146 in its entirety which provides that:

“The financial statements of the Company shall, in addition to being prepared in accordance with PRC accounting standards and regulations, be prepared in accordance with either international accounting standards or that of the overseas place where the Company’s shares are listed. If there is any material difference between the financial statements prepared respectively in accordance with the two accounting standards, explanations shall be made in the financial statements. When the Company is to distribute its after-tax profits, the lower of the after-tax profits as shown in the two financial statements shall be adopted.”

and replace it with the following:

“The financial statements of the Company shall be prepared in accordance with PRC accounting standards and regulations.”

7. Delete the existing Article 147 in its entirety which provides that:

“Any interim results or financial information published or disclosed by the Company must also be prepared and presented in accordance with PRC accounting standards and regulations, and also in accordance with either international accounting standards or that of the overseas place where the Company’s shares are listed.”

APPENDIX I PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

and replace it with the following:

“Any interim results or financial information published or disclosed by the Company must also be prepared and presented in accordance with PRC accounting standards and regulations.”

8. Delete the third paragraph of existing Article 166 in its entirety which provides that:

“Where a notice is deposited under the preceding paragraph, the Company shall within 14 days send a copy of the notice to the competent authority. If the notice contains a statement referred to in subparagraph (2) above, a copy of such statement shall be placed at the Company’s registered office for shareholders’ inspection. The Company shall also send a copy of such statement to every H shareholder by prepaid mail and it shall be sent to the addresses recorded in the register of shareholders.”

and replace it with the following:

“Where a notice is deposited under the preceding paragraph, the Company shall within 14 days send a copy of the notice to the competent authority. If the notice contains a statement referred to in subparagraph (2) above, a copy of such statement shall be placed at the Company’s registered office for shareholders’ inspection. The Company shall also send a copy of such statement to every H shareholder by prepaid mail and it shall be sent to the addresses recorded in the register of shareholders, or by other means as provided in these Articles of Association.”

9. Delete the second paragraph of existing Article 167 in its entirety which provides that:

“A special document of the Company’s resolution on the merger or division should be prepared for inspection by the shareholders. The aforesaid document should also be dispatched H shareholders by mail.”

and replace it with the following:

“A special document of the Company’s resolution on the merger or division should be prepared for inspection by the shareholders. The aforesaid document should also be dispatched H shareholders by mail, or by other means as provided in these Articles of Association.”

10. Delete the existing Article 183 in its entirety which provides that:

“Save as otherwise provided in these Articles of Association, any notice, information or written statement to be issued by the Company may be sent by personal delivery or by mail to every H shareholder at his registered address.

The Company shall send notice to its promoter shareholders (including holders of domestic shares and overseas listed foreign shares but excluding H shareholders) by public

announcements which should be published on the newspapers designated by the securities regulatory authorities of the PRC. Once such announcement is published, all promoter shareholders (including holders of domestic shares and overseas listed foreign shares but excluding H shareholders) are deemed to receive such notice.

The “announcements” referred to in these Articles of Association, except as the context otherwise required, shall, in respect of the announcements made to its promoter shareholders (including holders of domestic shares and overseas listed foreign shares but excluding H shareholders) or required to be made in the PRC under the relevant provisions and these Articles of Association, mean the public announcements published on the newspapers in the PRC as specified by the laws or administrative regulations of the PRC or by the relevant securities regulatory authority; or in respect of the announcement made to the holders of overseas listed foreign- shares or required to be made in the place where the Company’s shares are listed under the relevant provisions and these Articles of Association, mean the public announcements published on the newspapers in the place where the Company’s shares are listed as specified by the laws, rules and regulations of the place where the Company’s shares are listed or by the relevant securities regulatory authority.”

and replace it with the following:

“Save as otherwise provided in these Articles of Association, any notice, information, written statement or any document (including but not limited to annual reports, interim reports, notices of meetings, listing documents, circulars and proxy forms) (“**Corporate Communications**”) to be issued by the Company may be sent by personal delivery or by mail to every H shareholder at his registered address; or by means of facsimile, electronic mail, disc or other electronic means; or by publication thereof on the website in accordance with the procedures below; or by such other means as recognized by the relevant regulatory authorities of the place where the Company’s shares are listed or provided under these Articles of Association.

In case the Company send the Corporate Communications to its H shareholders by mean of publication on website, provided that the Company has followed the following procedures and those H shareholders have already given written consents or have not indicated objection to such method for sending the Corporate Communications, the Company may use such method for sending the Corporate Communications to its H shareholders:

1. The Company shall send a written notice to every H shareholder requesting his consent to agree that the Company may send or supply Corporate Communications to him by means of website; and
2. The Company has not received a response from such H shareholder indicating his objection within 28 days (or such other period as specified by the relevant regulatory authorities from time to time) beginning with date on which the request as referred to 1 above was sent.

If any H shareholder who is deemed to give consent to receive Corporate Communications by means of website experiences any difficulty in receiving such Corporate Communications by using website, he may, by sending a written request to the Company, notify the Company of any change of his choice of receiving Corporate Communications and is entitled to receive a printed form of such Corporate Communications from the Company free of charge.

The Company shall send notice to each holder of domestic shares by personal delivery or by mail at his registered address; or by public announcements which should be published on the newspaper(s) designated by the securities regulatory authorities of the PRC. Once such announcement is published, all holders of domestic shares are deemed to receive such notice.

The “announcements” referred to in these Articles of Association, except as the context otherwise required, shall, in respect of the announcements made to its holders of domestic shares or required to be made in the PRC under the relevant provisions and these Articles of Association, mean the public announcements published on the newspapers in the PRC as specified by the laws or administrative regulations of the PRC or by the relevant securities regulatory authority; or in respect of the announcement made to the holders of overseas listed foreign shares or required to be made in the place where the Company’s shares are listed under the relevant provisions and these Articles of Association, mean the public announcements published on the website of the stock exchange where the Company’s shares are listed (and the Company’s website) or the newspapers in the place where the Company’s shares are listed as specified by the laws, rules and regulations of the place where the Company’s shares are listed or by the relevant securities regulatory authority.”

APPENDIX II PROPOSED AMENDMENTS TO THE RELEVANT INTERNAL RULES

A. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES FOR GENERAL MEETINGS

The proposed amendments to the Rules of Procedures for General Meetings of the Company are as follows:

1. Delete all references to “president” in the Rules of Procedures for General Meetings of the Company in their entirety and replace them with “general manager”.
2. Delete all references to “related party transaction(s)” in the Rules of Procedures for General Meetings of the Company in their entirety and replace them with “connected transaction(s)”.
3. Delete the first to third paragraphs of the existing Clause 27 in the Rules of Procedures for General Meetings of the Company in their entirety which provide that:

“A written notice of a general meeting to be held by the Company shall be given to all shareholders, whose names appear in the register of members, 20 days (excluding the date of meeting) before the meeting is held, specifying the matters to be considered at and the date and place of the meeting.

The notice of a general meeting shall be sent to shareholders (regardless of whether they are entitled to vote at the general meeting) by personal delivery or by prepaid mail. The addresses of the recipients shall be such addresses as shown in the register of members. For holders of domestic shares, such notice of the general meeting may also be given by way of announcement.

The “announcements” referred to above shall be published on the newspapers in the PRC as specified by China Securities Regulatory Commission within the period of 30 to 35 days before the meeting is held. Once such announcement is published, all holders of domestic shares are deemed to receive such notice of general meeting.”

and replace them with the following:

“A written notice of a general meeting to be held by the Company shall be given to all shareholders, whose names appear in the register of members, in the case of annual general meeting, at least 20 clear business days before the meeting and at least 10 clear business days before the meeting in the case of all other general meetings, specifying the matters to be considered at and the date and place of the meeting.

The notice of a general meeting shall be sent to shareholders (regardless of whether they are entitled to vote at the general meeting) by personal delivery or by prepaid mail. The addresses of the recipients shall be such addresses as shown in the register of members. Subject to compliance with the relevant laws and regulations, the listing rules of the place where the Company’s shares are listed and the Articles of Association, the Company may also send the notice of a general meeting to its H shareholders by means of facsimile,

APPENDIX II PROPOSED AMENDMENTS TO THE RELEVANT INTERNAL RULES

electronic mail, disc or other electronic means; or by publication thereof on the website of the relevant stock exchange where the Company's shares are listed (and the Company's website); or by such other means as recognized by the relevant regulatory authorities of the place where the Company's shares are listed or provided under the Articles of Association. For holders of domestic shares, such notice of the general meeting may also be given by way of announcement.

The "announcements" referred to above shall be published on the newspaper(s) in the PRC as specified by the securities regulatory authorities of the State Council of the PRC within the period of 45 to 50 days before the meeting is held. Once such announcement is published, all holders of domestic shares are deemed to receive such notice of general meeting."

4. Delete the existing Clause 70 in the Rules of Procedures for General Meetings of the Company in its entirety which provides that:

"The announcements relating to the resolutions of shareholders' meetings shall be published on the designated newspaper(s) and the Company's website."

and replace it with the following:

"The announcements relating to the resolutions of shareholders' meetings shall be published on the designated website for information disclosure and the Company's website."

B. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES FOR BOARD MEETINGS

The proposed amendments to the Rules of Procedures for Board Meetings of the Company are as follows:

1. Delete all references to "president" in the Rules of Procedures for Board Meetings of the Company in their entirety and replace them with "general manager".
2. Delete the last sentence of the second paragraph of Clause 3 in the Rules of Procedures for Board Meetings of the Company in its entirety which provides that:

"Risk control committee shall be formed by a number of directors and at least two of them shall be independent non-executive directors."

and replace it with the following:

"Risk control committee shall be formed by a number of directors and at least one of them shall be independent non-executive director."

APPENDIX II PROPOSED AMENDMENTS TO THE RELEVANT INTERNAL RULES

3. Delete the third and the fourth paragraphs of Clause 9 “Decision on Investment Limit and Authorisation” in the Rules of Procedures for Board Meetings of the Company in their entirety which provides that:

“(3) With the authority of the Board, executive director is authorised to review and approve any investment project of value below RMB 30 million and general manager is authorised to review and approve any investment project of value below RMB 3 million;

(4) With the authority of the Board, executive director is authorised to review and approve any risky investment project of value below RMB 10 million and general manager is authorised to review and approve any risky investment project of value below RMB 1.5 million.”

and replace them with the following:

“(3) With the authority of the Board, executive director is authorised to review and approve any investment project of value below RMB 200 million and general manager is authorised to review and approve any investment project of value below RMB 20 million;

(4) With the authority of the Board, executive director is authorised to review and approve any risky investment project of value below RMB 60 million and general manager is authorised to review and approve any risky investment project of value below RMB 10 million.”

4. Delete the second paragraph of Clause 10 “Decision on Limit of Asset Disposal and Authorisation” in the Rules of Procedures for Board Meetings of the Company in its entirety which provides that:

“The Board is authorised to review and approve any project with any of the above percentage ratios that is less than 10%. With the authority of the Board, executive director is authorised to review and approve any project with any of the above percentage ratios that is less than 5% and general manager is authorised to review and approve any project of value below RMB 3 million”

and replace it with the following:

“The Board is authorised to review and approve any project with any of the above percentage ratios that is less than 10%. With the authority of the Board, executive director is authorised to review and approve any project with any of the above percentage ratios that is less than 5% and general manager is authorised to review and approve any project of value below RMB 20 million”

APPENDIX II PROPOSED AMENDMENTS TO THE RELEVANT INTERNAL RULES

5. Delete the second paragraph of Clause 11 “Decision on Debt Limit and Authorisation” in the Rules of Procedures for Board Meetings of the Company in its entirety which provides that:

“2. Within the total amount of working capital loan for the current year approved by the board of directors, the chairman is authorized to approve working capital short term loan contract for a single loan in the amount below RMB50 million; the general manager is authorized to approve working capital short term loan contract for a single loan in the amount below RMB10 million.”

and replace it with the following:

“2. Within the total amount of working capital loan for the current year approved by the board of directors, the chairman is authorized to approve working capital short term loan contract for a single loan in the amount below RMB300 million; the general manager is authorized to approve working capital short term loan contract for a single loan in the amount below RMB60 million.”

6. Delete the first sentence of the first paragraph of Clause 19 “Regular Board Meetings” in the Rules of Procedures for Board Meetings of the Company in its entirety which provides that:

“(1) Board meeting regarding annual results:

A meeting shall be convened within 120 days after the end of financial year to consider and approve the annual reports and transact other related matters.”

and replace it with the following:

“(1) Board meeting regarding annual results:

A meeting shall be convened within 90 days after the end of financial year to consider and approve the annual reports and transact other related matters.”

APPENDIX II PROPOSED AMENDMENTS TO THE RELEVANT INTERNAL RULES

7. Delete the second paragraph of Clause 26 “Notice of Meeting” in the Rules of Procedures for Board Meetings of the Company in its entirety which provides that:

“2. If the board of directors does not specify in advance or change the time and place of the regular meeting of the board of directors as originally scheduled, the chairman shall notify all directors the time and place of the regular meeting of the board of directors at least 10 days in advance of such meeting by telex, telegraph, fax, express delivery or registered mail or by personal delivery.”

and replace it with the following:

“2. If the board of directors does not specify in advance or change the time and place of the regular meeting of the board of directors as originally scheduled, the chairman shall notify all directors the time and place of the regular meeting of the board of directors at least 14 days in advance of such meeting by email, telex, telegraph, fax, express delivery or registered mail or by personal delivery.”

C. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES FOR MEETINGS OF SUPERVISORY COMMITTEE

The proposed amendments to the Rules of Procedures for Meetings of Supervisory Committee of the Company are as follows:

1. Delete all references to “president” in the Rules of Procedures for Meetings of Supervisory Committee of the Company in their entireties and replace them with “general manager”.

This is the explanatory statement required under the Listing Rules to be sent to the Shareholders to enable them to make an informed decision in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the registered share capital of the Company was RMB1,084,255,637 comprising 456,108,400 H Shares of RMB1.00 each and 628,147,237 Domestic Shares of RMB1.00 each.

Subject to the passing of the proposed resolution in respect of the granting of the Repurchase Mandate and the approvals of the any regulatory authorities as required by the laws, rules and regulations of the PRC being obtained and the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure under Article 26 of the Articles of Association, on the basis that no further Shares are issued prior to EGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 45,610,840 H Shares (representing 10% of the H Shares in issue as at the date of granting of the Repurchase Mandate) during the proposed repurchase period.

2. REASONS FOR REPURCHASE OF H SHARES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share of the Company and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASES

In repurchasing its H Shares, the Company intends to apply funds from the Company's internal resources (which may include surplus funds and retained profits) legally available for such purpose in accordance with the Articles of Association and the applicable laws, rules and regulations of the PRC.

The Company is empowered by its Articles of Association to purchase its H Shares. Any repurchases by the Company may only be made out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the proceeds of a new issue of shares made for such purpose. Under PRC laws, H Shares so repurchased will be treated as cancelled and the Company's registered capital will be reduced by an amount equivalent to the aggregate nominal value of the H Shares so cancelled. The Company may not purchase securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2010 in the event that the repurchase of Shares were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the repurchase of H Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company.

4. H SHARE PRICES

The highest and lowest prices at which the H Shares have traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2010		
October	24.80	22.40
November	31.25	23.40
December	34.05	27.00
2011		
January	34.50	29.40
February	31.60	25.00
March	30.80	25.50
April	33.55	28.65
May	30.65	25.50
June	27.00	23.50
July	28.50	22.25
August	23.30	17.12
September	19.28	10.82
October (up to the Latest Practicable Date)	18.40	11.50

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rule, the Articles of Association and the applicable laws, rules and regulations of the PRC.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any H Shares to the Company or its subsidiaries under the Repurchase Mandate if such resolution is approved by the Shareholders.

No other connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell H Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. TAKEOVERS CODE

If on the exercise of the powers to repurchase H Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, CSR Group (through its subsidiaries) which held approximately 57.03% of the Company's total registered capital was the substantial shareholders (as defined under the Listing Rules) of the Company. In the event that the Directors should exercise the proposed Repurchase Mandate in full, the shareholding of CSR Group (through its subsidiaries) would be increased to approximately 59.53% of the total registered capital of the Company. The Directors are not aware of any consequences which will arise under the Takeovers Code and/or any similar applicable law, as a result of any purchases to be made under the Repurchase Mandate. Moreover, the Directors will not make share repurchase on the Stock Exchange if the results of the repurchase would be that less than 25% of the total registered capital of the Company would be in the public hands.

7. H SHARES REPURCHASED BY THE COMPANY

The Company has not repurchased any H Shares (whether on the Stock Exchange or otherwise) during the six months immediately prior to the Latest Practicable Date.

NOTICE OF EGM



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)

NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2011

NOTICE IS HEREBY given that the Second Extraordinary General Meeting of 2011 (the “EGM”) of Zhuzhou CSR Times Electric Co., Ltd. (the “Company”) will be held at The Howard Johnson Tropical Garden Plaza Kunming, the People's Republic of China (the “PRC”) on Tuesday, 13 December 2011 at 9:00 a.m. to consider and, if thought fit, pass with or without amendments, the following resolutions. Unless otherwise indicated, capitalised items used herein shall have the same meaning as those defined in the circular dated 28 October 2011 issued by the Company (the “Circular”).

AS ORDINARY RESOLUTIONS

1. “**THAT** the termination of appointment of E&Y as the international auditors of the Company be and is hereby approved and the appointment of E&Y Hua Ming as the sole auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company be and is hereby approved and the Board be and is hereby authorised to fix their remuneration.”
2. “**THAT** the proposed amendments to the Rules of Procedures for General Meetings of the Company set out in Part A of Appendix II to the Circular be and are hereby approved and that the Board be authorized to make any necessary, appropriate and relevant adjustment to the Rules of Procedures for General Meetings of the Company in accordance with the mandatory requirements of the relevant laws, rules and regulations as updated from time to time, comments from the relevant governmental or regulatory authorities and the actual circumstances of the Company.”
3. “**THAT** the proposed amendments to the Rules of Procedures for Board Meetings of the Company set out in Part B of Appendix II to the Circular be and are hereby approved and that the Board be authorized to make any necessary, appropriate and relevant adjustment to the Rules of Procedures for Board Meetings of the Company in accordance with the mandatory requirements of the relevant laws, rules and regulations as updated from time to time, comments from the relevant governmental or regulatory authorities and the actual circumstances of the Company.”
4. “**THAT** the proposed amendments to the Rules of Procedures for Meetings of Supervisory Committee of the Company set out in Part C of Appendix II to the Circular be and are hereby approved and that the Supervisory Committee be authorized to make any necessary, appropriate and relevant adjustment to the Rules of Procedures for Meetings of Supervisory Committee of the Company in accordance with the mandatory requirements of the relevant laws, rules and regulations as updated from time to time, comments from the relevant governmental or regulatory authorities and the actual circumstances of the Company”

NOTICE OF EGM

AS SPECIAL RESOLUTIONS

5. “**THAT** the proposed amendments to the Articles of Association set out in Appendix I to the Circular be and are hereby approved, conditional upon the approval of or registration or filing with the relevant governmental or regulatory authorities and the Board be and is hereby authorised to deal with on behalf of the Company the relevant application, approval, registration, filing and other related procedures or issues and to make further amendment (where necessary) pursuant to the requirements of the relevant governmental or regulatory authorities arising from the amendments to the Articles of Association.”
6. “**THAT:**
- (a) subject to the approval of the relevant governmental authorities in the PRC, the Board be and is hereby granted an unconditional general mandate to issue medium-term notes in the aggregate principal amount of up to RMB800 million (the “**Notes**”) for a term not exceeding five years and in particular be authorized to effect the following:
 - (i) to determine the terms and conditions, plan and all other matters in respect of the issue of the Notes based on the needs of the Company and the market conditions, including without limitation to the form of issue, issue value, issue term, interest rates, the placing or underwriting arrangements and the use of proceeds;
 - (ii) to make corresponding changes to the plan of such issue based on the opinions of the regulatory authorities when there is any change on the policies which affects the issue of the Notes or when there are changes in the market conditions, save for issues which are subject to further approval at shareholders’ meeting as required by the relevant laws, regulations and the Articles of Association of the Company; and
 - (iii) to sign, seal, execute, perfect, deliver and arrange for the registration with the relevant PRC authority for and on behalf of the Company all such documents and deeds and to do all such other acts and things as it may in its absolute discretion consider necessary, desirable or expedient in connection with the issue of the Notes; and
 - (b) all actions and steps taken by the Board with respect to the issue of the Notes prior to the date of the EGM be and are hereby approved, ratified and confirmed.”
7. “**THAT:**
- (a) subject to paragraphs (b) and (c) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase H shares in issue on the Stock Exchange, subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body be and is hereby approved;

NOTICE OF EGM

- (b) the aggregate nominal value of H Shares authorized to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 percent of the aggregate nominal value of H Shares in issue as at the date of the passing of this resolution;
- (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the class meeting for holders of H Shares to be held on Tuesday, 13 December 2011 (or on such adjourned date as may be applicable); and the class meeting for holders of domestic shares of the Company to be held on Tuesday, 13 December 2011 (or on such adjourned date as may be applicable);
 - (ii) the approval of Zhuzhou branch of the State Administration of Foreign Exchange of the PRC and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate; and
 - (iii) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 26 of the Articles of Association of the Company;
- (d) for the purpose of this special resolution, “Relevant Period” means the period from the passing of this special resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of a period of twelve months following the passing of this special resolution; or
 - (iii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting; and
- (e) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the directors of the Company be hereby authorized to:
 - (i) make such amendments to the Articles of Association of the Company as it thinks fit so as to reduce the registered capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and

NOTICE OF EGM

- (ii) file the amended Articles of Association of the Company with the relevant governmental authorities in the PRC.

By order of the Board
Zhuzhou CSR Times Electric Co., Ltd.
Ding Rongjun
Chairman

Zhuzhou, China, 28 October 2011

Notes:

1. The register of members of the Company will be closed from Monday, 14 November 2011 to Tuesday, 13 December 2011, both days inclusive, during which period no transfer of shares will be effected. In order to qualify to attend and vote at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the H share registrar of the Company (for holders of H shares) or the registered office address of the Company (for holders of domestic shares) no later than 4:30 p.m. on Friday, 11 November 2011.
2. Holders of H shares and domestic shares whose names appear on the register of members of the Company at the close of business on Friday, 11 November 2011 are entitled to attend and vote at the EGM and may appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
3. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or other authority, must be deposited to the H share registrar of the Company (for holders of H shares) or the registered office address of the Company (for holders of domestic shares) not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof.
4. Shareholders who intend to attend the EGM should complete and return the reply slip by hand or by post to the principal place of business of the Company in Hong Kong (for holders of H shares) or to the registered office address of the Company (for holders of domestic shares) on or before Wednesday, 23 November 2011.
5. Voting at the EGM will be conducted by way of poll.
6. The address of the H share registrar of the Company is as follows:

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

NOTICE OF EGM

7. The registered office address of the Company is as follows:

Times Road
Shifeng District
Zhuzhou
Hunan Province, 412001
PRC
Tel: 86 731 2849 8028

8. The principal place of business of the Company in Hong Kong is as follows:

Unit 1106 on 11th floor
Jubilee Centre
18Fenwick Street
Wanchai
Hong Kong
Tel: 852 2189 7268

9. Shareholders or their proxies attending the EGM shall be responsible for their own travel and accommodation expenses. Shareholders or their proxies shall produce their identification documents for verification when attending the EGM.

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 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 and Liu Chunru.

NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES



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)

NOTICE IS HEREBY GIVEN THAT a class meeting of the holders of H shares of Zhuzhou CSR Times Electric Co., Ltd. (the “**Company**”) (the “**H Shareholders’ Class Meeting**”) will be held at The Howard Johnson Tropical Garden Plaza Kunming, the People’s Republic of China (the “**PRC**”) on Tuesday, 13 December 2011 at 11:00 a.m. (or immediately after the conclusion or adjournment of the extraordinary general meeting of the Company which will be held at the same place and on the same date) for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution. Unless otherwise indicated, capitalised items used herein shall have the same meaning as those defined in the circular dated 28 October 2011 issued by the Company (the “**Circular**”).

Special Resolution

“**THAT:**

- (a) subject to paragraphs (b) and (c) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase H shares in issue on the Stock Exchange, subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body be and is hereby approved;
- (b) the aggregate nominal value of H Shares authorized to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 percent of the aggregate nominal value of H Shares in issue as at the date of the passing of this resolution;
- (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the extraordinary general meeting of the Company to be held on Tuesday, 13 December 2011 (or on such adjourned date as may be applicable); and the class meeting for holders of domestic shares of the Company to be held on Tuesday, 13 December 2011 (or on such adjourned date as may be applicable);
 - (ii) the approval of Zhuzhou branch of the State Administration of Foreign Exchange of the PRC and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate; and

NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES

- (iii) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 26 of the Articles of Association of the Company;
- (d) for the purpose of this special resolution, “Relevant Period” means the period from the passing of this special resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of a period of twelve months following the passing of this special resolution; or
 - (iii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting; and
- (e) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the directors of the Company be hereby authorized to:
 - (i) make such amendments to the Articles of Association of the Company as it thinks fit so as to reduce the registered capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and
 - (ii) file the amended Articles of Association of the Company with the relevant governmental authorities in the PRC.

By order of the Board
Zhuzhou CSR Times Electric Co., Ltd.
Ding Rongjun
Chairman

Zhuzhou, China, 28 October 2011

Notes:

1. The register of members of the Company will be closed from Monday, 14 November 2011 to Tuesday, 13 December 2011, both days inclusive, during which period no transfer of shares will be effected. In order to qualify to attend and vote at the H Shareholders’ Class Meeting, all transfers accompanied by the relevant share certificates must be lodged with the H share registrar of the Company (for holders of H shares) no later than 4:30 p.m. on Friday, 11 November 2011.

NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES

2. Holders of H Shares whose names appear on the register of members of the Company at the close of business on Friday, 11 November 2011 are entitled to attend and vote at the H Shareholders' Class Meeting and may appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
3. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or other authority, must be deposited to the H share registrar of the Company not less than 24 hours before the time appointed for holding the H Shareholders' Class Meeting or any adjournment thereof.
4. Shareholders who intend to attend the H Shareholders' Class Meeting should complete and return the reply slip by hand or by post to the principal place of business of the Company in Hong Kong on or before Wednesday, 23 November 2011.
5. Voting at the H Shareholders' Class Meeting will be conducted by way of poll.
6. The address of the H share registrar of the Company is as follows:

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

8. The principal place of business of the Company in Hong Kong is as follows:

Unit 1106 on 11th floor
Jubilee Centre
18 Fenwick Street
Wanchai
Hong Kong
Tel: 852 2189 7268

9. Shareholders or their proxies attending the H Shareholders' Class Meeting shall be responsible for their own travel and accommodation expenses. Shareholders or their proxies shall produce their identification documents for verification when attending the H Shareholders' Class Meeting.

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 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 and Liu Chunru.

NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES



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)

NOTICE IS HEREBY GIVEN THAT a class meeting of the holders of domestic shares of Zhuzhou CSR Times Electric Co., Ltd. (the “**Company**”) (the “**Domestic Shareholders’ Class Meeting**”) will be held at The Howard Johnson Tropical Garden Plaza Kunming, the People’s Republic of China (the “**PRC**”) on Tuesday, 13 December 2011 at 11:30 a.m. (or immediately after the conclusion or adjournment of the extraordinary general meeting of the Company and the class meeting of the holders of H shares of the Company, both of which will be held at the same place and on the same date) for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution. Unless otherwise indicated, capitalised items used herein shall have the same meaning as those defined in the circular dated 28 October 2011 issued by the Company (the “**Circular**”).

Special Resolution

“**THAT:**

- (a) subject to paragraphs (b) and (c) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase H shares in issue on the Stock Exchange, subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body be and is hereby approved;
- (b) the aggregate nominal value of H Shares authorized to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 percent of the aggregate nominal value of H Shares in issue as at the date of the passing of this resolution;
- (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the extraordinary general meeting of the Company to be held on Tuesday, 13 December 2011 (or on such adjourned date as may be applicable); and the class meeting for holders of H Shares to be held on Tuesday, 13 December 2011 (or on such adjourned date as may be applicable);
 - (ii) the approval of Zhuzhou branch of the State Administration of Foreign Exchange of the PRC and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate; and

NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES

- (iii) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 26 of the Articles of Association of the Company;
- (d) for the purpose of this special resolution, “Relevant Period” means the period from the passing of this special resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of a period of twelve months following the passing of this special resolution; or
 - (iii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting; and
- (e) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the directors of the Company be hereby authorized to:
 - (i) make such amendments to the Articles of Association of the Company as it thinks fit so as to reduce the registered capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and
 - (ii) file the amended Articles of Association of the Company with the relevant governmental authorities in the PRC.

By order of the Board
Zhuzhou CSR Times Electric Co., Ltd.
Ding Rongjun
Chairman

Zhuzhou, China, 28 October 2011

Notes:

1. The register of members of the Company will be closed from Monday, 14 November 2011 to Tuesday, 13 December 2011, both days inclusive, during which period no transfer of shares will be effected. In order to qualify to attend and vote at the Domestic Shareholders’ Class Meeting, all transfers accompanied by the relevant share certificates must be lodged with the registered office address of the Company no later than 4:30 p.m. on Friday, 11 November 2011.

NOTICE OF CLASS MEETING OF HOLDERS OF DOMESTIC SHARES

2. Holders of Domestic Shares whose names appear on the register of members of the Company at the close of business on Friday, 11 November 2011 are entitled to attend and vote at the Domestic Shareholders' Class Meeting and may appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
3. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or other authority, must be deposited to the registered office address of the Company not less than 24 hours before the time appointed for holding the Domestic Shareholders' Class Meeting or any adjournment thereof.
4. Shareholders who intend to attend the Domestic Shareholders' Class Meeting should complete and return the reply slip by hand or by post to the registered office address of the Company on or before Wednesday, 23 November 2011.
5. Voting at the Domestic Shareholders' Class Meeting will be conducted by way of poll.
6. The registered office address of the Company is as follows:

Times Road
Shifeng District
Zhuzhou
Hunan Province, 412001
PRC
Tel: 86 731 2849 8028
7. Shareholders or their proxies attending the Domestic Shareholders' Class Meeting shall be responsible for their own travel and accommodation expenses. Shareholders or their proxies shall produce their identification documents for verification when attending the Domestic Shareholders' Class Meeting.

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 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 and Liu Chunru.