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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)

CHANGE IN BOARD LOT SIZE

The Board announces that the board lot size of the H Shares for trading on the Stock Exchange will be changed from 1,000 H Shares to 500 H Shares with effect from 9:00 a.m. on Thursday, 2 January 2014. The expected timetable for such change in board lot size is set out below.

Holders of H Shares may submit their existing share certificates in board lot of 1,000 H Shares each to the H Share Registrar in exchange for new share certificates in board lot of 500 H Shares each free of charge during business hours from Monday, 16 December 2013 to Friday, 24 January 2014, both days inclusive.

The board of directors (the “**Board**”) of Zhuzhou CSR Times Electric Co., Ltd. (the “**Company**”) announces that the board lot size of the overseas-listed foreign shares of RMB 1.00 each in the capital of the Company (the “**H Shares**”) for trading on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) will be changed from 1,000 H Shares to 500 H Shares with effect from 9:00 a.m. on Thursday, 2 January 2014.

The change in board lot size will reduce the board lot value. The Board is of the view that the reduction in board lot size of the H Shares may enable more investors who are interested in the Company to buy the H Shares on the Stock Exchange, which may improve the liquidity of the H Shares and broaden the Company’s shareholder base. The change in board lot size will not affect any of the relative rights of the shareholders of the Company. The Board considers that the change in board lot size of the H Shares is in the interest of the Company and its shareholders as a whole.

As no odd board lot size of the H Shares will be created as a result of the said change in board lot size (other than those already existed before such change becoming effective), no odd lot arrangement to match the sales and purchases of odd lots will be made.

The expected timetable for such change in board lot size is set out below:

EXPECTED TIMETABLE

First day for free exchange of existing share certificates in board lot of 1,000 H Shares each for new share certificates in board lot of 500 H Shares each Monday, 16 December 2013

Last day for trading of the H Shares in board lot of 1,000 H Shares in the original counter Tuesday, 31 December 2013

Effective date of the change in board lot size from 1,000 H Shares to 500 H Shares Thursday, 2 January 2014

Original counter for trading in the H Shares in board lot of 1,000 H Shares each becomes counter for trading in the H Shares in board lot of 500 H Shares each 9:00 a.m. Thursday, 2 January 2014

Temporary counter for trading in the H Shares in board lot of 1,000 H Shares each opens..... 9:00 a.m. Thursday, 2 January 2014

First day of parallel trading in the H Shares (in board lot of 500 H Shares each and board lot of 1,000 H Shares each) 9:00 a.m. Thursday, 2 January 2014

Temporary counter for trading in the H Shares in board lot of 1,000 H Shares each closes 4:00 p.m. Wednesday, 22 January 2014

Last day of parallel trading in the H Shares (in board lot of 500 H Shares each and board lot of 1,000 H Shares each) 4:00 p.m. Wednesday, 22 January 2014

Last day for free exchange of existing share certificates in board lot of 1,000 H Shares each for new share certificates in board lot of 500 H Shares each 4:30 p.m. Friday, 24 January 2014

EXCHANGE OF NEW SHARE CERTIFICATES

Holder of H Shares may submit their existing share certificates in board lot of 1,000 H Shares each to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (the "**H Share Registrar**"), in exchange for new share certificates in board lot of 500 H Shares each free of charge during business hours from Monday, 16 December 2013 to Friday, 24 January 2014, both days inclusive. After the expiry of such period, existing share certificates will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each new share certificate in board lot of 500 H Shares each issued or each existing share certificate submitted, whichever number of share certificate involved is higher. It is expected that the new share certificates will be available for collection from the H Share Registrar by the holders of H Shares within 10 business days after delivery of the existing share certificates to the H Share Registrar for exchange purpose.

As from Thursday, 2 January 2014, new share certificates of the Company will be issued in board lot of 500 H Shares each (except for odd lots or where the H Share Registrar is otherwise instructed). All existing share certificates in board lot of 1,000 H Shares each will continue to be good evidence of legal title to such H Shares and continue to be valid for trading, delivery and settlement purposes. Save and except for the change in the number of H Shares for each board lot, new share certificate will have the same format and colour as the existing share certificate.

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

Zhuzhou, China, 6 December, 2013

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 and Liu Chunru.