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**ANNOUNCEMENT OF UNAUDITED RESULTS  
FOR THE THREE MONTHS ENDED 31 MARCH 2013**

The board of directors (the “Board”) of Zhuzhou CSR Times Electric Co., Ltd. (the “Company”) is pleased to announce the unaudited results of the Company and its subsidiaries (the “Group”) for the three months ended 31 March 2013 which have been prepared in accordance with the “Accounting Standards for Business Enterprises”, set out (unless otherwise stated, the figures contained in this announcement are denominated in Renminbi) as follows:

**Consolidated Balance Sheet**  
31 March 2013

<b>ASSETS</b>	<b>31-Mar 2013 (Unaudited)</b>	<b>31-Dec 2012 (Audited)</b>
<b>CURRENT ASSETS</b>		
Cash and bank balances	2,024,468,061	2,318,915,451
Bills receivable	396,193,017	890,637,187
Trade receivables	3,196,911,552	2,737,063,058
Prepayments	148,600,899	87,946,123
Other receivables	46,494,692	54,126,114
Inventories	1,397,484,655	1,109,921,460
Non-current assets due within one year	—	1,163,640
Other current assets	<u>28,383,622</u>	<u>3,264,824</u>
Total current assets	<u>7,238,536,498</u>	<u>7,203,037,857</u>
<b>NON-CURRENT ASSETS</b>		
Long-term receivables	609,036	609,036
Long-term equity investments	253,608,169	255,424,853
Fixed assets	1,427,956,860	1,452,286,623
Construction in progress	261,298,893	248,507,584
Intangible assets	201,888,915	204,704,556
Development expenditure	51,855,957	51,855,957
Goodwill	58,494,950	60,776,186
Deferred tax assets	91,596,075	92,779,141
Other non-current assets	<u>80,229,202</u>	<u>79,729,478</u>
Total non-current assets	<u>2,427,538,057</u>	<u>2,446,673,414</u>
<b>TOTAL ASSETS</b>	<u><b>9,666,074,555</b></u>	<u><b>9,649,711,271</b></u>

**Consolidated Balance Sheet(continued)**

31 March 2013

	<b>31-Mar 2013 (Unaudited)</b>	31-Dec 2012 (Audited)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Short-term borrowings	—	—
Short-term bonds payable	—	—
Bills payable	<b>627,882,174</b>	713,768,911
Trade payables	<b>1,394,439,643</b>	1,273,648,373
Receipts in advance	<b>338,715,722</b>	291,978,737
Employee benefits payable	<b>132,550,247</b>	63,912,163
Taxes payable	<b>194,233,566</b>	356,194,164
Interest payable	—	—
Other payables	<b>111,082,548</b>	129,848,739
Non-current liabilities due within one year	<b><u>195,057,033</u></b>	<u>202,220,874</u>
Total current liabilities	<b><u>2,993,960,933</u></b>	<u>3,031,571,961</u>
<b>NON-CURRENT LIABILITIES</b>		
Long-term borrowings	<b>23,780,710</b>	28,336,915
Deferred tax liabilities	<b>13,278,483</b>	16,285,166
Provisions	<b>132,640,865</b>	131,327,630
Other non-current liabilities	<b>128,700,735</b>	129,227,463
Total non-current liabilities	<b><u>298,400,793</u></b>	<u>305,177,174</u>
Total liabilities	<b><u>3,292,361,726</u></b>	<u>3,336,749,135</u>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	<b>1,084,255,637</b>	1,084,255,637
Capital reserve	<b>1,693,508,949</b>	1,693,508,949
Surplus reserve	<b>469,062,942</b>	469,062,942
Retained earnings	<b>3,033,255,362</b>	2,952,057,924
Exchange fluctuation reserve	<b>(32,268,049)</b>	(20,660,520)
Total equity attributable to shareholders of the Parent	<b><u>6,247,814,841</u></b>	<u>6,178,224,932</u>
Minority interests	<b><u>125,897,988</u></b>	<u>134,737,204</u>
Total shareholders' equity	<b><u>6,373,712,829</u></b>	<u>6,312,962,136</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b><u>9,666,074,555</u></b>	<u>9,649,711,271</u>

## Consolidated Income Statement

For the 3 months ended 31 March 2013

	For the three months ended 31 March	
	2013	2012
	(Unaudited)	(unaudited)
<b>Revenue</b>	<b>961,735,568</b>	1,446,560,011
Less: Cost of sales	<b>643,699,589</b>	927,684,217
Business taxes and surcharges	<b>2,014,594</b>	8,585,802
Selling expenses	<b>60,371,326</b>	69,144,820
Administrative expenses	<b>162,786,250</b>	198,477,896
Finance costs	<b>(16,097,442)</b>	538,345
Asset impairment losses	<b>17,579,194</b>	(3,915,441)
Add: Investment income	<b>(1,816,686)</b>	13,452,421
including: share of profits of associates and a jointly-controlled entity	<b>(1,816,686)</b>	<u>6,705,495</u>
Operating profit	<b>89,565,371</b>	259,496,793
Add: Non-operating income	<b>5,139,302</b>	2,507,528
Less: Non-operating expenses	<b>82,580</b>	—
<b>Total profit</b>	<b>94,622,093</b>	262,004,321
Less: Income tax expense	<b>19,168,052</b>	<u>36,693,525</u>
<b>Net profit</b>	<b><u>75,454,041</u></b>	<u>225,310,796</u>
Net profit attributable to shareholders of the Parent	<b><u>81,197,438</u></b>	<u>230,196,997</u>
Minority interests	<b><u>(5,743,397)</u></b>	<u>(4,886,201)</u>
Earnings per share (Yuan/Share)		
Basic	<b><u>0.07</u></b>	<u>0.21</u>
Diluted	<b><u>0.07</u></b>	<u>0.21</u>

The Group's revenue decreased by RMB484.9 million or 33.5% from RMB1,446.6 million for the three month ended 31 March 2012 to RMB961.7 million for the three months ended 31 March 2013.

The Group's gross profit decreased by RMB200.9 million from RMB518.9 million for the three months ended 31 March 2012 to RMB318.0 million for the three months ended 31 March 2013. The Group's gross profit margin decreased from 35.9% for the three months ended 31 March 2012 to 33.1% for the three months ended 31 March 2013. The change in gross profit margin was mainly due to the change in the sales structure of products.

Net profit attributable to the shareholders of the Parent decreased by RMB149.0 million or 64.7% from RMB230.2 million for the three months ended 31 March 2012 to RMB81.2 million for the three months ended 31 March 2013. The decrease in the net profit attributable to the shareholders of the Parent was attributed to decreasing from revenue and investment income.

The Group's earnings per share (basic) decreased by RMB0.14 or 66.7% from RMB0.21 for the three months ended 31 March 2012 to RMB0.07 for the three months ended 31 March 2013..

As at the date of this announcement, the immediate controlling shareholder of the Company is CSR Zhuzhou Electric Locomotive Research Institute Co., Ltd. ("CSR ZELRI") and the ultimate controlling shareholder of the Company is CSR Group ("CSRG"). CSRG holds approximately 57.12% equity interests in CSR Corporation Limited which in turn holds approximately 56.17% equity interests in the Company through its three subsidiaries, i.e., approximately 54.38%, 0.87% and 0.92% through CSR ZELRI, CSR Investment & Leasing Co., Ltd. and CSR Zhuzhou Electric Locomotive Co., Ltd. respectively.

#### **Review by Audit Committee**

The Group's unaudited results for the three months ended 31 March 2013 and this results announcement have been reviewed and confirmed by the audit committee of the Board.

## **General**

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.

By Order of the Board  
**Ding Rongjun**  
*Chairman*

Zhuzhou, China, 16 April 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 De Huijin, our 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.*