

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



株洲南车时代电气股份有限公司

中国南车 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 OF UNAUDITED RESULTS FOR THE THREE MONTHS ENDED 31 March 2015

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 2015, set out (unless otherwise stated, the figures contained in this announcement are denominated in Renminbi yuan) as follows:

Consolidated Statement of Financial Position

31 March 2015

	31 March 2015 (Unaudited)	31 December 2014 (Audited)
ASSETS		
CURRENT ASSETS		
Cash and bank balances	5,139,542,643	2,679,867,325
Bills receivable	2,079,168,503	3,184,352,916
Trade receivables	3,767,516,103	2,813,878,700
Prepayments	174,848,911	147,627,653
Other receivables	90,696,021	79,220,006
Inventories	3,078,630,271	2,207,339,644
Other current assets	<u>601,679,468</u>	<u>3,053,675,472</u>
Total current assets	<u>14,932,081,920</u>	<u>14,165,961,716</u>
NON-CURRENT ASSETS		
Available-for-sale financial assets	900,000	900,000
Long-term receivables	22,058,107	22,082,991
Long-term equity investments	254,647,895	237,010,505
Fixed assets	1,724,896,802	1,770,444,529
Construction in progress	136,412,291	112,914,938
Intangible assets	258,307,505	268,531,012
Development expenditure	15,092,149	15,092,149
Goodwill	13,770,533	13,770,533
Deferred tax assets	251,075,659	251,382,881
Other non-current assets	<u>65,022,507</u>	<u>66,812,276</u>
Total non-current assets	<u>2,742,183,448</u>	<u>2,758,941,814</u>
TOTAL ASSETS	<u>17,674,265,368</u>	<u>16,924,903,530</u>

Consolidated Statement of Financial Position (continued)

31 March 2015

	31 March 2015 (Unaudited)	31 December 2014 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term borrowings	40,201,349	4,385,940
Bills payable	1,319,659,839	1,569,649,099
Trade payables	2,430,537,229	1,861,391,032
Advances from customers	550,305,573	588,010,023
Employee benefits payable	92,214,635	52,112,041
Taxes payable	137,884,223	146,880,754
Other payables	393,928,550	373,833,468
Current portion of non-current liabilities	10,134,669	11,315,264
Provisions	330,440,181	329,643,512
Deferred income	45,356,350	49,528,830
Total current liabilities	<u>5,350,662,598</u>	<u>4,986,749,963</u>
NON-CURRENT LIABILITIES		
Long-term borrowings	4,486,527	37,492,529
Long-term payables	66,444,529	66,444,529
Provisions	478,993,571	480,083,471
Deferred income	194,569,583	168,992,811
Deferred tax liabilities	13,383,847	14,374,351
Total non-current liabilities	<u>757,878,057</u>	<u>767,387,691</u>
Total liabilities	<u>6,108,540,655</u>	<u>5,754,137,654</u>
SHAREHOLDERS' EQUITY		
Share capital	1,175,476,637	1,175,476,637
Capital reserve	3,352,499,585	3,352,499,586
Other comprehensive income	(34,347,861)	(30,272,682)
Special reserve	2,920,995	2,920,995
Surplus reserve	859,087,844	859,087,844
Retained earnings	<u>6,031,514,325</u>	<u>5,631,283,306</u>
Total equity attributable to shareholders of the Parent	<u>11,387,151,525</u>	<u>10,990,995,686</u>
Non-controlling interests	<u>178,573,188</u>	<u>179,770,190</u>
Total shareholders' equity	<u>11,565,724,713</u>	<u>11,170,765,876</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>17,674,265,368</u>	<u>16,924,903,530</u>

Consolidated Statement of Profit or Loss
For the three months ended 31 March 2015

	For the three months ended 31 March 2015 (Unaudited)	For the three months ended 31 March 2014 (Unaudited)
Revenue	2,007,357,108	2,015,149,707
Less: Cost of sales	1,241,781,412	1,307,836,775
Business taxes and surcharges	1,179,876	2,188,030
Selling expenses	92,366,602	82,303,403
Administrative expenses	273,959,022	254,609,800
Finance costs	(8,049,758)	(4,098,878)
Asset impairment losses	24,963,182	17,501,525
Add: Investment income	38,940,750	23,289,588
including: share of profits and losses of associates and a joint venture	17,637,388	8,239,588
Operating profit	420,097,522	378,098,640
Add: Non-operating income	53,419,546	1,859,798
Less: Non-operating expenses	70,621	359
Total profit	473,446,447	379,958,079
Less: Income tax expense	73,313,467	65,210,777
Net profit	<u>400,132,980</u>	<u>314,747,302</u>
Net profit attributable to shareholders of the Parent	<u>400,231,019</u>	<u>316,669,300</u>
Non-controlling interests	<u>(98,039)</u>	<u>(1,921,998)</u>
Other comprehensive income, net of tax		
Other comprehensive income attributable to shareholders of the Parent, net of tax		
Other comprehensive income to be reclassified to profit or loss in subsequent periods		
Exchange fluctuation reserve	<u>(4,075,180)</u>	<u>(8,366,078)</u>
Total other comprehensive income attributable to non-controlling interests, net of tax	<u>(1,098,963)</u>	<u>597,324</u>
Total comprehensive income	<u>394,958,837</u>	<u>306,978,548</u>
Including:		
Total comprehensive income attributable to shareholders of the Parent	<u>396,155,839</u>	<u>308,303,222</u>
Total comprehensive income attributable to non-controlling interests	<u>(1,197,002)</u>	<u>(1,324,674)</u>
Earnings per share (Yuan/Share)		
Basic	<u>0.34</u>	<u>0.27</u>
Diluted	<u>0.34</u>	<u>0.27</u>

The Group's revenue decreased by RMB7.7 million or 0.4% from RMB2,015.1 million for the three months ended 31 March 2014 to RMB 2,007.4 million for the three months ended 31 March 2015.

The Group's gross profit increased by RMB58.3 million or 8.2% from RMB707.3 million for the three months ended 31 March 2014 to RMB765.6 million for the three months ended 31 March 2015. The Group's gross profit margin increased from 35.1% for the three months ended 31 March 2014 to 38.1% for the three months ended 31 March 2015. The change in gross profit margin was mainly attributable to the change of product sales mix.

Net profit attributable to shareholders of the Parent increased by RMB83.5 million or 26.4% from RMB316.7 million for the three months ended 31 March 2014 to RMB400.2 million for the three months ended 31 March 2015. The increase in the net profit attributable to shareholders of the Parent was mainly attributable to the increase in gross profit.

The Group's earnings per share increased by RMB0.07 or 25.9% from RMB0.27 for the three months ended 31 March 2014 to RMB 0.34 for the three months ended 31 March 2015.

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 57.16% equity interests in CSR Corporation Limited which in turn holds approximately 51.94% equity interests in the Company through its four subsidiaries, i.e., approximately 50.16%, 0.13%, 0.80% and 0.85% through CSR ZELRI, CSR Zhuzhou Electric Locomotive Research Institute (Hong Kong) Co., Limited, 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 2015 and this results announcement have been reviewed and confirmed by the audit committee of the Board.

General

This announcement is made by the Company pursuant to Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”)) under Part XIVA of the Securities and Futures Ordinance (Cap. 571) and Rule 13.09(2)(a) of the Listing Rules.

By Order of the Board
Ding Rongjun
Chairman

Zhuzhou, China, 24 April 2015

As at the date of this announcement, the Chairman of the Board and executive director is Ding Rongjun, the Vice-chairman of the Board and executive director is Deng Huijin, the other executive directors are Li Donglin and Yan Wu, the non-executive director is Ma Yunkun, and the independent non-executive directors are Gao Yucai, Chan Kam Wing, Clement, Pao Ping Wing and Liu Chunru.