

IMPORTANT

If you are in any doubt about any of the contents of this prospectus, you should obtain independent professional advice.



GLOBAL OFFERING

Number of Offer Shares	:	360,560,000 H Shares (subject to adjustment and the Over-allotment Option)
Number of Public Offer Shares	:	36,056,000 H Shares (subject to adjustment)
Number of International Placing Shares	:	324,504,000 H Shares (subject to adjustment and the Over-allotment Option)
Maximum offer price	:	HK\$5.30 per H share (payable in full on application in Hong Kong dollars, subject to refund, plus 1% brokerage, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%)
Nominal value per H Share	:	RMB1.00 each
Stock code	:	3898

Sole Global Coordinator, Sole Bookrunner, Joint Sponsor and Sole Lead Manager



MACQUARIE

Macquarie Securities Limited

Joint Sponsor



CAF Securities
wholly owned subsidiary of Agricultural Bank of China

The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, 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 prospectus.

A copy of this prospectus, having attached thereto the documents specified in the section headed "Documents Delivered to the Registrar of Companies and Available for Inspection" in Appendix IX to this prospectus, has been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this prospectus or any of the other documents referred to above.

The Offer Price is expected to be fixed by agreement between the Global Coordinator (on behalf of the Underwriters) and the Company on or before 14 December 2006 or such later date as may be agreed by the Global Coordinator and the Company, but in any event, no later than 18 December 2006. The Offer Price will be not more than HK\$5.30 per Share and is expected to be not less than HK\$4.18 per Share unless otherwise announced. Applicants for Public Offer Shares are required to pay, on application, the maximum offer price of HK\$5.30 for each Public Offer Share together with brokerage of 1%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005% subject to refund if the Offer Price should be lower than HK\$5.30.

The Global Coordinator, on behalf of the underwriters, may, with the Company's consent, reduce the number of Offer Shares and/or the indicative offer price range below that stated in this prospectus at any time prior to the morning of the last day for lodging applications under the Public Offer. In such a case, notices of the reduction in the number of Offer Shares and/or the indicative offer price range will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) not later than the morning of the day which is the last day for lodging applications under the Public Offer. If applications for Public Offer Shares have been submitted prior to the day which is the last day for lodging applications under the Public Offer, then even if the number of Offer Shares and/or the indicative offer price range is so reduced, such applications cannot be subsequently withdrawn. For further information, see the sections headed "Structure of the Global Offering" and "How to Apply for the Public Offer Shares" in this prospectus.

If for any reason, the Offer Price cannot be agreed by 18 December 2006 between the Global Coordinator (on behalf of the Public Offer Underwriters) and the Company, the Global Offering (including the Public Offer) will not proceed and will lapse.

The obligations of the Public Offer Underwriters under the Public Offer Underwriting Agreement to subscribe for and/or purchase of, and to procure applicants for the subscription for and/or purchase of, the Public Offer Shares, are subject to termination by the Global Coordinator (on behalf of the Public Offer Underwriters) if certain grounds arise prior to 8:00 a.m. on the day that the dealings in the H Shares on the Stock Exchange commence. Details of such grounds are set out in the section headed "Underwriting" of this prospectus. It is important that you refer to that section for further details.

The Company is incorporated, and its businesses are located, in the PRC. Potential investors of the Company should be aware of the differences in the legal, economic and financial systems between the mainland of the PRC and Hong Kong and that there are different risk factors relating to investment in PRC-incorporated companies. Potential investors should also be aware that the regulatory framework in the PRC is different from the regulatory framework in Hong Kong and should take into consideration the different market nature of the H shares. Such differences and risk factors are set out in the sections headed "Risk Factors" and "Appendix VI — Summary of Principal PRC and Hong Kong Legal and Regulatory Provisions".

* The Company is registered as an oversea company under Part XI of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) under its Chinese name and the English name "Zhuzhou CSR Times Electric Co., Ltd.".