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中國南車股份有限公司
CSR CORPORATION LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock code:1766)

NOTICE OF 2011 FIRST EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2011 first extraordinary general meeting (the "**EGM**") of CSR Corporation Limited (the "**Company**") will be held at Empark Grand Hotel, No. 69 Banjing Road, Haidian District, Beijing, the PRC at 1:30 p.m. on Tuesday, 26 April 2011 (registration will begin at 12:00 p.m.) for the purpose of considering and approving, if appropriate, the following resolutions (unless otherwise indicated, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 8 March 2011):

SPECIAL RESOLUTIONS

1. **THAT** the Share Option Scheme, the terms of which are contained in the document marked "**A**" produced to the EGM and, for the purposes of identification, signed by the chairman thereof and summarised in the circular of the Company dated 8 March 2011, on the following particular structure and terms *(Note 1)*, be and is hereby approved and adopted:

   1.1 source and number of A Shares subject to the Share Options;

   1.2 the scope of Participants and basis for determining the Participants;

1.3 number of Share Options to be granted to the Directors, senior management personnel and other Participants or the method for determining the number of Share Options to be granted;

1.4 the life of the Share Option Scheme and lock-up provisions on the A Shares which are subject to the Share Options;

1.5 conditions of the Grant and exercise of the Share Options;

1.6 the exercise price of the Share Options or the method for determining the exercise price;

1.7 methods and procedures of the adjustment of the number of Share Options and subject Shares and the exercise price of the Share Options; and

1.8 provisions on amendments and termination of the Share Option Scheme.

2. **THAT** the Measures for Appraisal of Performance of Participants to the Share Option Scheme, the terms of which are contained in the document marked "**B**" produced to the EGM and, for the purposes of identification, signed by the chairman thereof and summarised in the Appendix III to the circular of the Company dated 8 March 2011, be and is hereby approved and adopted.

3. **THAT** the Board be and is authorized to implement and administer the Share Option Scheme of the Company. The Board is authorized to, inter alia:

(i) grant the Share Options to the Participants upon fulfilment of the Conditions of Grant by the Company and the Participants, and to handle all matters necessary in relation to the granting of Share Options;

(ii) examine and confirm the fulfilment of the effective conditions by the Company and the Participants, and to handle all matters necessary in relation to the exercise of Share Options by the Participants;

(iii) adjust the number and exercise price of the Share Options in the event of any capitalization issue, bonus issue, sub-division or consolidation of Shares, rights issue or reduction of capital in accordance with the provisions of the Share Option Scheme;

(iv) handle the Share Options (effective or not effective, exercised or outstanding) granted to the Participants in accordance with the provisions of the Share Option Scheme, in the event of resignation, retirement or death of a Participant or occurrence of other special events in relation to the Company or the Participants as specified in the Share Option Scheme;

(v) determine whether to reclaim the benefits obtained from the exercise of Share Options by Participants as stipulated in accordance with the Share Option Scheme;

(vi) otherwise manage the Share Option Scheme where necessary;

(vii) carry out any other matters (exclusive of those matters expressly stipulated in relevant documents to be determined/approved by the general meeting) necessary for the implementation of the Share Option Scheme.

4. To consider and approve the proposed issue of short-term debentures with an aggregate amount not exceeding RMB5 billion (the "**Short-term Debentures**") of the Company:

THAT

(a) the Company be authorized to issue Short-term Debentures on the following major terms:

(1) Size of issue

According to the relevant requirements that the balance of debentures to be repaid by an issuer shall not exceed 40% of the net assets of such issuer (including minority interests) upon completion of the issue of debenture, the size of issue will not exceed an amount of RMB5 billion. The Short-term Debentures will be registered all at once and will be issued in one or multiple tranches according to actual capital requirements.

(2) Term of issue

Not more than 365 days.

(3) Interest rate

The interest rate will be determined with reference to the prevailing market conditions at the time of the issue and upon negotiations with the lead underwriter(s), provided that the rate is approved by relevant regulatory authorities in the PRC.

(4) Target investors

Institutional investors in the national inter-bank market.

(5) Use of proceeds

Including repayment of loan(s) and replenishment of working capital.

(6) Conditions precedent to the issue

i) approval at the general meeting of the Company; and

ii) the National Association of Financial Market Institutional Investors accepting the Company's registration of the Short-term Debentures.

(b) a general and unconditional mandate be granted to the committee of the Board comprising Mr. Zhao Xiaogang and Mr. Zheng Changhong, being the Directors of the Company, to determine and to deal with the following matters pursuant to applicable laws and the then market conditions:

(1) to determine the details of the issue of the Short-term Debentures and to formulate and implement detailed issue proposal which includes, but not limited to, an issue size of not more than RMB5 billion, the issue plan, the amount and period of each tranche, the maturity and method of repayment of the principal and interests, the determination mechanism of the interest rate of the debentures, determination of the specific arrangements and use of proceeds based on the actual situation in accordance with the use of proceeds as approved at the general meeting of the Company;

(2) to deal with other matters relating to the issue, including, but not limited to, selecting qualified professional institutions, applying for registration to the National Association of Financial Market Institutional Investors in respect of the issue, handling relevant matters in relation to issue and trading of the debentures, carrying out all relevant negotiations in relation to the issue of the Short-term Debentures for and on behalf of the Company, signing and executing all relevant agreements and other necessary documents for and on behalf of the Company, and making relevant information disclosure pursuant to applicable regulatory requirements (if necessary);

(3) in the case that any change in regulatory polices or market conditions relating to the issue occurs, to make corresponding adjustments to the specific issue proposal and other relevant matters in relation to the issue of the Short-term Debentures in accordance with the opinions of the regulatory authorities, except for those matters which are subject to re-approval by the shareholders at a general meeting of the Company as required by the provisions of relevant laws, regulations and the Articles of Association; and

(4) to take all such actions as necessary and in the interest of the Company and to determine or to deal with specific matters in relation to the issue of the Short-term Debentures.

Upon approval at the general meeting of the Company, the aforementioned authorization shall remain effective within the registered period of the issue of the Short-term Debentures or the duration of such relevant matters.

ORDINARY RESOLUTIONS

5. To consider and approve the re-election of the executive Directors of the second session of the Board:

5.1 to consider and approve the re-election of Mr. Zhao Xiaogang as an executive Director;

5.2 to consider and approve the re-election of Mr. Zheng Changhong as an executive Director;

5.3 to consider and approve the re-election of Mr. Tang Kelin as an executive Director; and

5.4 to consider and approve the re-election of Mr. Liu Hualong as an executive Director.

6. To consider and approve the re-election of the independent non-executive Directors of the second session of the Board:

6.1 to consider and approve the re-election of Mr. Zhao Jibin as an independent non-executive Director;

6.2 to consider and approve the re-election of Mr. Yang Yuzhong as an independent non-executive Director;

6.3 to consider and approve the re-election of Mr. Chen Yongkuan as an independent non-executive Director;

6.4 to consider and approve the re-election of Mr. Dai Deming as an independent non-executive Director; and

6.5 to consider and approve the re-election of Mr. Tsoi, David as an independent non-executive Director.

7. To consider and approve the re-election and appointment of the shareholder representative supervisors of the second session of the supervisory committee:

7.1 to consider and approve the re-election of Mr. Wang Yan as a shareholder representative supervisor; and

7.2 to consider and approve the appointment of Mr. Sun Ke as a shareholder representative supervisor.

INDEPENDENT DIRECTOR'S PROXY FORM

Pursuant to the Share Incentive Plan Measures, independent directors of a company listed on the Shanghai Stock Exchange should solicit votes publicly from all shareholders of the company if the company is to adopt a share incentive scheme. This is to encourage shareholders of such listed company to participate in the voting on proposals regarding adoption of a share incentive scheme by providing them with an additional way of participation in the general meeting. Mr. Chen Yongkuan, being an independent non-executive Director, has sent out the Independent Director's Proxy Forms to solicit votes from the Shareholders pursuant to the Share Incentive Plan Measures and authorization of other independent non-executive Directors. Please also refer to the announcement of the Company dated 8 March 2011 with respect to additional information on the Independent Director's Proxy Form.

Should you wish to appoint Mr. Chen Yongkuan as your proxy to vote for you and on your behalf at the EGM on the resolutions regarding the Share Option Scheme, please complete the Independent Director's Proxy Form and return it to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited in person or by post not less than 24 hours before the time stipulated for convening the EGM or its adjourned meeting.

You may appoint Mr. Chen Yongkuan as your proxy to vote for you and on your behalf on the resolutions regarding the Share Option Scheme ONLY (i.e., the special resolutions 1 to 3 set out above). You have to use the proxy form to appoint your proxy to vote for you and on your behalf on all other resolutions (i.e., the special resolution 4 and the ordinary resolutions 5 to 7 set out above). Alternatively, if you wish to appoint any person other than Mr. Chen Yongkuan as your proxy to vote for you and on your behalf at the EGM on all resolutions including those regarding the Share Option Scheme, you may simply disregard the Independent Director's Proxy Form and complete and return the proxy form instead.

Please note that if you complete and return both the proxy form and the Independent Director's Proxy Form and your voting indications in relation to the relevant resolutions as set out in the proxy form and the Independent Director's Proxy Form are inconsistent, your voting indications set out in the INDEPENDENT DIRECTOR'S PROXY FORM will be counted as your vote(s) for or against the relevant resolutions regarding the Share Option Scheme (i.e. special resolutions 1 to 3 set out above).

ADOPTION OF CUMULATIVE VOTING SYSTEM ON THE RESOLUTIONS WITH RESPECT TO RE-ELECTION AND APPOINTMENT OF DIRECTORS AND SHAREHOLDER REPRESENTATIVE SUPERVISORS

Pursuant to the relevant provisions under the Company Law, Guidelines on Corporate Governance of Listed Companies and the Articles of Association, votes will be taken by way of cumulative voting method in the EGM with respect to the re-election and appointment of Directors and shareholder representative supervisors of the second session of the Board and the second session of the supervisory committee of the Company respectively. The rules relating to cumulative voting method are listed below:

1. As for the re-election of the executive Directors of the second session of the Board, every Share held by a Shareholder carrying voting right shall carry as many voting rights as the number of executive Directors to be re-elected. That is, the total number of the votes a Shareholder is entitled to cast in respect of the ordinary resolution 5 set out above (the "**Total Available Votes**") shall equal **the number of Shares held by such Shareholder multiplied by the number of executive Director candidates to be elected (e.g. 4)**. A Shareholder may cast all votes for one candidate, or cast votes for various candidates, provided that the aggregate number of votes casted for (regardless of voting for, against or abstain) all candidates under ordinary resolution 5 set out above shall not exceed the Total Available Votes, or otherwise his/her voting shall be deemed void in respect of the ordinary resolution 5. In the event that the aggregate number of the votes casted for (regardless of voting for, against or abstain) all candidates under ordinary resolution 5 is less than the Total Available Votes, the resultant difference shall be considered as having abstained from voting and excluded from the calculation of the number of actual valid votes.

2. As for the re-election of the independent non-executive Directors of the second session of the Board and the re-election and appointment of shareholder representative supervisors of the second session of the supervisory committee of the Company, a cumulative voting method similar to that set out under paragraph 1 above shall be adopted, with the exception that the total number of independent non-executive Directors and the shareholder representative supervisors to be elected shall be **five (5)** and **two (2)** respectively, and the Total Available Votes with respect to ordinary resolutions 6 and 7 shall be determined accordingly.

Voting examples:

Assuming that a Shareholder holds a total of 1,000 H Shares. With respect to ordinary resolution 5 as set out above, his Total Available Votes shall be 4,000 votes (i.e., 1,000 H Shares multiplied by 4 (as there are 4 candidates under ordinary resolution 5)). He/she may cast his/her votes as follows:

Example 1: Casting votes for all 4 candidates

	Ordinary resolution 5	**For**	**Against**	**Abstain**
5.1	Executive Director Candidate 1	1000	0	0
5.2	Executive Director Candidate 2	1000	0	0
5.3	Executive Director Candidate 3	1000	0	0
5.4	Executive Director Candidate 4	1000	0	0

Example 2: Casting all Total Available Votes for 1 single candidate only

	Ordinary resolution 5	**For**	**Against**	**Abstain**
5.1	Executive Director Candidate 1	4000	0	0
5.2	Executive Director Candidate 2	——	——	——
5.3	Executive Director Candidate 3	——	——	——
5.4	Executive Director Candidate 4	——	——	——

Example 3: Casting all Total Available Votes for 2 candidates only

	Ordinary resolution 5	**For**	**Against**	**Abstain**
5.1	Executive Director Candidate 1	2000	0	0
5.2	Executive Director Candidate 2	2000	0	0
5.3	Executive Director Candidate 3	——	——	——
5.4	Executive Director Candidate 4	——	——	——

Such Shareholder may cast his/her votes in other manners provided that he/she complies with the requirements set out in paragraph 1 above.

By Order of the Board
CSR Corporation Limited
Zhao Xiaogang
Chairman

Beijing, the PRC
8 March 2011

As at the date of this announcement, the executive Directors are Mr. Zhao Xiaogang, Mr. Zheng Changhong, Mr. Tang Kelin and Mr. Liu Hualong; and the independent non-executive Directors are Mr. Zhao Jibin, Mr. Yang Yuzhong, Mr. Chen Yongkuan, Mr. Dai Deming and Mr. Tsoi, David.

Notes:

1. For further details of the terms of the Share Option Scheme and special resolutions numbered 1.1 to 1.8 set out above, please refer to the letter from the Board, Appendix I and Appendix II to the circular of the Company dated 8 March 2011.

2. **The H Share register of members of the Company will be closed from Sunday, 27 March 2011 to Tuesday, 26 April 2011 (both days inclusive), during which period no transfer of H Shares will be registered.** In order to attend the EGM, all share transfers, accompanied by the relevant share certificates, must be lodged for registration with 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, Wan Chai, Hong Kong, **no later than 4:30 p.m. on Friday, 25 March 2011**. H Shareholders whose name appear on the Register of Members of the Company maintained by Computershare Hong Kong Investor Services Limited on or before the above date will be eligible to attend the EGM.

3. Shareholders who intend to attend the EGM in person or by proxy should return the reply slip for the EGM to the Directors' Office of the Company (for A Shareholders) or the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited (for H Shareholders), by hand, by post or by fax on or before Tuesday, 5 April 2011. The Directors' Office is located at No. 16, Central West Fourth Ring Road, Haidian District, Beijing, the PRC, 100036 (Telephone: (86) 10 5186 2188, Fax: (86) 10 6398 4785). The Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, is located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (Telephone: (852) 2862 8555).

4. In order to be valid, the instrument appointing a proxy (including the proxy form and Independent Director's Proxy Form) 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 authority, should be completed and deposited at the Company's Directors' Office (for A Shareholders) or the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited (for H Shareholders), at least 24 hours before the EGM or any adjourned meeting thereof. Completion and return of the proxy form and/or the Independent Director's Proxy Form will not preclude a Shareholder from attending in person and voting at the EGM or any adjournment thereof should he/she so wish.

5. Any Shareholder entitled to attend and vote at the EGM to be convened by the above notice is entitled to appoint one or more proxies to attend and vote on behalf of him/her. A proxy needs not be a Shareholder of the Company.

6. In case of joint shareholdings and the shareholder or the proxy attending the EGM is more than one person, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose seniority will be determined by the order in which the names appear in the register of members of the Company in respect of the joint shareholdings.

7. The EGM is expected to last for about half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses. Shareholders or their proxies shall produce their identity documents when they attend the EGM.