

## **China BAK Announces New Contract to Supply Cylindrical Battery Cells to AC Propulsion**

SHENZHEN, China, July 18, 2012 /PRNewswire-Asia/ -- China BAK Battery, Inc. ("China BAK", the "Company", or "we") (Nasdaq: CBAK), a leading global manufacturer of lithium-based battery cells, today announced that the Company has entered into a new contract to supply 0.5 million units of cylindrical battery cells to AC Propulsion, a producer of electric vehicle technology based in Shanghai and California. For more information regarding AC Propulsion, please visit <http://www.acpropulsion.com/>.

As per the contract, China BAK will deliver 540,000 units of cylindrical battery cells to AC Propulsion by the end of 2012, which will be used to power 100 electric cars. AC Propulsion previously purchased a sample order of the Company's cylindrical battery cells for trial and testing purposes and provided positive feedback on product quality and performance of the battery cells.

"We are encouraged by the positive feedback from AC Propulsion and are pleased to expand our cooperation with them," commented Mr. Xiangqian Li, CEO of China BAK. "We expect to receive additional orders for our cylindrical battery cells used to power electric cars. We believe revenue growth from this segment will be driven by our high quality products, technical capability and growing market recognition," added Mr. Li.

### **About China BAK Battery, Inc.**

China BAK Battery, Inc. (NASDAQ: CBAK) is a leading global manufacturer of lithium-based battery cells. The Company produces battery cells that are the principal component of rechargeable batteries commonly used in cellular phones, smartphones, notebook computers, e-bikes, electric vehicles, power tools, uninterruptible power supplies, and portable consumer electronics such as portable media players, portable gaming devices, personal digital assistants, or PDAs, camcorders, digital cameras, and Bluetooth headsets. China BAK Battery, Inc.'s production facilities, located in Shenzhen and Tianjin, PRC, cover over three million square feet. For more information regarding China BAK Battery, Inc., please visit <http://www.bak.com.cn>.

### **Safe Harbor Statement**

This press release contains forward-looking statements, which are subject to change. The forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All "forward-looking statements" relating to the business of China BAK Battery, Inc. and its subsidiary companies, which can be identified by the use of forward-looking terminology such as "believes," "expects" or similar expressions, involve known and unknown risks and uncertainties which could cause actual results to differ. Please refer to China BAK's Annual Report on Form 10-K for the fiscal year ended September 30, 2011, as well as China BAK's Quarterly Reports on Form 10-Q that have been filed since the date of such annual report, for specific details on risk factors. Given these risks and uncertainties, you are cautioned not to place undue reliance on forward-looking statements. China BAK's actual results could differ materially from those contained in the forward-looking statements. China BAK undertakes no obligation to revise or update its forward-looking statements in order to reflect events or circumstances that may arise after the date of this release.

SOURCE China BAK Battery, Inc.

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