

## **China BAK is selected into the National Support List for the New-Energy Vehicle Industry Innovation Program**

SHENZHEN, China, Dec. 10, 2012 /PRNewswire/ -- 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's Technical R&D Program in Key Materials, Battery and Battery Pack for use in Electric Vehicles ("EV") was selected into the National Support List for the New-Energy Vehicle Industry Innovation Program as issued by the Ministry of Finance, the Ministry of Information Technology and the Ministry of Science and Technology of the People's Republic of China on December 3, 2012 ("Innovation Program").

According to the notice ( [http://www.gov.cn/zwqk/2012-12/03/content\\_2281019.htm](http://www.gov.cn/zwqk/2012-12/03/content_2281019.htm)) jointly issued by the above three ministries, to promote the development of new-energy vehicle industry in China, the Chinese government intends to provide financial supports to 25 selected new-energy vehicles related projects, among which 8 projects, including China BAK's, are battery research and development programs. The central government is expected to arrange part of the energy-saving and emission-reducing special fund to support the Innovation Program, whose support may last for three years.

The new-energy vehicle industry is one of the seven strategic emerging industries strongly boosted by the Chinese government according to the country's 12th Five-Year National Development Plan of Strategic Emerging Industries. State Council of China also adopted the Energy-Saving and New-Energy Vehicle Industry Development Plan (2012-2020), which emphasizes the importance of the commercialization of energy-saving and new-energy vehicles, the construction of supporting facilities, and the development of key core technologies. With the goal of selling 500,000 electric and hybrid vehicles by 2015 accumulatively and 5 million by 2020, the government promotes the new energy vehicle industry through a number of subsidy programs, including tax incentives and financial supports to auto and key auto parts makers, grants for research and development, commercialization, construction of support facilities projects, incentives for car purchases, and government procurement programs.

"This is encouraging news to the Company, since the government will provide support to all the selected companies, mainly including market support and financial support. We ranked No. 1 in selected EV battery companies, and it is expected that the Company will be granted a subsidy by the Ministry of Finance to fund its program in EV sector. With the government's long-term support, we are confident to expand our market share and customer base in the EV industry," commented Mr. Xiangqian Li, CEO of China BAK.

### **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. These factors include but are not limited to: the ability of the Company to meet its contract obligations; the uncertain market for the Company's high-power lithium and other battery cells; business, macroeconomic, technological, regulatory, or other factors affecting the profitability of battery cells designed for electric vehicles; and risks related to China BAK's business and risks related to operating in China. Please refer to China BAK's Annual Report on Form 10-K for the fiscal year ended September 30, 2011, as well as other SEC reports 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.

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For further information: Investor Relations Department, China BAK Battery, Inc., +86-755-61886818 ext 6856, [ir@bak.com.cn](mailto:ir@bak.com.cn)

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