京城機電股份
JINGCHENG MAC

北 京 京 城 機 電 股 份 有 限 公 司
Beijing Jingcheng Machinery Electric Company Limited

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

(Stock Code: 0187)

TERMINATION OF MATERIAL ASSETS REORGANISATION AND CONTINUOUS SUSPENSION OF TRADING IN A SHARES

The board of directors of the Company and all members of the board guarantee that the information contained in this announcement does not contain any false statements, misleading representations or material omissions, and all of them jointly and severally accept responsibility for the truthfulness, accuracy and completeness of the contents herein contained.

On 27 June 2016, Beijing Jingcheng Machinery Electric Company Limited (the "Company") announced the ANNOUNCEMENT OF SUSPENSION OF TRADING IN A SHARES DUE TO MATERIAL EVENT. In the course of carrying out the Material Assets Reorganisation, the China Securities Regulatory Commission announced the requirement of Rule 44 of Administrative Measures on Significant Asset Restructuring of Listed Companies (《上市公司重大資產重組管理辦法》) in the Questions and Answers about Issuance of Shares by Listed Companies to Acquire Assets and Raising Supporting Proceeds (《關於上市公司發行股份購買資產同時募集配套資金的相關問題與解答》) on 17 June 2016. According to such requirement, there is material impact on the Material Assets Reorganisation of the Company, and the Company intends to terminate the Material Assets Reorganisation.

During the suspension in trading of A shares of the Company, the Company and the parties concerned convened meetings of the board of the directors respectively to carry out relevant consideration procedure for terminating the Material Assets Reorganisation. The Company intends to convene an investors briefing session at the first conference room, No. 2 Huo Xian Nan San Road, Huo Xian Town, Tongzhou District, Beijing, the PRC, at 9:30 – 11:30 a.m. on 4 July 2016.

In accordance with the Guidance on Information Disclosure and Resumption of Trading for Material Asset Reorganisation by Listed Issuers (《上市公司重大資產重組信息披露及停復牌指引》) issued by the Shanghai Stock Exchange, in order to ensure fair information disclosure, safeguard investors' interests and prevent unusual share price performance, the Company has applied to the Shanghai Stock Exchange and the trading in A shares of the Company will remain halt since 4 July 2016, until the Company convenes the investors briefing session regarding the termination of the Material Assets Reorganisation and discloses the information provided at the investors briefing session. Trading in H shares of the Company will not be suspended on 4 July 2016 and the trading in H shares will continue.

The board of directors of
Beijing Jingcheng Machinery Electric Company Limited

Beijing, the PRC, 1 July 2016

As at the date of this announcement, the board of directors of the Company comprises Mr. Wang Jun, Mr. Chen Changge, Mr. Li Junjie and Mr. Du Yuexi as executive directors, Mr. Xia Zhonghua, Ms. Jin Chunyu and Mr. Fu Hongquan as non-executive directors and Ms. Wu Yan, Mr. Liu Ning, Mr. Yang Xiaohui and Mr. Fan Yong as independent non-executive directors.