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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)

**SECOND INDICATIVE ANNOUNCEMENT ON THE RISK OF
SUSPENSION OF A SHARES LISTING**

The board of directors of the Company and all members of the board warrant that this announcement does not contain any false information, misleading statement or material omission and accept joint and several responsibilities for the truthfulness, accuracy and completeness of the contents herein contained.

Important notice:

Pursuant to the requirements under the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the listing of the A shares of Beijing Jingcheng Machinery Electric Company Limited (the "Company") may be suspended by the Shanghai Stock Exchange. Investors are advised to pay attention to the investment risks. The Company has published the "Announcement in relation to the Expected Gain in the Results of 2014" (interim announcement No. 2015-006) and "Indicative Announcement on the Risk of Suspension of A Share Listing" (interim announcement No. 2015-007) on the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>) and the website of HKExnews (<http://www.hkexnews.hk>) on 28 January 2015.

I. The reason for potential suspension of listing

As the net profits of the Company were negative for two consecutive accounting years of 2012 and 2013, a "delisting risk alert" was imposed by the Shanghai Stock Exchange. Pursuant to the requirements of Provision (I) under Rule 14.1.1 of Rules Governing the Listing of Stocks on Shanghai Stock Exchange, if the audited net profit of the Company continues to be negative in 2014, the Shanghai Stock Exchange may suspend the listing of the Company's A shares.

II. Decision on suspension of trading and listing of the Company's A shares

If the audited net profit of the Company continues to be negative in 2014, the trading of the Company's A shares will be suspended from the date on which the 2014 annual report of the Company is disclosed. The Shanghai Stock Exchange will make a decision on whether the listing status of the Company's A shares shall be suspended within 15 trading days after the suspension of trading.

III. Other matters

The specific figures of the Company's operating results in 2014 will be disclosed in its 2014 annual report. The Company's designated media for information disclosure are the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>), Securities Daily, Shanghai Securities News and the website of HKExnews (<http://www.hkexnews.hk>).

Investors are advised to pay attention to the investment risks.

The board of directors of
Beijing Jingcheng Machinery Electric Company Limited

Beijing, the PRC, 26 February 2015

As at the date of this announcement, the board of directors of the Company comprises Mr. Hu Chuanzhong, Mr. Li Junjie and Ms. Jiang Chi as executive directors, Mr. Zhou Yongjun, Ms. Chang Yun and Mr. Xia Zhonghua as non-executive directors and Ms. Wu Yan, Mr. Liu Ning, Mr. Yang Xiaohui and Mr. Fan Yong as independent non-executive directors.