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)

ANNOUNCEMENT IN RELATION TO THE REITERATION OF THE INTENTION TO THE INCREASE IN SHAREHOLDING IN THE COMPANY BY THE CONTROLLING SHAREHOLDER

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.

On 10 July 2015, Beijing Jingcheng Machinery Electric Company Limited (the "Company") received a commitment letter from Beijing Jingcheng Machinery Electric Holding Co., Ltd ("Jingcheng Holding"), the controlling shareholder of the Company, Jingcheng Holding intends to increase its shareholding in the Company in accordance with the relevant laws and regulations and the Notice of Increase in Shareholding of the Listed Company by its Substantial Shareholder, Directors, Supervisors and Senior Management Officers (Zheng Jian Fa [2015] No. 51) issued by CSRC, details of which are as follows:

Due to the current unusual price fluctuations in domestic securities market, and the healthy development of the capital markets is closely related to the development of the state-owned enterprises and holding companies, in order to create a favorable market environment for enterprise reformation and development, protect the legitimate rights of all kinds of investors, Jingcheng Holding has undertaken not to dispose of any shares of the Company via the secondary market within six months and intends to increase its shareholding in the Company within six months after the resumption of trading in its shares.

The Company will pay attention to the progress of this matter and timely fullfill the disclosure obligations in accordance with the relevant regulations.

The board of directors of
Beijing Jingcheng Machinery Electric Company Limited

Beijing, the PRC, 10 July 2015

As at the date of this announcement, the board of directors of the Company comprises Mr. Hu Chuanzhong, Mr. Li Junjie, Ms. Liu Zhe and Ms. Jiang Chi 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.