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 ON THE SUSPENSION OF TRADING IN RELATION TO MATERIAL ASSETS REORGANISATION

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.

As Beijing Jingcheng Machinery Electric Company Limited (the "Company"), is planning a significant matter in relation to the issue of shares in consideration of asset purchase, trading in the shares of the Company has continued to be suspended with effect from 29 June 2015 upon application made by the Company. For details please see the Announcement of Significant Matter and Suspension of Trading (Announcement No.: Lin 2015-031) on the website of the Shanghai Stock Exchange (http://www.sse.com.cn), Shanghai Securities News, Securities Daily and the HKExnews website of the Stock Exchange of Hong Kong Limited (http://hkexnews.hk).

After negotiating and discussing with the parties concerned, the above matters may constitute a material assets reorganisation of the Company. In order to ensure fair disclosure of information, protect investors' benefit and avoid unusual price movement on the Company's share price, the shares of the Company is expected to be suspended for not more than one month with effect from 13 July 2015 upon application made by the Company. The Company will appoint relevant parties to conduct relevant works such as audit, valuation, legal and financial advices pursuant to the Administrative Measures on Significant Asset Restructuring of Listing Companies (《上市公司重大資產重組管理辦法》) and other relevant regulations. During the period of suspension, the Company will, base on the progress of the material assets reorganisation, fulfill its obligations of information disclosure in a timely manner and make announcement of such matter at the interval of every five trading days to provide information on the progress of such matter. After the relevant work has completed, the Company will convene a board meeting to consider the proposal for material assets reorganization, and the trading in the Company's shares will resume after the publication of announcement.

The designated information disclosure media of the Company are the website of the Shanghai Stock Exchange (http://www.sse.com.cn), Shanghai Securities News, Securities Daily and the HKExnews website of the Stock Exchange of Hong Kong Limited (http://hkexnews.hk). Investors are advised to be aware of the investment risks involved.

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.