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 ON THE SALE PROGRESS OF COLLEGE STUDENT APARTMENT

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.

I. THE SALE OF COLLEGE STUDENT APARTMENT

Beijing Tianhai Industry Co., Ltd. ("Tianhai Industrial"), a wholly-owned subsidiary of Beijing Jingcheng Machinery Electric Company Limited ("Company"), has transferred the college student apartment to 北京京城機電資產管理有限責任公司 (Beijing Jingcheng Electric Management Co., Ltd.) (the "Asset Management Company") upon payment. The college student apartment is located at No. 25, Huawei Xili, Chaoyang District, Beijing, the PRC, with a gross transfer floor area of 4,520.49 sq.m. and a land use right area of 1,402.78 sq.m.. The transfer price of RMB105,779,500 is the appraisal value according to a valuation report issued by China Faith Appraisers Co., Ltd. approved by Beijing State-owned Assets Supervision and Administration Commission. Tianhai Industrial and the Asset Management Company have signed the Beijing Second-hand Standard Property Sale and Purchase Agreement with conditions attached. For more details, please refer to the "Announcement on discloseable and connected transaction – disposal of property" and "Announcement of resolutions passed at the first extraordinary general meeting of 2013" published by Company on 31 October 2013 and 16 December 2013 on the website of Shanghai Stock Exchange at http://www.sse.com.cn and the website of HKExnews at http://www.hkexnews.hk.

II. THE SALE PROGRESS OF COLLEGE STUDENT APARTMENT

Company has completed the change of property ownership certificate of the college student apartment and the sales revenue will be recognized in the first quarter of 2014. At present, each party is actively carrying out the relevant procedures for the change in ownership of land use rights.

Company will press on with the follow-up work in respect of the sale of the college student apartment, and perform the information disclosure obligation in accordance with the requirements of relevant laws and regulations.

The board of directors of
Beijing Jingcheng Machinery Electric Company Limited

28 January 2014

As at the date of this announcement, the board of directors of the Company comprises Mr. Wang Pingsheng, Mr. Hu Chuanzhong, Mr. Wu Yanzhang, Mr. Li Junjie and Ms. Jiang Chi as executive directors, Mr. Jiang Zili and Ms. Wu Dongbo as non-executive directors and Mr. Zhang Shuangru, Ms. Wang Hui, Mr. Xie Bingguang and Mr. Wang Deyu as independent directors.