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北京京城机电股份有限公司
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 DELISTING RISK WARNING TO BE
IMPOSED ON THE A SHARES**

The board of directors of the Company (the "Board") 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 Notes:

- Commencement date of A shares delisting risk warning: 31 March 2014
- Stock short name of A shares upon imposing delisting risk warning: *ST Jingcheng; Stock Code: 600860. The daily price variation of A shares will be subject to a limitation of 5%.
- The A shares will be trading on the risk warnings board after the delisting risk warning is imposed.

I. Stock code of A shares and commencement date of delisting risk warning

(1) Class and stock short name of A shares

The stock short name of A shares of the Company will be changed from "JCMEC" to "*ST Jingcheng".

(2) Stock code of A share remained as "600860".

(3) Commencement date of delisting risk warning: 31 March 2014

II. The situation for which delisting risk warning is applicable

According to the requirements of Rule 13.2.1 (1) of the Shares Listing Rules of the Shanghai Stock Exchange, if the audited net profit attributable to the shareholders of the listed companies for the latest two consecutive accounting years was negative or if after making restatement and retroactive adjustments, it remained as negative, the delisting risk warning will be imposed towards corresponding shares by the Shanghai Stock Exchange.

The A shares of the Company are subject to delisting risk warning since the Company's audited net profits for 2012 and 2013 were negative and the Company incurred losses for two consecutive years.

III. Notes to relevant matters concerning delisting risk warning

According to relevant requirements of Rule 13.2.1 (1) of the Shares Listing Rules of the Shanghai Stock Exchange, the trading of the Company's A shares will be suspended on 28 March 2014 and the delisting risk warning will be imposed on 31 March 2014. The daily price variation of A shares will be subject to a limitation of 5%. The Company's A shares will be trading on the risk warnings board after delisting risk warning is imposed.

IV. Opinions and major measures of the Board of Directors with respect to striving for revoking delisting risk warning

The Company will accelerate the construction of its production base for cryogenics products; speed up the research and development of LNG cylinders, tanks, vehicles and stations; make efforts to reduce its operational costs, decrease trade receivables and inventories to improve efficiencies of the Company; enhance marketing management, make innovation in marketing modes and improve the market share of the Company's products so as to ensure the fulfillment of the Company's sales targets.

In 2014, it is still unoptimistic to the situation of macro economy and the competition within the industry will become increasingly fierce. The Company will, relying on the above measures, accelerate its pace of business restructuring and strive to reduce operational risks, aiming at turning from deficits to profits and ensuring the healthy and sustainable development of the Company

The Company will strictly perform its obligations of information disclosure accordance with relevant requirements. Investors are advised to pay attention to the investment risks.

V. Risks concerning suspension of trading or delisting of the A shares of the Company

According to relevant requirements of the Shares Listing Rules of the Shanghai Stock Exchange, if the Company's audited net profit for 2014 will continue to be negative, the listing of the Company's A shares will be suspended.

VI. The contact information about receipt of enquires from investors during the period of delisting risk warning

Contact person: Jiao Ruifang (Secretary to the Board)
Telephone: 010-67365383
Fax: 010-87392058
E-mail: jcgf@btic.com.cn
Contact address: No.9 Tianying North Road, Chaoyang District, Beijing
Postcode: 100121

The board of directors of
Beijing Jingcheng Machinery Electric Company Limited

27 March 2014

As at the date of this announcement, the Board 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 non-executive directors.