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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)

FURTHER DELAY IN DESPATCH OF CIRCULAR

Reference is made to the joint announcement of Beijing Jingcheng Machinery Electric Company Limited (the "Company") dated 11 December 2015, in relation to the material assets reorganisation of the Company which involves (1) possible very substantial acquisition and connected transactions involving – proposed acquisition of Jingcheng International Financial Leasing Co. Ltd.; (2) proposed non-public issue of A shares of the Company; (3) possible connected transaction – proposed subscription of A shares by the controlling shareholder; (4) application for whitewash waiver and (5) resumption of trading in H shares of the Company and the announcement dated 3 February 2016 in relation to Material Assets Reorganisation, the Revised Asset Purchase Agreement, the Revised Subscription Agreement and the revised non-public issue of A shares (collectively, the "**Announcements**"). Capitalised terms used in this announcement shall, unless otherwise defined, have the same meanings as defined in the Announcements. Reference is also made to the announcement of the Company dated 31 December 2015 in relation to delay in despatch of circular (the "**Further Announcement**").

As stated in the Further Announcement, the latest time for dispatch of the Circular was extended to 31 May 2016.

As the Material Assets Reorganisation requires approvals from various relevant government authorities in the PRC and additional time is required for the preparation of the financial and other information in relation to the Material Assets Reorganisation, the despatch date of the Circular is expected to be postponed to a date on or before 31 August 2016.

For and on behalf of the Board
Beijing Jingcheng Machinery Electric Company Limited
Jiang Chi
Company Secretary

Beijing, the PRC, 31 May 2016

As at the date of this announcement, the Board comprises Mr. Wang Jun, Mr. Chen Changge, Mr. Li Junjie and Mr. Du Yuexi as executive director, 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.