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北京汽车
BAIC MOTOR

北京汽車股份有限公司

BAIC MOTOR CORPORATION LIMITED*

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1958)

**INSIDE INFORMATION
ENTERING INTO THE AGREEMENTS OF INTENT FOR
THE ACQUISITION OF 35% EQUITY INTEREST IN
FUJIAN BENZ AND RESUMPTION OF TRADING**

This announcement is made by BAIC Motor Corporation Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

SUMMARY

On 14 March 2016, the Company and Fujian Motor Industry Group Co.* (福建省汽車工業集團有限公司) (“**FJMOTOR**”) entered into a series of agreements (together referred to as the “**Agreements**”) in relation to, among others, the proposed acquisition of 35% equity interest in Fujian Benz Automotive Co., Ltd.* (福建奔馳汽車工業有限公司) (“**Fujian Benz**”) by the Company from FJMOTOR (“**Equity Transaction**”) and the related confidential arrangement. Upon completion of the equity transaction, the Company and FJMOTOR will hold 35% and 15% equity interest in Fujian Benz respectively, and Daimler Vans Hong Kong Limited will hold the remaining 50% equity interest in Fujian Benz. After signing of the Agreements, the Company will carry out due diligence on Fujian Benz. The Company will enter into an equity transfer agreement and other legal documents with FJMOTOR and other related parties regarding specific rights and obligations under the equity transaction after reaching a consensus among the parties.

TARGET COMPANY

Fujian Benz is a sino-foreign joint venture established in China on 8 June 2007, with a registered capital of EUR 287,000,000. Fujian Benz mainly engages in the design, production, sales and after-sale services of passenger vehicles, commercial vehicles and related parts and components.

REASONS AND BENEFITS FOR THE TRANSACTION

Through investment in Fujian Benz, the Company can extend further cooperation with the joint venture partners and draw the respective competitive edges from each other; thereby building an all-win, long-term and stable cooperation relationship, while at the same time enable full strategic cooperation among the parties in the Mercedes-Benz brand. On the other hand, the equity transaction will also enrich the product line of the Company, which together with the synergies on technology, talents and strategy, can assist the parties to further explore the market. The Company believes the equity transaction is in the interests of the Company and the shareholders as a whole.

The Company will make further disclosure upon signing of any specific agreements in accordance with the requirements of the Listing Rules.

TRADING HALT AND RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company (the “**Shares**”) on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) was halted with effect from 09:09 a.m. on Friday, 11 March 2016 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 09:00 a.m. on Tuesday, 15 March 2016.

The above equity transaction is subject to the approval of the relevant departments and particulars for the implementation have yet to be confirmed. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the Shares of the Company.

By order of the Board
BAIC Motor Corporation Limited
Xu Heyi
Chairman

Beijing, the PRC, 14 March 2016

As at the date of this announcement, the Board comprises Mr. Xu Heyi, as Chairman of the Board and non-executive Director; Mr. Zhang Xiyong and Mr. Li Zhili, as non-executive Directors; Mr. Li Feng, as executive Director; Mr. Ma Chuanqi, Mr. Qiu Yinfu, Mr. Hubertus Troska, Mr. Bodo Uebber, Ms. Wang Jing and Mr. Yang Shi, as non-executive Directors; and Mr. Fu Yuwu, Mr. Wong Lung Tak Patrick, Mr. Bao Robert Xiaochen, Mr. Zhao Fuquan and Mr. Liu Kaixiang, as independent non-executive Directors.

* For identification purpose only