

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 EQUITY TRANSFER AGREEMENT IN RESPECT OF THE ACQUISITION OF 35% EQUITY INTEREST IN FUJIAN BENZ

This announcement is made by BAIC Motor Corporation Limited (the “**Company**” or “**BAIC Motor**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) 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).

Reference is made to the Company’s announcement dated 14 March 2016, in relation to a number of agreements entered into between the Company and Fujian Motor Industry Group Co.* (福建省汽車工業集團有限公司) (“**FJMOTOR**”) in respect of the proposed acquisition by the Company of the 35% equity interest in Fujian Benz Automotive Co., Ltd.* (福建奔馳汽車工業有限公司) (“**Fujian Benz**”) held by FJMOTOR (the “**Equity Transaction**”) and the relevant confidential arrangement.

The Company is pleased to announce that the Company and FJMOTOR have entered into the Equity Transfer Agreement of Fujian Benz Automotive Co., Ltd.* (the “**Agreement**”) in respect of the acquisition of 35% equity interest in Fujian Benz as at the date of this announcement. As agreed in the Agreement, 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. FJMOTOR shall act in concert with the Company in terms of the operation and management of Fujian Benz and other relevant matters, while the director(s) appointed by FJMOTOR shall exercise its rights as a director in concert with the Company.

After the completion of the Equity Transaction, it is expected that the Company will be able to further adapt to the diversified development trend of automobile consumption and make arrangement in the area of high-end light business purpose vehicles to further extend the cooperation between the Company and Daimler with a view to bringing into full play our respective competitive edges and deepening the stable long-term win-win partnership, while at the same time achieving an overall strategic cooperation among the partners in respect of the Mercedes-Benz brand. The Equity Transaction will also enrich the Company's product lines, and achieve joint market exploration by capitalizing on all partners' technologies, talents and strategies. The Company is of the view that the Equity Transaction is in line with the Company's long-term strategic plan in terms of business and market planning and in the interests of the Company and its shareholders as a whole.

The Equity Transaction contemplated under the Agreement does not constitute the transactions under Chapter 14 and Chapter 14A of the Listing Rules. Pursuant to the Agreement, the Equity Transaction is subject to the fulfillment of certain conditions precedent and the approval of or filing with relevant government authorities. Shareholders and investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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

Beijing, the PRC, 12 June 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, 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