

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)

VOLUNTARY ANNOUNCEMENT

ENTERING INTO STRATEGIC COOPERATION FRAMEWORK AGREEMENT

This announcement was made by BAIC Motor Corporation Limited (the “**Company**”) on a voluntary basis.

The board of directors of the Company (the “**Board**”) is pleased to announce that on 25 June 2015, the Company entered into a strategic cooperation framework agreement (the “**Strategic Cooperation Framework Agreement**”) with Baosteel Metal Co., Ltd. (寶鋼金屬有限公司, “**Baosteel Metal**”) and Beijing Hua Sheng Rong Magnesium Technology Co., Ltd. (北京華盛榮鎂業科技有限公司, “**Hua Sheng Rong**”, and collectively referred to as the “**Three Parties**” with the Company and Baosteel Metal) in Jinan, Shandong, with a term of five years. The Strategic Cooperation Framework Agreement was signed in the presence of the representatives of Shandong province government and Heze municipal government and the leaders of Baosteel Group Corporation and Beijing Automotive Industry Group Co., Ltd.

Pursuant to the Strategic Cooperation Framework Agreement, the Company will share and integrate the respective strengths in resources with Baosteel Metal and Hua Sheng Rong, as well as entering into in-depth cooperation on the following aspects:

1. With respect to the cooperation in magnesium alloy business, the Three Parties will jointly establish a joint venture provisionally named as Shanghai Bao Yun Light Material Technology Company Limited (上海寶昀輕質材料科技有限公司, “**Shanghai Bao Yun**”, subject to the approval of the relevant administration for industry and commerce). Shanghai Bao Yun will use the joint development of magnesium alloy components of the Company for vehicles as the stepping stone to integrate the resources of magnesium alloy in relevant technology, market, manufacturing and other areas, thereby establishing a leading enterprise in the magnesium alloy industry.
2. The Three Parties will also join hands to establish a joint development centre for light materials and technology. With a mission to develop the advance technology of light materials in transportation field (including vehicles and aircraft), the Three Parties will carry out joint research and development in various materials and technologies, and share information and research results.

3. On the basis of this Strategic Cooperation Framework Agreement, the Vehicle Engineering Research Institute of the Company and Baosteel Central Research Institute (寶鋼中央研究院) will become the corresponding cooperation partners to carry out in-depth study and negotiation in the cooperation on light materials and energy-storage materials and other areas.

Leveraging on the strategic cooperation with Baosteel Metal and Hua Sheng Rong, the Company will establish a comprehensive network of technological innovation and product development in order to enhance the core competitiveness of the Company.

Shareholders and potential investors of the Company should 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, 26 June 2015

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*