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Chongqing Machinery & Electric Co., Ltd.*
重慶機電股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02722)

**POLL RESULTS OF THE ANNUAL GENERAL
MEETING HELD ON 18 JUNE 2012**

The Board hereby announces that all the proposed resolutions set out in the notice convening the AGM contained in the Circular were duly passed by the shareholders of the Company by way of poll at the AGM held on 18 June 2012.

Reference is made to the circular of Chongqing Machinery & Electric Co., Ltd.* (the “**Company**”) dated 30 March 2012 (the “**Circular**”) in connection with (i) proposed granting of a general mandate to issue new shares of the Company; (ii) renewal of a guarantee by the Company for a loan of RMB37 million for Chongqing Pigeon; (iii) renewal of a guarantee by the Company for a loan of RMB80.44 million of Chongqing CAFF; (iv) renewal of guarantee by the Company for loans of RMB115 million of Huahao Smelting; (v) renewal of guarantee by the Company for a loan of GBP5.3 million of Holroyd; (vi) proposed amendments to the Articles; and (vii) appointment of an independent non-executive Director. Terms used herein shall have the same meaning as defined in the Circular unless otherwise specified.

RESULTS OF THE AGM

As at the date of Annual General Meeting (“AGM”) of the Company held on 18 June 2012, the registered and issued share capital of the Company is RMB3,684,640,154 of RMB1.00 each, which is divided into 2,584,452,684 Domestic Shares and 1,100,187,470 H Shares.

The total number of Shares entitling the Shareholders to vote for or against the resolution nos. 1 to 12 as set out in the AGM Notice either in person, by their duly authorised representatives or by proxy at the AGM were 3,684,640,154 which is divided into 2,584,452,684 Domestic Shares and 1,100,187,470 H Shares. The board (“**Board**”) of directors (“**Directors**”) of the Company is pleased to announce that all the resolutions set out in the AGM Notice were duly passed. All the resolutions, which were voted on by poll, were approved by the Shareholders of the Company. There was no share entitling the shareholders to attend and vote against the resolutions at the AGM.

The Company’s H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, was appointed as the scrutineer for the voting taking at the AGM.

The poll results are as follows:

	ORDINARY RESOLUTIONS	Number of H Shares and Domestic Shares represented by votes casted and percentage of total number of H Shares and Domestic Shares represented by votes casted	
		FOR	AGAINST
1.	To consider and approve the report of the Board of the Company for the year ended 31 December 2011;	2,980,315,596 99.999933%	2,000 0.000067%
2.	To consider and approve the report of the Supervisory Committee of the Company for the year ended 31 December 2011;	2,980,315,596 99.999933%	2,000 0.000067%

	ORDINARY RESOLUTIONS	Number of H Shares and Domestic Shares represented by votes casted and percentage of total number of H Shares and Domestic Shares represented by votes casted	
		FOR	AGAINST
3.	To consider and approve the audited consolidated financial statements of the Company and its subsidiaries and the Auditors Report for the year ended 31 December 2011;	2,980,315,596 99.999933%	2,000 0.000067%
4.	To consider and approve the profit appropriation proposal of the Company for the year ended 31 December 2011;	2,980,315,596 99.999933%	2,000 0.000067%
5.	To consider and approve the re-appointment of PricewaterhouseCoopers Zhong Tian CPAs Limited Company as the PRC auditors and PricewaterhouseCoopers as the international auditors of the Company to hold office until the conclusion of the next annual general meeting and the review and audit fees of approximately RMB4.7 million for the Company's 2012 interim financial statements and annual financial statements;	2,938,234,292 99.941156%	1,730,000 0.058844%
6.	To consider and approve the renewal of a guarantee by the Company for a loan of RMB37 million of Chongqing Pigeon;	2,980,315,596 99.999933%	2,000 0.000067%
7.	To consider and approve the renewal of a guarantee by the Company for a loan of RMB80.44 million of Chongqing CAFF;	2,980,315,596 99.999933%	2,000 0.000067%

	ORDINARY RESOLUTIONS	Number of H Shares and Domestic Shares represented by votes casted and percentage of total number of H Shares and Domestic Shares represented by votes casted	
		FOR	AGAINST
8.	To consider and approve the renewal of guarantee by the Company for loans of RMB115 million of Huahao Smelting;	2,980,315,596 99.999933%	2,000 0.000067%
9.	To consider and approve the renewal of guarantee by the Company for a loan of GBP5.3 million of Holroyd; and	2,980,315,596 99.999933%	2,000 0.000067%
10.	To consider and approve the appointment of Mr. Jin Jingyu as an independent non-executive Director of the Company for a term of office commencing from the date of the AGM to expiration of the current Board, and authorize the Board to determine the remuneration of Mr. Jin Jingyu according to the remuneration standard for Directors as approved at the 2009 annual general meeting.	2,980,315,596 99.999933%	2,000 0.000067%
As more than 1/2 of the votes were cast in favour of the above resolutions, the resolutions were duly passed as ordinary resolutions.			

	SPECIAL RESOLUTIONS	Number of H Shares and Domestic Shares represented by votes casted and percentage of total number of H Shares and Domestic Shares represented by votes casted	
		FOR	AGAINST
11.	The proposal by the Board to amend the Articles in the manner as set out in the Circular to the Shareholders of the Company, of which this notice forms part, be and is hereby approved, and the Board be and is hereby authorised to do all such things as necessary in respect of the amendments to the Articles pursuant to the requirements (if any) under domestic or overseas laws and under the rules of any stock exchange on which securities of the Company are listed.	2,970,815,596 99.681175%	9,502,000 0.318825%
12.	To give a general mandate to the Board to allot, issue and deal with additional Domestic Shares and/or the H Shares and to make or grant offers, agreements and/or options in respect thereof, (the “General Mandate”) subject to the following conditions: “ THAT (A) (a) the General Mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;	2,636,489,496 88.463374%	343,828,100 11.536626%

	SPECIAL RESOLUTIONS	Number of H Shares and Domestic Shares represented by votes casted and percentage of total number of H Shares and Domestic Shares represented by votes casted	
FOR		AGAINST	
	<p>(b) the aggregate nominal amount of the Domestic Shares and the H Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Board (otherwise than pursuant to any scrip dividend scheme (or similar arrangement providing for the allotment and issue of shares in lieu of the whole or part of a dividend), any share option scheme, a Rights Issue or any separate approval of the shareholders of the Company) shall not exceed:</p> <p>(i) 20 per cent of the aggregate nominal amount of the Domestic Shares in issue; and</p> <p>(ii) 20 per cent of the aggregate nominal amount of the H Shares in issue, respectively, in each case as at the date of passing of this resolution; and</p>		

	SPECIAL RESOLUTIONS	Number of H Shares and Domestic Shares represented by votes casted and percentage of total number of H Shares and Domestic Shares represented by votes casted	
		FOR	AGAINST
	<p>(c) the Board of Directors will only exercise its power under the General Mandate in accordance with the Company Law of the PRC and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as each of them may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant government authorities in the PRC are obtained;</p> <p>and, for the purposes of this resolution:</p> <p>“Domestic Share(s)” means ordinary domestic share(s) in the share capital of the Company which are subscribed and/or paid for in Renminbi;</p>		

	SPECIAL RESOLUTIONS	Number of H Shares and Domestic Shares represented by votes casted and percentage of total number of H Shares and Domestic Shares represented by votes casted	
FOR		AGAINST	
	<p>“H Share(s)” means overseas listed foreign invested shares (being ordinary shares) in the share capital of the Company which are subscribed and/or paid for in Hong Kong dollars or foreign currency other than Renminbi;</p> <p>“Relevant Period” means the period from the date of passing this resolution until the earlier of: (a) the conclusion of the next annual general meeting of the Company following the passing of this resolution, unless, by special resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions; or (b) the expiry of the period within which the next annual general meeting is required by the articles of association of the Company or any applicable law to be held; or (c) the passing of a special resolution of the Company in a general meeting revoking or varying the authority set out in this resolution;</p>		

	SPECIAL RESOLUTIONS	Number of H Shares and Domestic Shares represented by votes casted and percentage of total number of H Shares and Domestic Shares represented by votes casted	
FOR		AGAINST	
	<p>“Rights Issue” means the allotment or issue of shares in the Company or other securities which would or might require shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company (excluding, as the Board may decide, for such purpose any shareholder who is resident in a place where such offer is not permitted under the law or regulation of that place) entitled to such offer, pro rata (apart from fractional entitlements) to their then existing holdings of shares; and</p>		

	SPECIAL RESOLUTIONS	Number of H Shares and Domestic Shares represented by votes casted and percentage of total number of H Shares and Domestic Shares represented by votes casted	
		FOR	AGAINST
	<p>(B) contingent on the Board resolving to exercise the General Mandate and/or issue shares pursuant to paragraph (A) of this resolution, the Board be and is hereby authorised:</p> <p>(a) to approve, execute and do, or procure to be executed and done all such documents, deeds and matters which it may consider necessary in connection with the exercise of the General Mandate and/or the issue of shares, including but not limited to the time, price, quantity and place for such issue, to make all necessary applications to the relevant authorities, and to enter into underwriting agreement(s) or any other agreement(s);</p> <p>(b) to determine the use of proceeds and to make all necessary filings and registration with the relevant authorities in the PRC, Hong Kong and/or any other places and jurisdictions (as appropriate); and</p>		

	SPECIAL RESOLUTIONS	Number of H Shares and Domestic Shares represented by votes casted and percentage of total number of H Shares and Domestic Shares represented by votes casted	
		FOR	AGAINST
	(c) to increase the registered capital of the Company and make all necessary amendments to the Articles to reflect such increase and to register the increased capital with the relevant authorities in the PRC, Hong Kong and/or any other places and jurisdictions (as appropriate) as so to reflect the new capital and/or share capital structure of the Company.”		
As more than 2/3 of the votes were cast in favour of these resolutions, these resolutions were duly passed as special resolutions.			

Declaration and payment of a final dividend of RMB0.06 per share (before tax) for the year ended 31 December 2011 have been approved at the AGM. The final dividend will be paid on or around 31 July 2012 to those shareholders whose names appear on the H Share registrar of the Company on 29 June 2012. In order to ascertain the entitlements of the shareholders to receive the proposed final dividend, the register of members of the Company will be closed from Saturday, 23 June 2012 to Friday, 29 June 2012 (both days inclusive), during which period no transfer of shares will be registered.

Pursuant to the Corporate Income Tax Law of the PRC and its implementing regulations which took effect on 1 January 2008, the tax rate of the corporate income tax applicable to the income of non-resident enterprise deriving from the PRC is 10%. Therefore, the Company will distribute the final dividend to non-resident enterprise shareholders whose name appear on the H Share registrar of the Company on 29 June 2012, subject to a deduction of 10% corporate income tax withheld and paid by the Company on their behalf.

Cheques will be despatched to holders of H Shares who are entitled to receive such dividend by ordinary post at the holders' risk on or around 31 July 2012 by the Company's H share registrar, Computershare Hong Kong Investor Services Limited, and dividends will be paid in Hong Kong dollars. RMB will be converted to Hong Kong dollars based on the average currency rates prevailing week (being 11 June 2012 to 17 June 2012) before the date of dividend declaration as announced by the People's Bank of China (RMB0.814628) = HK\$1.00). The dividend payable to each H Share is HK\$0.073653.

By Order of the Board
Chongqing Machinery & Electric Co., Ltd.*
Chen Xianzheng
Executive Director

Chongqing, the PRC
18 June 2012

As at the date of this announcement, the executive Directors are Mr. Xie Hua Jun, Mr. Yu Gang, Mr. Liao Shaohua and Mr. Chen Xianzheng; the non-executive Directors are Mr. Huang Yong, Mr. Wang Jiyu, Mr. Yang Jingpu and Mr. Liu Liangcai; and the independent non-executive Directors are Mr. Lo Wah Wai, Mr. Ren Xiaochang and Mr. Kong Weiliang.

* *For identification purposes only*