

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.



中國航空科技工業股份有限公司

AviChina Industry & Technology Company Limited*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2357)

ANNOUNCEMENT

PRELIMINARY FINANCIAL DATA OF JONHON OPTRONIC FOR THE YEAR 2017

The major financial data and indicators of AVIC JONHON Optronics Technology Co., Ltd.* (“JONHON OPTRONIC”, 中航光电科技股份有限公司, whose shares are listed on the Shenzhen Stock Exchange), a non wholly-owned subsidiary of AviChina Industry & Technology Company Limited (the “Company”) for the year 2017 (the “Reporting Period”) as set out in this announcement have not been audited. Investors should take note of the investment risks which may result therefrom.

1. MAJOR FINANCIAL DATA AND INDICATORS OF JONHON OPTRONIC FOR THE YEAR 2017 (UNAUDITED)

Unit: RMB yuan

Item	The Reporting Period	For the corresponding reporting period of last year	Increase/Decrease (%)
Total operating revenue	6,361,813,149.33	5,854,802,051.16	8.66%
Operating profits	925,484,557.25	839,438,094.42	10.25%
Gross profits	976,392,017.72	889,631,006.19	9.75%
Net profits attributable to the shareholders of JONHON OPTRONIC	825,350,754.91	733,765,932.95	12.48%
Basic earnings per share	1.0537	0.9368	12.48%

Weighted average return on equity	18.41%	19.57%	-1.16%
	As at the end of the Reporting Period	As at the beginning of the Reporting Period	Increase/Decrease (%)
Total assets	10,030,183,398.26	8,509,877,055.86	17.87%
Owner's equity attributable to the shareholders of JONHON OPTRONIC	4,889,575,296.87	4,107,090,737.17	19.05%
Share capital	790,977,309.00	602,514,884.00	31.28%
Net assets per share attributable to the shareholders of JONHON OPTRONIC	6.1817	6.8166	-9.31%

2. EXPLANATION OF THE OPERATING RESULTS AND FINANCIAL SITUATION OF JONHON OPTRONIC

In the Reporting Period, JONHON OPTRONIC recorded increase in both the total operating revenue and the operating profits, which is mainly due to the facts that, during the Reporting Period, JONHON OPTRONIC continued to explore new markets and new customers, kept the communication market, renewable energy vehicle market and defense market all growing steadily, realized new breakthrough in strategic new-emerging fields and achieved rapid growth in global market. Besides, JONHON OPTRONIC further promoted optimized integration, which facilitated the further improvement in its management quality, efficiency and profitability.

In the Reporting Period, the net assets per share attributable to the shareholders of JONHON OPTRONIC recorded a decrease, which is mainly due to the share capital increase caused by the completion of the grant of the first tranche of restricted shares by JONHON OPTRONIC according to its restricted share incentive scheme and the implementation of its plan for transferring the capital reserve in 2016 into share capital.

Investors are reminded that the final major financial data and indicators of JONHON OPTRONIC for the year 2017 shall be those audited financial data to be formally disclosed in the annual report of JONHON OPTRONIC for the year 2017. Investors should also note that the Company prepares its financial statements under the IFRS and therefore, the financial data of JONHON OPTRONIC disclosed

herein may be significantly different if prepared under the IFRS. Investors should exercise caution when dealing in the securities of the Company.

For further details relating to the preliminary financial data of JONHON OPTRONIC for the year 2017, please refer to the announcement dated 27 February 2018 published by JONHON OPTRONIC on the website of the Shenzhen Stock Exchange (www.szse.cn).

By Order of the Board
AviChina Industry & Technology Company Limited*
Xu Bin
Company Secretary

Beijing, 27 February 2018

As at the date of this announcement, the Board comprises executive Director Mr. Lin Zuoming, non-executive Directors Mr. Tan Ruisong, Mr. Wu Xiandong, Mr. Li Yao, Mr. He Zhiping and Mr. Patrick de Castelbajac as well as independent non-executive Directors Mr. Lau Chung Man, Louis, Mr. Liu Renhuai and Mr. Yeung Chi Wai.

** For identification purposes only*