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**)

INSIDE INFORMATION ANNOUNCEMENT

This announcement is made pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**")) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and Rule 13.09 of the Hong Kong Listing Rules.

Hafei Aviation Industry Co., Ltd., an A-share subsidiary of AviChina Industry & Technology Company Limited (the "**Company**"), is considering a proposed material matter and will be suspended for trading for five days from 14 July 2014 on the Shanghai Stock Exchange. The details of the proposed matter have not been finalized at this stage. **The shareholders of the Company and potential investors should be aware that the proposed matter is subject to uncertainty, and consequently the proposed matter may or may not proceed.**

The Company will publish further announcement(s) with respect to the proposed matter in due course.

By Order of the Board
AviChina Industry & Technology Company Limited*
Yan Lingxi
Company Secretary

Beijing, 11 July 2014

As at the date of this announcement, the Board comprises executive directors Mr. Lin Zuoming and Mr. Tan Ruisong and non-executive directors Mr. Gu Huizhong, Mr. Gao Jianshe, Mr. Sheng Mingchuan and Mr. Maurice Savart as well as independent non-executive directors Mr. Guo Chongqing, Mr. Lau Chung Man, Louis and Mr. Liu Renhuai.

* For identification purposes only.