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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)

VOLUNTARY ANNOUNCEMENT

Reference is made to (i) the announcement of AviChina Industry & Technology Company Limited* (the “**Company**”) dated 7 August 2009, (ii) the supplemental announcement dated 18 August 2009, (iii) the circular despatched to Shareholders on 28 August 2009 (the “**Circular**”) and (iv) the poll results announcement of the extraordinary general meeting of the Company issued on 28 September 2009 in relation to, among other things, (a) the proposed issue of new shares by Hongdu Aviation, a non wholly-owned subsidiary of the Company whose A shares are listed on the Shanghai Stock Exchange; (b) the subscription of new Hongdu Aviation Shares by Hongdu Group, a connected person of the Company; (c) the acquisition of Aircraft Business Assets by Hongdu Aviation; and (d) the proposed capital contribution to Changjiang General Aviation, a connected person of the Company (collectively referred to as the “**Hongdu Aviation Placing**”). Unless otherwise specified, capitalized terms used in this announcement shall have the meanings as those defined in the Circular.

The board of directors (the “**Board**”) of the Company is pleased to announce that subsequent to the approval issued by the China Securities Regulatory Commission for the Hongdu Aviation Placing on 10 May 2010, the relevant new Hongdu Aviation Shares were allotted to each of the subscribers, which were duly registered as shareholders in the register of members of Hongdu Aviation maintained by the China Securities Depository and Clearing Company Limited on 12 July 2010. The proceeds raised from the Hongdu Aviation Placing amounted to RMB2,536 million.

Upon completion of the Hongdu Aviation Placing, the Company holds approximately 204,455,208 million shares in Hongdu Aviation, representing approximately 45.62% of the entire issued share capital of Hongdu Aviation. As disclosed in the Circular, Hongdu Aviation remains a subsidiary of the Company following completion of the Hongdu Aviation Placing.

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

Hong Kong, 14 July 2010

As at the date of this announcement, the Board comprises executive directors Mr. Lin Zuoming, Mr. Tan Ruisong and Mr. Wu Xiandong and non-executive directors Mr. Gu Huizhong, Mr. Xu Zhanbin, Mr. Geng Ruguang, Mr. Zhang Xinguo, Mr. Gao Jianshe, Mr. Li Fangyong, Mr. Chen Yuanxian, Mr. Wang Yong, Mr. Maurice Savart as well as independent non-executive directors Mr. Guo Chongqing, Mr. Li Xianzong and Mr. Lau Chung Man, Louis.

**For identification purpose only.*