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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)

ANNOUNCEMENT

PRELIMINARY FINANCIAL DATA OF JONHON OPTRONIC FOR THE YEAR 2015

The major financial data and indicators of China Aviation Optical-Electrical Technology Co., Ltd. (中航光電科技股份有限公司), a non wholly-owned subsidiary of AviChina Industry & Technology Company Limited* (the “**Company**”), whose shares are listed on the Shenzhen Stock Exchange (“**JONHON OPTRONIC**”) for the year 2015 (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 2015 (UNAUDITED)

Unit: In RMB yuan

Item	The Reporting Period	For the same reporting period of last year	Increase/Decrease (%)
Total operating revenue	4,725,196,552.35	3,491,245,691.06	35.34%
Operating profits	676,318,218.96	425,144,422.51	59.08%
Gross profits	694,606,462.14	437,621,317.54	58.72%
Net profits attributable to the shareholders of JONHON OPTRONIC	568,357,284.41	339,597,922.11	67.36%
Basic earnings per share (RMB yuan)	0.9433	0.5636	67.37%

Weighted average return on equity	18.21%	12.54%	5.67%
	As at the end of the Reporting Period	As at the beginning of the Reporting Period	Increase/Decrease (%)
Total assets	7,463,742,521.74	6,240,135,837.98	19.61%
Owner's equity attributable to the shareholders of JONHON OPTRONIC	3,397,466,000.91	2,860,927,615.74	18.75%
Share capital	602,514,884.00	463,472,988.00	30.00%
Net assets per share attributable to the shareholders of JONHON OPTRONIC (RMB yuan)	5.64	6.17	-8.59%

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

During the Reporting Period, JONHON OPTRONIC achieved an operating revenue of approximately RMB4,725,196,600 representing an increase of 35.34% as compared to approximately RMB3,491,245,700 in the same period of last year. The main reasons for the revenue increase are that, benefited from the national policies for new energy vehicle industry and the long term technology accumulation by JONHON OPTRONIC, orders for the accessory products of new energy vehicle grew fast; as the international market exploration was sped up, orders from international market increased more than 30% as compared with the same period of last year; orders for some defense products undertaken by JONHON OPTRONIC sustained the continuous and steady growth. Meanwhile, the capacity for some projects invested with the raised capital, such as the Optical-Electrical Technology Industrial Base, was further released, which satisfied the market delivery demands, and provided guarantee for the fast growth of revenue. In addition, JONHON OPTRONIC further promoted integration among the parent company and its subsidiaries, with the synergy effects further revealed and the value creation capacity increased gradually.

During the Reporting Period, the operating profit, the gross profit and the net profit attributable to the shareholders of JONHON OPTRONIC increased by 59.08%, 58.72% and 67.36% respectively. The main reasons are that, the Market orders of JONHON

OPTRONIC continue to grow, at the same time, the cost management continues to strengthen, the product structure is adjusted and optimized continuously, the general gross profit margin increased and the cost income ratio decreased.

At the end of the Reporting Period, the share capital of JONHON OPTRONIC increased by 30% as compared with that at the beginning of the Reporting Period, because JONHON OPTRONIC implemented the 2014 interest distribution plan, allocating 3 shares to all the shareholders for every 10 shares they held through the capital reservation.

Investors are reminded that the final major financial data and indicators of JONHON OPTRONIC for the year 2015 shall be those audited financial data to be formally disclosed in the annual report of JONHON OPTRONIC for the year 2015. 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 2015, please refer to the announcement dated 26 February 2016 published by JONHON OPTRONIC on the website of the Shenzhen Stock Exchange (www.szse.cn).

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

Beijing, 25 February 2016

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

** For identification purposes only.*