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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)

CLARIFICATION ANNOUNCEMENT

Financial Adviser to the Company



Guotai Junan Capital Limited

Reference is made to the announcement of AviChina Industry & Technology Company Limited (the "**Company**") dated 10 March 2016, in relation to a discloseable and connected transaction in respect of the acquisition of the 100% equity interest in AVIC Planning by the Company (the "**Announcement**"). Unless otherwise indicated, the capitalised terms used in this announcement shall have the same meaning as those defined in the Announcement.

The Company has been informed by the financial adviser, Guotai Junan, that due to an inadvertent error by Guotai Junan, the date of the valuation report prepared by China United Assets Appraisal Group as stated in the first paragraph of the letter from Guotai Junan in Appendix II to the Announcement should be "2 December 2015" instead of "30 September 2015". Full text of the revised letter from Guotai Junan is contained in the Appendix to this announcement.

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

Beijing, 11 March 2016

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. 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 purpose only*

APPENDIX II — LETTER FROM GUOTAI JUNAN

10 March 2016

The Board of Directors

AviChina Industry & Technology Company Limited*

中國航空科技工業股份有限公司

8th Floor, Tower 2
No. 5A Rongchang East Street
Beijing Economic-Technological
Development Area
Beijing, PRC

Dear Sirs,

We refer to the announcements of AviChina Industry & Technology Company Limited* 中國航空科技工業股份有限公司 (the “**Company**”) dated 30 September 2015 and 10 March 2016 (the “**Announcements**”) in relation to the acquisition of 100% equity interest (the “**Target Equity**”) in China Aviation Planning and Design Institute Co., Ltd.* 中國航空規劃設計研究總院有限公司 (“**AVIC Planning**” and the acquisition referred to as the “**Acquisition**”) which constitutes a discloseable and connected transaction under Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and also the valuation report dated 2 December 2015 prepared by China United Assets Appraisal Group, a qualified and independent PRC valuer (the “**Independent Valuer**”), on the valuation of the Target Equity (the “**Valuation**”). As discounted future estimated cash flows method is used, the Valuation constitutes a profit forecast (“**Forecast**”) under Rule 14.61 of the Listing Rules.

We are engaged to assist the Directors to comply with Rule 14.62 of the Listing Rules. We, from the perspective of financial adviser, have discussed with the management of the Company, the management of AVIC Planning and the Independent Valuer regarding the bases and assumptions adopted in the Forecast. We have also considered the letter dated 10 March 2016 issued by Ernst & Young, the Company’s reporting accountants, regarding the calculations upon which the Forecast has been made.

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On the basis of the foregoing and without giving any opinion on the reasonableness of the valuation methods, we are of the opinion that the bases and assumptions of the Forecast adopted by the Independent Valuer, for which the Directors of the Company are solely responsible for, have been made after due and careful enquiry. Our opinion has been given for the sole purpose of compliance with Rule 14.62(3) of the Listing Rules and for no other purpose.

We have not independently verified the computations leading to the Independent Valuer's determination of the fair value and market value of the Target Equity. We have had no role or involvement and have not provided and will not provide any assessment of the fair value and market value of the Target Equity. Accordingly, save as expressly stated in this letter, we take no responsibility for and express no views, whether expressly or implicitly, on the fair value, market value or any of the value of the Target Equity.

We further confirm that the assessment, review and discussion carried out by us as described above are primarily based on financial, economic, market and other conditions in effect, and the information made available to us as of the date of this letter and that we have, in arriving at our views, relied on information and materials supplied to us by the Independent Valuer, the Group and the AVIC Planning and opinions expressed by, and representations of, the employees and/or management of the Independent Valuer, the Group and the AVIC Planning. We have assumed that all information, materials and representations so supplied, including all information, materials and representations referred to or contained in the Announcements, for which the Directors are wholly responsible, were true, accurate, complete and not misleading at the time they were supplied or made and that no material fact or information has been omitted from the information and materials supplied. No representation or warranty, expressed or implied, is made by us on the accuracy, truth or completeness of such information, materials, opinions and/or representations. Circumstances could have developed or could develop in the future that, if known to us at the time of this letter, would have altered our respective assessment and review. Further, the qualifications, bases and assumptions adopted by the Independent Valuer are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Company and the Independent Valuer.

Yours faithfully,

**For and on behalf of
Guotai Junan Capital Limited**

Iris Leung

Managing Director