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AVIC International Holding (HK) Limited **中國航空工業國際控股(香港)有限公司**

(Incorporated in Bermuda with limited liability)

(Stock Code: 232)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to rule 13.09 of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that the consolidated annual results of the Group for the year ended 31 December 2010 is expected to have a remarkable increase as compare to that of the year ended 31 December 2009.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made by AVIC International Holding (HK) Limited (the “Company”) pursuant to rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”).

PROFIT WARNING

The board of directors (the “Board”) of the Company wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that the consolidated annual results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2010 is expected to have remarkable increase as compare to that of the year ended 31 December 2009. The increase primarily results from a substantial gain on partial disposal of investment in a jointly-controlled entity of the Group during the year 2010.

The Board further informs that a fair value loss on derivative financial instrument for the year ended 31 December 2010 as compared to a profit for the year ended 31 December 2009 is expected to be recorded primarily due to change in the valuation in respect of the conversion options of the convertible bonds purchased by the Group.

The information contained in this announcement is only based on the preliminary assessment by the Company's management according to the management accounts of the Group, which have not been confirmed nor audited by the Company's auditors. Details of the audited consolidated annual results of the Group for the year ended 31 December 2010 are expected to be announced on 10 March 2011.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
AVIC International Holding (HK) Limited
Wu Guangquan
Chairman

Hong Kong, 3 March 2011

As at the date of this announcement, the Board of the Company comprises Mr. Wu Guangquan, Mr. Jiang Wei, Mr. Ji Guirong, Mr. Liu Rongchun, Mr. Pan Linwu and Mr. Zhang Chuanjun as executive directors; Mr. Ip Tak Chuen, Edmond as non-executive director; Mr. Chu Yu Lin, David, Mr. Li Ka Fai, David and Mr. Li Zhaoxi as independent non-executive directors.