



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)**

## OVERSEAS REGULATORY ANNOUNCEMENT

### Summary

Dongan Motor will publish an announcement on the Shanghai Stock Exchange on 3 March 2008, which will state that the Company intends to contribute its equity interest which is subject to trading restrictions in Dongan Motor and Hafei Auto Co., Ltd. (a subsidiary of the Company) intends to contribute some of its automobile business assets, in both cases as capital contribution, for co-operation and the formation of a joint venture, which are under negotiations with Dongfeng Motor Corporation.

This announcement is made pursuant to the Rule 13.09(2) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

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For the moment, negotiations are still in progress, and no agreement in this regard has been reached yet. According to the intention to cooperate, the Company will contribute its 251,893,000 shares in Dongan Motor, which are subject to trading restrictions representing for 54.51% of the total equity capital of Dongan Motor, to the joint venture to be established. Upon the completion of capital contribution, the joint venture will be the controlling shareholder of Dongan Motor.

As the capital contribution is subject to certain approval procedures by the Company as well as approvals by the State-owned Assets Supervision and Administration Commission of the State Council and China Securities Regulatory Commission relating to the proposed contribution by shares and a waiver from the obligations to make a general offer, and as such are subject to uncertainties.

Dongan Motor will resume the trading of its shares on 3 March 2008, and will make prompt disclosures on the progress of the co-operation and the formation of the joint venture.

**Definitions:**

“Company”	AviChina Industry & Technology Company Limited
“Dongan Motor”	Harbin Dongan Auto Engine Co., Ltd., a joint stock limited company whose shares are listed on the Shanghai Stock Exchange with 58.77% of its interests being held by the Company

**By Order of the Board**

**AviChina Industry & Technology Company Limited**

**Yan Lingxi**

**Company Secretary**

Hong Kong, 29 February 2008

*As at the date of this announcement, the Board of the Company comprises executive directors Mr. Zhang Hongbiao, Mr. Wu Xiandong and Mr. Tan Ruisong and non-executive directors Mr. Liang Zhenhe, Mr. Tian Min, Mr. Song Jingang, Mr. Wang Bin, Mr. Chen Huaiqiu, 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 purposes only*