

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



深圳中航集團股份有限公司 CATIC SHENZHEN HOLDINGS LIMITED

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00161)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of CATIC Shenzhen Holdings Limited (the “Company”) will be held at Level 25, Hangdu Building, CATIC Zone, Shennan Road Central, Futian District, Shenzhen, the People’s Republic of China on Wednesday, 8 February 2012 at 10:00 a.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolutions:

SPECIAL RESOLUTIONS

1. **“THAT:**

- (a) the conditional acquisition agreement entered into between the Company and AVIC International Holding Corporation (中國航空技術國際控股有限公司) dated 16 November 2011 in relation to the proposed acquisition by the Company of 100% of the equity interest in China National Aero-Technology Corporation Shanghai Limited Liability Company (中國航空技術上海有限公司), 50% of the equity interest in AVIC Lutong Company Limited (中航路通實業有限公司), 90% of the equity interest in Guizhou CATIC Resources Company Limited (貴州中航資源有限公司) and 100% of the equity interest in AVIC-INTL Project Engineering Company (中航國際成套設備有限公司) (collectively, the “Sale Interests 1”) at a consideration of RMB1,311,110,000, to be satisfied by the issue of perpetual subordinated convertible securities in the principal amount of RMB1,311,110,000 convertible into 368,289,325 new ordinary domestic shares of a nominal value of RMB1.00 each in the capital of the Company (the “Domestic Shares”) at the initial conversion price of RMB3.56 per Domestic Share (the “PSCS 1”) by the Company (the “Acquisition Agreement 1”), a copy of which has been produced to the EGM marked “A” and signed by the chairman of the EGM for the purpose of identification, and all the transactions contemplated thereunder, be approved, confirmed and ratified;

- (b) the conditional acquisition agreement entered into between the Company and AVIC International Shenzhen Company Limited (中國航空技術深圳有限公司) dated 16 November 2011 in relation to the proposed acquisition by the Company of 55.91% of the equity interest in Chengdu Ya Guang Electronic Company Limited (成都亞光電子股份有限公司) and 51% of the equity interest in Shenzhen AVIC Bi Te Communication Technology Company Limited (深圳市中航比特通訊技術有限公司), (the “Sale Interests 2”) at a consideration of RMB637,920,000, to be satisfied by the issue of perpetual subordinated convertible securities in the principal amount of RMB637,920,000 convertible into 179,191,011 new Domestic Shares at the initial conversion price of RMB3.56 per Domestic Share (the “PSCS 2”) by the Company (the “Acquisition Agreement 2”), a copy of which has been produced to the EGM marked “B” and signed by the chairman of the EGM for the purpose of identification, and all the transactions contemplated thereunder, be approved, confirmed and ratified;
- (c) subject to completion of the transactions contemplated under the Acquisition Agreement 1 and the Acquisition Agreement 2, the Directors be specifically authorised to issue the PSCS 1 to AVIC International Holding Corporation (中國航空技術國際控股有限公司) and the PSCS 2 to AVIC International Shenzhen Company Limited (中國航空技術深圳有限公司) in accordance with the terms and conditions of the Acquisition Agreement 1 and the Acquisition Agreement 2, respectively;
- (d) subject to completion of the transactions contemplated under the Acquisition Agreement 1 and the Acquisition Agreement 2, the Directors be specifically authorised to allot and issue such number of new Domestic Shares as may be required to be allotted and issued upon exercise of the conversion right attaching to the PSCS 1 and the PSCS 2 at the initial conversion price of RMB3.56 per Domestic Share in accordance with the terms and conditions of the Acquisition Agreement 1 and the Acquisition Agreement 2 and the PSCS 1 and the PSCS 2, respectively; and
- (e) any one of the Directors be authorised to sign, execute, perfect, deliver, negotiate, agree and ratify all such documents, and take all such steps which may be in his opinion consider necessary, reasonable or expedient to implement and/or give effect to the Acquisition Agreement 1 and the Acquisition Agreement 2 and the transactions contemplated thereunder and/or agree to such variations, amendments, or waiver of matters relating there as are, in the opinion of such Director, in the interest of the Company.”

2. “**THAT:**

- (a) the conditional acquisition agreement entered into between the Company and AVIC International Shenzhen Company Limited (中國航空技術深圳有限公司) dated 16 November 2011 in relation to the proposed acquisition by the Company of 316,257,000 shares of Rainbow Department Store Co., Ltd. (天虹商場股份有限公司), representing approximately 39.52% equity interest in Rainbow Department Store Co., Ltd. (天虹商場股份有限公司) (the “Sale Interests 3”) at a consideration of RMB6,328,302,570, to be satisfied by the issue of perpetual subordinated convertible securities in the principal amount of RMB6,328,302,570 convertible into 1,777,613,081 new Domestic Shares at the initial conversion price of RMB3.56 per Domestic Share (the “PSCS 3”) by the Company (the “Acquisition Agreement 3”), a copy of which has been produced to the EGM marked “C” and signed by the chairman of the EGM for the purpose of identification, and all the transactions contemplated thereunder, be approved, confirmed and ratified;
- (b) subject to completion of the transactions contemplated under the Acquisition Agreement 3, the Directors be specifically authorised to issue the PSCS 3 to AVIC International Shenzhen Company Limited (中國航空技術深圳有限公司) in accordance with the terms and conditions of the Acquisition Agreement 3;
- (c) subject to completion of the transactions contemplated under the Acquisition Agreement 3, the Directors be specifically authorised to allot and issue such number of new Domestic Shares as may be required to be allotted and issued upon exercise of the conversion right attaching to the PSCS 3 at the initial conversion price of RMB3.56 per Domestic Share in accordance with the terms and conditions of the Acquisition Agreement 3 and the PSCS 3; and
- (d) any one of the Directors be authorised to sign, execute, perfect, deliver, negotiate, agree and ratify all such documents, and take all such steps which may be in his opinion consider necessary, reasonable or expedient to implement and/or give effect to the Acquisition Agreement 3 and the transactions contemplated thereunder and/or agree to such variations, amendments, or waiver of matters relating there as are, in the opinion of such Director, in the interest of the Company.”

By Order of the Board
CATIC Shenzhen Holdings Limited
Wu Guang Quan
Chairman

Shenzhen, the PRC, 23 December 2011

Notes:

1. Eligibility for the EGM

Shareholders of the Company who intend to attend the EGM must deliver all instruments of transfer, accompanied by the relevant share certificates, to the legal address of the Company (for holders of domestic shares) or to the H share registrar of the Company, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H shares) on or before 4:30 p.m. on Friday, 6 January 2012.

2. Registration procedures for the EGM

- (a) A shareholder or his proxy should produce proof of identity when attending the EGM;
- (b) Shareholders of the Company who intend to attend the EGM should return the confirmation slip for the EGM to the Company on or before Thursday, 19 January 2012; and
- (c) Shareholders of the Company may send the above confirmation slip to the legal address of the Company in person, by post or by facsimile.

3. Proxy

- (a) A shareholder of the Company eligible to attend the EGM is entitled to appoint one or more proxies to attend and vote on his behalf in accordance with the articles of association of the Company. A proxy need not be a shareholder of the Company;
- (b) A proxy shall be appointed by a written instrument signed by the appointer or its attorney. If the form of proxy is signed by the attorney of the appointer, the power of the attorney or other authorisation document(s) of such attorney should be notarised;
- (c) To be valid, the power of attorney or other authorisation document(s) which have been notarised together with the completed form of proxy, must be delivered to the legal address of the Company (for holders of domestic shares) or to the H share registrar of the Company, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H shares) not less than 24 hours before the time designed for the holding of the EGM or not less than 24 hours before the time appointed for taking the poll; and
- (d) A shareholder of the Company who has appointed more than one proxy shall only vote on a poll at the EGM.

4. Closure of Register of Members of the Company

The register of members of the Company will be closed from Monday, 9 January 2012 to Wednesday, 8 February 2012 (both days inclusive), during which no transfer of shares of the Company will be effected. Holders of shares whose names stand on the register of members of the Company at 4:30 p.m. on Friday, 6 January 2012 are entitled to attend and vote at the EGM.

- 5. The EGM is expected not to last for more than half a day. Attendants shall bear their own traveling and accommodation expenses.

Legal address of the Company:
Level 25, Hangdu Building
Shennan Road Central, CATIC Zone
Futian District, Shenzhen
Guangdong Province
the People's Republic of China
Tel.: 0755-8368 8956
Fax: 0755-8368 8209
Postal code: 518031
Website: www.avic161.com

NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES

NOTICE IS HEREBY GIVEN that the class meeting for holders of H shares (the “H Shares Class Meeting”) of CATIC Shenzhen Holdings Limited (the “Company”) will be held at Level 25, Hangdu Building, CATIC Zone, Shennan Road Central, Futian District, Shenzhen, the People’s Republic of China on Wednesday, 8 February 2012 at 11:00 a.m. (or immediately after the conclusion or adjournment of the extraordinary general meeting of the Company which will be held at the same place and on the same date) for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolutions:

SPECIAL RESOLUTIONS

1. “**THAT:**

- (a) the conditional acquisition agreement entered into between the Company and AVIC International Holding Corporation (中國航空技術國際控股有限公司) dated 16 November 2011 in relation to the proposed acquisition by the Company of 100% of the equity interest in China National Aero-Technology Corporation Shanghai Limited Liability Company (中國航空技術上海有限公司), 50% of the equity interest in AVIC Lutong Company Limited (中航路通實業有限公司), 90% of the equity interest in Guizhou CATIC Resources Company Limited (貴州中航資源有限公司) and 100% of the equity interest in AVIC-INTL Project Engineering Company (中航國際成套設備有限公司) (collectively, the “Sale Interests 1”) at a consideration of RMB1,311,110,000, to be satisfied by the issue of perpetual subordinated convertible securities in the principal amount of RMB1,311,110,000 convertible into 368,289,325 new ordinary domestic shares of a nominal value of RMB1.00 each in the capital of the Company (the “Domestic Shares”) at the initial conversion price of RMB3.56 per Domestic Share (the “PSCS 1”) by the Company (the “Acquisition Agreement 1”), a copy of which has been produced to the H Shares Class Meeting marked “A” and signed by the chairman of the H Shares Class Meeting for the purpose of identification, and all the transactions contemplated thereunder, be approved, confirmed and ratified;
- (b) the conditional acquisition agreement entered into between the Company and AVIC International Shenzhen Company Limited (中國航空技術深圳有限公司) dated 16 November 2011 in relation to the proposed acquisition by the Company of 55.91% of the equity interest in Chengdu Ya Guang Electronic Company Limited (成都亞光電子股份有限公司) and 51% of the equity interest in Shenzhen AVIC Bi Te Communication Technology Company Limited (深圳市中航比特通訊技術有限公司), (the “Sale Interests 2”) at a consideration of RMB637,920,000, to be satisfied by the issue of perpetual subordinated convertible securities in the principal amount of RMB637,920,000 convertible into 179,191,011 new Domestic Shares at the initial conversion price of RMB3.56 per Domestic Share (the “PSCS 2”) by the Company (the “Acquisition Agreement 2”), a copy of which has been produced to the H Shares Class Meeting marked “B” and signed by the chairman of the H Shares Class Meeting for the purpose of identification, and all the transactions contemplated thereunder, be approved, confirmed and ratified;

- (c) subject to completion of the transactions contemplated under the Acquisition Agreement 1 and the Acquisition Agreement 2, the Directors be specifically authorised to issue the PSCS 1 to AVIC International Holding Corporation (中國航空技術國際控股有限公司) and the PSCS 2 to AVIC International Shenzhen Company Limited (中國航空技術深圳有限公司) in accordance with the terms and conditions of the Acquisition Agreement 1 and the Acquisition Agreement 2, respectively;
- (d) subject to completion of the transactions contemplated under the Acquisition Agreement 1 and the Acquisition Agreement 2, the Directors be specifically authorised to allot and issue such number of new Domestic Shares as may be required to be allotted and issued upon exercise of the conversion right attaching to the PSCS 1 and the PSCS 2 at the initial conversion price of RMB3.56 per Domestic Share in accordance with the terms and conditions of the Acquisition Agreement 1 and the Acquisition Agreement 2 and the PSCS 1 and the PSCS 2, respectively; and
- (e) any one of the Directors be authorised to sign, execute, perfect, deliver, negotiate, agree and ratify all such documents, and take all such steps which may be in his opinion consider necessary, reasonable or expedient to implement and/or give effect to the Acquisition Agreement 1 and the Acquisition Agreement 2 and the transactions contemplated thereunder and/or agree to such variations, amendments, or waiver of matters relating there as are, in the opinion of such Director, in the interest of the Company.”

2. **“THAT:**

- (a) the conditional acquisition agreement entered into between the Company and AVIC International Shenzhen Company Limited (中國航空技術深圳有限公司) dated 16 November 2011 in relation to the proposed acquisition by the Company of 316,257,000 shares of Rainbow Department Store Co., Ltd. (天虹商場股份有限公司), representing approximately 39.52% equity interest in Rainbow Department Store Co., Ltd. (天虹商場股份有限公司) (the “Sale Interests 3”) at a consideration of RMB6,328,302,570, to be satisfied by the issue of perpetual subordinated convertible securities in the principal amount of RMB6,328,302,570 convertible into 1,777,613,081 new Domestic Shares at the initial conversion price of RMB3.56 per Domestic Share (the “PSCS 3”) by the Company (the “Acquisition Agreement 3”), a copy of which has been produced to the H Shares Class Meeting marked “C” and signed by the chairman of the H Shares Class Meeting for the purpose of identification, and all the transactions contemplated thereunder, be approved, confirmed and ratified;
- (b) subject to completion of the transactions contemplated under the Acquisition Agreement 3, the Directors be specifically authorised to issue the PSCS 3 to AVIC International Shenzhen Company Limited(中國航空技術深圳有限公司) in accordance with the terms and conditions of the Acquisition Agreement 3;

- (c) subject to completion of the transactions contemplated under the Acquisition Agreement 3, the Directors be specifically authorised to allot and issue such number of new Domestic Shares as may be required to be allotted and issued upon exercise of the conversion right attaching to the PSCS 3 at the initial conversion price of RMB3.56 per Domestic Share in accordance with the terms and conditions of the Acquisition Agreement 3 and the PSCS 3; and
- (d) any one of the Directors be authorised to sign, execute, perfect, deliver, negotiate, agree and ratify all such documents, and take all such steps which may be in his opinion consider necessary, reasonable or expedient to implement and/or give effect to the Acquisition Agreement 3 and the transactions contemplated thereunder and/or agree to such variations, amendments, or waiver of matters relating there as are, in the opinion of such Director, in the interest of the Company.”

By Order of the Board
CATIC Shenzhen Holdings Limited
Wu Guang Quan
Chairman

Shenzhen, the PRC, 23 December 2011

Notes:

1. Eligibility for the H Shares Class Meeting

Holders of H shares of the Company who intend to attend the H Shares Class Meeting must deliver all instruments of transfer, accompanied by the relevant share certificates, to the H share registrar of the Company, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong on or before 4:30 p.m. on Friday, 6 January 2012.

2. Registration procedures for the H Shares Class Meeting

- (a) A holder of H shares of the Company or his proxy should produce proof of identity when attending the H Shares Class Meeting;
- (b) Holders of H shares of the Company who intend to attend the H Shares Class Meeting should return the confirmation slip for the H Shares Class Meeting to the Company on or before Thursday, 19 January 2012; and
- (c) Holders of H shares of the Company may send the above confirmation slip to the legal address of the Company in person, by post or by facsimile.

3. Proxy

- (a) A holder of H shares of the Company eligible to attend the H Shares Class Meeting is entitled to appoint one or more proxies to attend and vote on his behalf in accordance with the articles of association of the Company. A proxy need not be a holder of H shares of the Company;
- (b) A proxy shall be appointed by a written instrument signed by the appointer or its attorney. If the form of proxy is signed by the attorney of the appointer, the power of the attorney or other authorisation document(s) of such attorney should be notarised;

- (c) To be valid, the power of attorney or other authorisation document(s) which have been notarised together with the completed form of proxy, must be delivered to the H Share Registrar of the Company, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time designed for the holding of the H Shares Class Meeting or not less than 24 hours before the time appointed for taking the poll; and
- (d) A holder of H shares of the Company who has appointed more than one proxy shall only vote on a poll at the H Shares Class Meeting.

4. Closure of Register of Members of the Company

The register of members of the Company will be closed from Monday, 9 January 2012 to Wednesday, 8 February 2012 (both days inclusive), during which no transfer of shares of the Company will be effected. Holders of H shares of the Company whose names stand on the register of members of the Company at 4:30 p.m. on Friday, 6 January 2012 are entitled to attend and vote at the H Shares Class Meeting.

- 5.** The H Shares Class Meeting is expected not to last for more than half a day. Attendants shall bear their own traveling and accommodation expenses.

Legal address of the Company:
Level 25, Hangdu Building
Shennan Road Central, CATIC Zone
Futian District, Shenzhen
Guangdong Province
the People's Republic of China
Tel.: 0755-8368 8956
Fax: 0755-8368 8209
Postal code: 518031
Website: www.avic161.com

NOTICE OF CLASS MEETING FOR HOLDERS OF DOMESTIC SHARES

NOTICE IS HEREBY GIVEN that the class meeting for holders of Domestic Shares (the “Domestic Shares Class Meeting”) of CATIC Shenzhen Holdings Limited (the “Company”) will be held at Level 25, Hangdu Building, CATIC Zone, Shennan Road Central, Futian District, Shenzhen, the People’s Republic of China on Wednesday, 8 February 2012 at 11:30 a.m. (or immediately after the conclusion or adjournment of the extraordinary general meeting and class meeting for holders of H shares of the Company which will be held at the same place and on the same date) for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolutions:

SPECIAL RESOLUTIONS

1. **“THAT:**

- (a) the conditional acquisition agreement entered into between the Company and AVIC International Holding Corporation (中國航空技術國際控股有限公司) dated 16 November 2011 in relation to the proposed acquisition by the Company of 100% of the equity interest in China National Aero-Technology Corporation Shanghai Limited Liability Company (中國航空技術上海有限公司), 50% of the equity interest in AVIC Lutong Company Limited (中航路通實業有限公司), 90% of the equity interest in Guizhou CATIC Resources Company Limited (貴州中航資源有限公司) and 100% of the equity interest in AVIC-INTL Project Engineering Company (中航國際成套設備有限公司) (collectively, the “Sale Interests 1”) at a consideration of RMB1,311,110,000, to be satisfied by the issue of perpetual subordinated convertible securities in the principal amount of RMB1,311,110,000 convertible into 368,289,325 new ordinary domestic shares of a nominal value of RMB1.00 each in the capital of the Company (the “Domestic Shares”) at the initial conversion price of RMB3.56 per Domestic Share (the “PSCS 1”) by the Company (the “Acquisition Agreement 1”), a copy of which has been produced to the Domestic Shares Class Meeting marked “A” and signed by the chairman of the Domestic Shares Class Meeting for the purpose of identification, and all the transactions contemplated thereunder, be approved, confirmed and ratified;
- (b) the conditional acquisition agreement entered into between the Company and AVIC International Shenzhen Company Limited (中國航空技術深圳有限公司) dated 16 November 2011 in relation to the proposed acquisition by the Company of 55.91% of the equity interest in Chengdu Ya Guang Electronic Company Limited (成都亞光電子股份有限公司) and 51% of the equity interest in Shenzhen AVIC Bi Te Communication Technology Company Limited (深圳市中航比特通訊技術有限公司), (the “Sale Interests 2”) at a consideration of RMB637,920,000, to be satisfied by the issue of perpetual subordinated convertible securities in the principal amount of RMB637,920,000 convertible into 179,191,011 new Domestic Shares at the initial conversion price of RMB3.56 per Domestic Share (the “PSCS 2”) by the Company (the “Acquisition Agreement 2”), a copy of which has been produced to the Domestic Shares Class Meeting marked “B” and signed by the chairman of the Domestic Shares Class Meeting for the purpose of identification, and all the transactions contemplated thereunder, be approved, confirmed and ratified;

- (c) subject to completion of the transactions contemplated under the Acquisition Agreement 1 and the Acquisition Agreement 2, the Directors be specifically authorised to issue the PSCS 1 to AVIC International Holding Corporation (中國航空技術國際控股有限公司) and the PSCS 2 to AVIC International Shenzhen Company Limited (中國航空技術深圳有限公司) in accordance with the terms and conditions of the Acquisition Agreement 1 and the Acquisition Agreement 2, respectively;
- (d) subject to completion of the transactions contemplated under the Acquisition Agreement 1 and the Acquisition Agreement 2, the Directors be specifically authorised to allot and issue such number of new Domestic Shares as may be required to be allotted and issued upon exercise of the conversion right attaching to the PSCS 1 and the PSCS 2 at the initial conversion price of RMB3.56 per Domestic Share in accordance with the terms and conditions of the Acquisition Agreement 1 and the Acquisition Agreement 2 and the PSCS 1 and the PSCS 2, respectively; and
- (e) any one of the Directors be authorised to sign, execute, perfect, deliver, negotiate, agree and ratify all such documents, and take all such steps which may be in his opinion consider necessary, reasonable or expedient to implement and/or give effect to the Acquisition Agreement 1 and the Acquisition Agreement 2 and the transactions contemplated thereunder and/or agree to such variations, amendments, or waiver of matters relating there as are, in the opinion of such Director, in the interest of the Company.”

2. **“THAT:**

- (a) the conditional acquisition agreement entered into between the Company and AVIC International Shenzhen Company Limited (中國航空技術深圳有限公司) dated 16 November 2011 in relation to the proposed acquisition by the Company of 316,257,000 shares of Rainbow Department Store Co., Ltd. (天虹商場股份有限公司), representing approximately 39.52% equity interest in Rainbow Department Store Co., Ltd. (天虹商場股份有限公司) (the “Sale Interests 3”) at a consideration of RMB6,328,302,570, to be satisfied by the issue of perpetual subordinated convertible securities in the principal amount of RMB6,328,302,570 convertible into 1,777,613,081 new Domestic Shares at the initial conversion price of RMB3.56 per Domestic Share (the “PSCS 3”) by the Company (the “Acquisition Agreement 3”), a copy of which has been produced to the Domestic Shares Class Meeting marked “C” and signed by the chairman of the Domestic Shares Class Meeting for the purpose of identification, and all the transactions contemplated thereunder, be approved, confirmed and ratified;

- (b) subject to completion of the transactions contemplated under the Acquisition Agreement 3, the Directors be specifically authorised to issue the PSCS 3 to AVIC International Shenzhen Company Limited (中國航空技術深圳有限公司) in accordance with the terms and conditions of the Acquisition Agreement 3;
- (c) subject to completion of the transactions contemplated under the Acquisition Agreement 3, the Directors be specifically authorised to allot and issue such number of new Domestic Shares as may be required to be allotted and issued upon exercise of the conversion right attaching to the PSCS 3 at the initial conversion price of RMB3.56 per Domestic Share in accordance with the terms and conditions of the Acquisition Agreement 3 and the PSCS 3; and
- (d) any one of the Directors be authorised to sign, execute, perfect, deliver, negotiate, agree and ratify all such documents, and take all such steps which may be in his opinion consider necessary, reasonable or expedient to implement and/or give effect to the Acquisition Agreement 3 and the transactions contemplated thereunder and/or agree to such variations, amendments, or waiver of matters relating there as are, in the opinion of such Director, in the interest of the Company.”

By Order of the Board
CATIC Shenzhen Holdings Limited
Wu Guang Quan
Chairman

Shenzhen, the PRC, 23 December 2011

Notes:

1. Eligibility for the Domestic Shares Class Meeting

Holders of domestic shares who intend to attend the Domestic Shares Class Meeting must deliver all instruments of transfer, accompanied by the relevant share certificates, to the legal address of the Company on or before 4:30 p.m. on Friday, 6 January 2012.

2. Registration procedures for the Domestic Shares Class Meeting

- (a) A holder of domestic shares or his proxy should produce proof of identity when attending the Domestic Shares Class Meeting;
- (b) Holders of domestic shares who intend to attend the Domestic Shares Class Meeting should return the confirmation slip for the Domestic Shares Class Meeting to the Company on or before Thursday, 19 January 2012; and
- (c) Holders of domestic shares may send the above confirmation slip to the legal address of the Company in person, by post or by facsimile.

3. Proxy

- (a) A holder of domestic shares eligible to attend the Domestic Shares Class Meeting is entitled to appoint one or more proxies to attend and vote on his behalf in accordance with the articles of association of the Company. A proxy need not be a holder of domestic shares of the Company;

- (b) A proxy shall be appointed by a written instrument signed by the appointer or its attorney. If the form of proxy is signed by the attorney of the appointer, the power of the attorney or other authorisation document(s) of such attorney should be notarised;
- (c) To be valid, the power of attorney or other authorisation document(s) which have been notarised together with the completed form of proxy, must be delivered to the legal address of the Company not less than 24 hours before the time designed for the holding of the Domestic Shares Class Meeting or not less than 24 hours before the time appointed for taking the poll; and
- (d) A holder of domestic shares who has appointed more than one proxy shall only vote on a poll at the Domestic Shares Class Meeting.

4. Closure of Register of Members of the Company

The register of members of the Company will be closed from Monday, 9 January 2012 to Wednesday, 8 February 2012 (both days inclusive), during which no transfer of shares of the Company will be effected. Holders of domestic shares whose names stand on the register of members of the Company at 4:30 p.m. on Friday, 6 January 2012 are entitled to attend and vote at the Domestic Shares Class Meeting.

- 5. The Domestic Shares Class Meeting is expected not to last for more than half a day. Attendants shall bear their own traveling and accommodation expenses.

Legal address of the Company:
Level 25, Hangdu Building
Shennan Road Central, CATIC Zone
Futian District, Shenzhen
Guangdong Province
the People's Republic of China
Tel.: 0755-8368 8956
Fax: 0755-8368 8209
Postal code: 518031
Website: www.avic161.com

As at the date of this announcement, the Board comprises a total of 13 Directors, Mr. Wu Guang Quan, Mr. You Lei, Mr. Lai Wei Xuan, Mr. Sui Yong, Mr. Liu Rui Lin and Mr. Xu Dong Sheng as executive Directors; Mr. Cheng Bao Zhong, Mr. Qiu Shen Qian, Mr. Li Cheng Ning and Mr. Wang Bin Bin as non-executive Directors; and Ms. Wong Wai Ling, Mr. Wu Wei and Mr. Liu Xian Fa as independent non-executive Directors.