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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

RESULTS OF SUBSIDIARIES

Summary

On 26 April 2018, the subsidiaries of the Company, namely AVICOPTER, Hongdu Aviation, AVIC Avionics and JONHON Optronic will publish their unaudited first quarterly reports for 2018 prepared under CAS (China Accounting Standards) on the websites of the Shanghai Stock Exchange or the Shenzhen Stock Exchange (as the case may be) respectively.

Investors are reminded that the financial data as set out in this announcement are unaudited results for the first quarter of 2018 of the subsidiaries of the Company, rather than that of the Company. Investors should also note that the Company prepares its financial statements under IAS (International Accounting Standards) and therefore, the financial data prepared under CAS of the subsidiaries of the Company disclosed herein may be significantly different if prepared under IAS. Investors should exercise caution when dealing in the securities of the Company.

On 26 April 2018, the subsidiaries of the Company, namely AVICOPTER, Hongdu Aviation, AVIC Avionics and JONHON Optronic, will publish their unaudited first quarterly reports for 2018 prepared under CAS on the websites of the Shanghai Stock Exchange and the Shenzhen Stock Exchange (as the case may be) respectively. The key unaudited financial data of the reports are set out as follows:

For the three months ended 31 March 2018

Unit: RMB

Name of company	Revenue	Cost	Net profit / (loss) attributable to the equity holders of the company
AVICOPTER	2,141,024,345.10	1,837,533,228.01	70,664,673.21
Hongdu Aviation	200,843,804.18	187,325,198.54	(20,914,049.01)
AVIC Avionics	902,361,842.18	643,633,871.72	(59,559,715.24)
JONHON Optronic	1,477,251,373.79	958,890,034.87	167,378,172.36

During the reporting period, the net profit attributable to the equity holders of AVIC Avionics decreased by 128.39% as compared with that of the corresponding period of the preceding year. The main reason is that the gross profit margin decreased as a result of the change in products structure. The operating revenue of Hongdu Aviation decreased by 52.33% as compared with that of the corresponding period of the preceding year, which is attributable to the decrease in revenue from ancillary products for certain product.

Investors are reminded that the above financial data are unaudited results for the first quarter of 2018 of the subsidiaries of the Company, rather than that of the Company. Investors should also note that the Company prepares its financial statements under IAS and therefore, the financial data prepared under CAS of the subsidiaries of the Company disclosed herein may be significantly different if prepared under IAS. Investors should exercise caution when dealing in the securities of the Company.

For further details relating to the first quarterly reports for 2018 of each of the above subsidiaries of the Company, please refer to the announcements dated 26 April 2018 published by each of the above subsidiaries of the Company on the websites of the Shanghai Stock Exchange (www.sse.com.cn) or the Shenzhen Stock Exchange (www.szse.cn) (as the case may be) respectively.

Definitions:

“AVIC Avionics” China Avionics Systems Co., Ltd.*, a joint stock limited liability company whose A shares are listed on the Shanghai Stock Exchange, is held as to 43.22% by the Company directly as at the date of this announcement

“AVICOPTER” AVICOPTER PLC.*, a joint stock limited liability

company whose A shares are listed on the Shanghai Stock Exchange, is held as to 34.77% by the Company directly and indirectly as at the date of this announcement

“Board”	the board of directors of the Company
“Company”	AviChina Industry & Technology Company Limited*
“Hongdu Aviation”	Jiangxi Hongdu Aviation Industry Co., Ltd.*, a joint stock limited liability company whose A shares are listed on the Shanghai Stock Exchange, is held as to 43.77% by the Company directly as at the date of this announcement
“JONHON Optronics”	China Aviation Optical-Electrical Technology Co., Ltd.*, a joint stock limited liability company whose A shares are listed on the Shenzhen Stock Exchange, is held as to 41.17% by the Company directly as at the date of this announcement
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of PRC

By Order of the board of directors
AviChina Industry & Technology Company Limited*
Xu Bin
Company Secretary

Beijing, 26 April 2018

As at the date of this announcement, the Board comprises executive directors Mr. Lin Zuoming, non-executive directors Mr. Tan Ruisong, Mr. Wu Xiandong, Mr. Li Yao, Mr. He Zhiping and Mr. Patrick de Castelbajac as well as independent non-executive directors Mr. Lau Chung Man, Louis, Mr. Liu Renhuai and Mr. Yeung Chi Wai.

** For identification purposes only*