



**AviChina**  
AviChina Industry & Technology Company Limited  
中國航空科技工業股份有限公司

# 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

#### Summary

On 25 October 2006, Dongan Motor, Hafei Aviation, Hongdu Aviation and Changhe Auto will publish their respective third quarter reports of 2006 in Shanghai.

**Investor should note that the Company has prepared its financial statements under the international accounting standards. If the financial data disclosed herein are prepared under the international accounting standards, they may be significantly different from what have been disclosed herein. Investors should exercise caution when dealing in the securities of the Company.**

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.

On 25 October 2006, pursuant to the rules governing disclosure of information of companies whose shares are listed on the Shanghai Stock Exchange, Dongan Motor, Hafei Aviation, Hongdu Aviation and Changhe Auto will publish their respective third quarter reports of 2006 which have been prepared under the PRC accounting standards in Shanghai. The major financial data of the reports are set out as follows:

**For the nine months ended 30 September 2006**

*Unit: RMB*

Name of company	Income from principal activities	Costs of principal activities	Net profit
Dongan Motor	1,581,009,308.36	1,429,645,030.05	32,347,537.85
Hafei Aviation	1,027,885,904.97	920,760,124.21	43,300,661.42
Hongdu Aviation	491,222,737.78	388,677,452.73	61,724,546.64
Changhe Auto	2,933,868,681.89	2,688,606,014.40	(148,005,589.53)

Note: Changhe Auto disclosed that it expected to suffer a loss in the year 2006, which was mainly attributable to the drop of the gross profit margin caused by price cutting and the rise of the period expenses.

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#### Definitions:

"Changhe Auto"	Jiangxi Changhe Automobile Co., Ltd., a joint stock limited company whose shares are listed on the Shanghai Stock Exchange with 62.39% of its interests being directly held by the Company and another 0.83% of its interests being held by the Company through Dongan Motor
"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 59.51% of its interests being held by the Company
"PRC"	the People's Republic of China
"Hafei Aviation"	Hafei Aviation Industry Co., Ltd., a joint stock limited company whose shares are listed on the Shanghai Stock Exchange with 50.05% of its interests being held by the Company through a wholly-owned subsidiary
"Hongdu Aviation"	Jiangxi Hongdu Aviation Industry Co., Ltd., a joint stock limited company whose shares are listed on the Shanghai Stock Exchange with 55.29% of its interests being held by the Company through a wholly-owned subsidiary

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

Hong Kong, 24 October 2006

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