

**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 29 August 2005, Changhe Auto will publish its 2005 Interim Report in Shanghai.

**Investors should note that the Company has prepared its financial statements under International Accounting Standards. If the financial data disclosed herein are prepared under 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.**

The announcement is made pursuant to Rule 13.09(2) of the Listing Rules of Hong Kong Stock Exchange.

On 29 August 2005, pursuant to the rules of Shanghai Stock Exchange governing disclosure of information of A Share Listed Companies, Changhe Auto will publish its 2005 Interim Report prepared under the PRC accounting standards in Shanghai. The major financial data of the report are set out as follows:

**For the six months ended 30 June 2005***Unit: RMB*

<b>Company</b>	<b>Income from principle activities</b>	<b>Costs of principle activities</b>	<b>Net profit</b>
Changhe Auto	1,712,851,084.35	1,517,198,481.80	3,005,982.89

*Note:* Changhe Auto also will disclose that a loss of approximate RMB 20 million is expected in the third quarter as the third quarter appears to be a low season in every year.**Investors should note that the Company has prepared its financial statements under International Accounting Standards. If the financial data disclosed herein are prepared under 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.****Definitions:**

“the Company”      AviChina Industry & Technology Company Limited  
 “Changhe Auto”    Jiangxi Changhe Automobile Co., Ltd., a joint stock limited company whose shares are listed on the Shanghai Stock Exchange with 71.58% 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, 26 August 2005

*As at the date of this announcement, the board of the Company comprises executive directors Mr. Zhang Hongbiao and Mr. Wu Xiangdong, and non-executive directors Mr. Liang Zhenhe, Mr. Song Jingang, Mr. Tan Ruisong, Mr. Wang Bin, Mr. Chen Huaigui, Mr. Tian Min, Mr. Wang Yong and Mr. Maurice Savart as well as independent non-executive directors Dr. The Hon. Li Kwok-Po, David, Mr. Guo Chongqing and Mr. Li Xianzong.*

\* For identification purposes only