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CHINA AEROSPACE INTERNATIONAL HOLDINGS LIMITED

航天科技國際集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 31)

RESULT OF OPEN OFFER

Reference is made to the prospectus of China Aerospace International Holdings Limited (the "Company") dated 27 June 2007 (the "Prospectus") in respect of the Open Offer. Capitalised terms used herein shall have the same meanings as those defined in the Prospectus, unless the context otherwise specifies.

RESULT OF THE OPEN OFFER

The Board is pleased to announce that as at 4:00 p.m. on Thursday, 12 July 2007, being the latest time for payment for and acceptance of the Offer Shares, a total of 2,582 valid acceptances and applications had been received for a total of 1,289,704,286 Offer Shares, which comprise: (i) 1,091 valid acceptances of assured allotments in respect of a total of 386,229,473 Offer Shares; and (ii) 1,491 valid applications for excess Offer Shares in respect of a total of 903,474,813 Offer Shares. In aggregate, they represented approximately 301 % of the total number of 428,483,980 Offer Shares available under the Open Offer. As a result of the over-subscription of the Offer Shares, the Underwriter's obligations under the Underwriting Agreement have been fully discharged.

The Open Offer has become unconditional after 4:00 p.m. on Tuesday, 17 July 2007.

Regarding the 903,474,813 Offer Shares being applied for by way of excess application, the Board has resolved to allot 42,254,507 Offer Shares available for excess application to each of the Qualifying Shareholders who have submitted valid Excess Application Form on the following basis:

Number of excess Offer Shares applied for	Number of valid applications	Allotment basis
1 to 1,799	143	100%
1,800 or above	1,348	Odd lot in full plus approximately 4.47% on remaining Offer Shares applied for

The Directors consider that applications to topping-up odd lots to whole board lots will be given preference and that the above allocation of the excess Offer Shares is on a fair and equitable basis.

SHAREHOLDINGS IN THE COMPANY

Set out below the shareholding structure of the Company immediately before and after completion of the Open Offer:

	Immediately before completion of the Open Offer		Immediately after completion of the Open Offer	
	Share	%	Share	%
Controlling Shareholders	911,108,864	42.53	1,093,330,636	42.53
Public	1,231,311,038	57.47	1,477,573,246	57.47
Total	2,142,419,902	100.00	2,570,903,882	100.00

SHARE OPTIONS

The Share Option Scheme adopted by the Company on 8 July 1997 had expired on 8 July 2007. The Company has not adopted any share option scheme subsequent to the expiration of the Share Option Scheme. As at the date of this announcement, there are no outstanding share options under the Share Option Scheme.

DESPATCH OF SHARE CERTIFICATES FOR OFFER SHARES AND COMMENCEMENT OF DEALINGS OF OFFER SHARES IN FULLY-PAID FORM

Share certificates for fully paid Offer Shares in respect of valid acceptances of Offer Shares on Assured Allotment Letters and successful applications for excess Offer Shares are expected to be despatched by ordinary post to those entitled thereto, at their own risk, on or about Wednesday, 18 July 2007. Refund cheques in respect of wholly or partially unsuccessful excess applications (without interest) are expected to be despatched by ordinary post to those entitled thereto, at their own risk, on or about Wednesday, 18 July 2007. Dealings in fully paid Offer Shares on the Stock Exchange are expected to commence on Friday, 20 July 2007.

By order of the Board
Zhao Liqiang
Executive Director

Hong Kong, 17 July 2007

As at the date of this announcement, the Board comprises :

<i>Executive Directors</i>	<i>Non-Executive Directors</i>	<i>Independent Non-Executive Directors</i>
Mr Zhao Liqiang (<i>President</i>)	Mr Ma Xingrui (<i>Chairman</i>)	Mr Chow Chan Lum, Charles
Mr Zhou Qingquan	Mr Gong Bo	Mr Luo Zhenbang
Mr Zhao Yuanchang	Ms Chan Ching Har, Eliza	Mr Wang Junyan
Mr Wu Hongju	Mr Wang Yujun	
Mr Guo Xianpeng	Mr Xu Jianhua	