



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)

**ANNOUNCEMENT
CHANGE OF DIRECTORSHIP**

The Board of Directors (the “Board”) of China Aerospace International Holdings Limited (the “Company”) is pleased to announce, with effect from 28 September 2007, the resignation of Mr Ma Xingrui as Non-Executive Director and Chairman of the Company, due to limited time available to the office of the directorship and Chairman of the Company as the result of his promotion to the General Manager of China Aerospace Science & Technology Corporation, the substantial shareholder of the Company, and the appointment of Mr Wu Zhuo as Non-Executive Director and Chairman of the Company.

Mr Ma Xingrui has confirmed that there is no disagreement in all aspects with the Company and there are no matters that need to be brought to the attention of the shareholders of the Company in relation to his resignation.

Mr Wu Zhuo, aged 57, is a Research Fellow with graduate qualification. Mr Wu started his career in Heilongjiang Production and Construction Corps from December 1967 and studied chief design of spacecrafts in Hunan Changsha Technical College from October 1973. In addition, Mr Wu served as Technician in Nanjing Chenguang Machinery Factory from December 1976, Assistant Engineer of the Second Research Academy of the Ministry of Space Industry of China from February 1980, Engineer of Aerospace System Engineering Bureau of the Ministry of Space Industry of China from October 1983, Supervisor and Deputy Division Director of System Engineering Bureau of the Ministry of Aerospace Industry of China from 1988. Through his career in China Aerospace Corporation from June 1993, he had held such positions as Division Director and Deputy Director General of Research & Production Department, Deputy Director General of Human Resources & Training Department and the Head of General Office. From June 1999 onwards, he served as Deputy General Manager of China Aerospace Science & Technology Corporation. Mr Wu was invited to Columbia University as senior visiting scholar for one year in 1988. He was assessed as Research Fellow in 1998 and obtained the Government Subsidy awarded by the State Council in 1999. Mr Wu has been managing in the field of aerospace for a number of years and has extensive capability and experience in the management of system engineering and human resources.

As at the date of this announcement, Mr Wu Zhuo:

1. has confirmed that he does not have any interest in and does not hold any short position in any share or underlying share in or any debenture of the Company or any of its associated companies within the meaning of Part XV of the Securities and Futures Ordinance;
2. has confirmed that he has no relationships with any director, senior management or substantial or controlling shareholder of the Company (as defined in the Listing Rules);

3. has confirmed that he did not have any directorship in other listed public company in the past three years;
4. will entitle to a director's fee of HK\$100,000 per annum; and
5. has a fixed term of service of two years and is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of the Company.

Save as disclosed above, there is no other information that needs to be brought to the attention of the shareholders of the Company or disclosed pursuant to Rule 13.51(2) of the Listing Rules.

The Board would like to extend its sincerest gratitude to Mr Ma Xingrui for his substantial contributions to the Group's development during his tenure of services and extend a warm welcome to Mr Wu Zhuo in joining the Board.

By order of the Board
Zhao Liqiang
Executive Director

Hong Kong, 28 September 2007

As of the date of this announcement, the Board of Directors of the Company comprises:

Executive Directors

Mr Zhao Liqiang (*President*)
Mr Zhou Qingquan
Mr Zhao Yuanchang
Mr Wu Hongju
Mr Guo Xianpeng

Non-Executive Directors

Mr Wu Zhuo (*Chairman*)
Mr Gong Bo
Ms Chan Ching Har, Eliza
Mr Wang Yujun
Mr Xu Jianhua

Independent Non-Executive Directors

Mr Chow Chan Lum, Charles
Mr Luo Zhenbang
Mr Wang Junyan