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中航興業有限公司

CHINA NATIONAL AVIATION COMPANY LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 1110)

**DELAY IN DESPATCH OF CIRCULAR
CONNECTED TRANSACTION
AIRPORT FEES TRANSACTION AND ITS NEW ANNUAL CAP**

The Directors wish to announce that the despatch of the Circular will be delayed. As additional time is required by the Company to gather more information to be included in the Circular, the despatch of the Circular has to be delayed.

The Company has applied to the Stock Exchange for a waiver from strict compliance with the requirements under Rule 14A.49 of the Listing Rules as to postponement of the despatch date of the Circular to on or before 2 May 2006.

The board of directors (the “**Board**”) of China National Aviation Company Limited (the “**Company**”) refers to the announcement (the “**Announcement**”) of the Company dated 20 March 2006 in relation to, inter alia, a connected transaction involving the Airport Fees Transaction and its New Annual Cap. Unless otherwise stated, terms used herein shall have the same meanings as those defined in the Announcement.

DELAY IN DESPATCH OF CIRCULAR

Pursuant to rule 14A.49 of the Listing Rules, a circular of the Company (the “**Circular**”) is required to be despatched to shareholders of the Company within 21 days after publication of the Announcement, being on or before 10 April 2006. However, since the Company needs to gather more information to be included in the Circular, additional time is required.

Having considered the above, the Board currently expects that the Circular will be despatched to the Company’s shareholders on or before 2 May 2006. In this connection, the Company has applied to the Stock Exchange for a waiver from the strict compliance with Rule 14A.49 of the Listing Rules to postpone the despatch date of the Circular to on or before 2 May 2006.

By order of the Board of
Li Man Kit
Company Secretary

Hong Kong, 10 April 2006

As at the date of this announcement, the executive Directors are Messrs. Kong Dong, Chuang Shih Ping, Zhang Xianlin, Tsang Hing Kwong, Thomas, Gu Tiefert and Zhao Xiaohang and the independent non-executive Directors are Messrs. Lok Kung Nam, Hu Hung Lick, Henry, Ho Tsu Kwok, Charles, Li Kwok Heem, John and Chan Ching Har, Eliza.

“Please also refer to the published version of this announcement in The Standard.”