

Speech at the 2nd Session of the “Silk Road International Forum”

Lin Zuoming

Chairman, Aviation Industry Corporation of China

Good morning, everyone! I'm greatly honored to come to Madrid, the beautiful capital of Spain and the European historical and cultural city, to participate in the 2nd Session of the “Silk Road International Forum”. In these two days, governments, international organizations, think tanks and business representatives from dozens of countries come together, and seek the international cooperation and common development plan in the new era, which is not only a noble cause for the benefit of peoples in all countries, but also our common mission.

Two thousand years ago, the “Silk Road” across the land and water in Asia, Europe and Africa realized dialogue and exchange of the great civilizations of the world, and also linked the countries closely together. The peace and cooperation, openness and tolerance, exchange and mutual benefit, mutual learning and other spirits that the ancient “Silk Road” represents still shines with the glory of the times until now. Currently, the world economy is in difficult recovery, and the world pattern is undergoing profound adjustments, and the human being is facing increasing major trans national and global challenges. International cooperation on a larger scope, higher grade, and deeper level has become the common aspiration of people in all countries.

China proposed and promoted the strategic concept of “New Silk Road Economic Belt” and “The 21st Century Maritime Silk Road”, to strengthen interoperability of the national infrastructure and economic and trade exchanges along the Belt and Road, which is of great significant for the promotion of national political mutual trust, economic integration and cultural tolerance, common

response to crisis and the sharing of the achievements of development. This is the pioneering exploration of Chinese government to promote the global cooperation in the new era. We are pleased to see that the ancient “Silk Road” is blooming with new vigor and full vitality, and continuing to bring benefits to the countries and the people along the Belt and Road.

Enterprises are the main force of economic development, the disseminator of human civilization, and also the messenger of world peace. With the in-depth development of globalization today, the important role of enterprises has become more and more prominent. If the governments along the “Belt and Road” joint hands to build a new platform for the deepening of cooperation, the main players that dance on this stage are also enterprises. As one of China's major high-tech enterprise groups, AVIC actively participates in the regional cooperation and development of the “Belt and Road Initiative”, with particular emphasis on the complementary advantages to carry out production cooperation and promote regional cooperation and national economic development, which is both our opportunity for development, and our mission and responsibility.

AVIC is a backbone enterprise in China's aviation industry, with 20 specialized industrial sectors, covering many areas of civil and military aviation products, non-aviation products and modern service industry. We have formed a 3-dimensional whole industry chain, whole value chain and whole brand culture chain with cross mutual support development model of “Cube Economy”. With the staff of more than 50 million, of which more than 1.5 million are overseas employees, more than 200 affiliated companies; 29 listed companies at home and abroad, and more than 200 offices in over 60 countries and regions; for seven consecutive years we have been listed in the “Fortune” Global 500, ranking No. 159 in 2015. We attach great importance to the participation and the promotion of international cooperation, and incorporate the “Integration into the world aviation industry chain” into our business development strategy, propose the idea of “Only partners, not competitors” for cooperation, with products, technology, capital and market as the link, to accelerate the international cooperation.

In the countries along the “Belt and Road” such as Kenya, Pakistan, Kazakhstan, Kyrgyzstan, Indonesia and so on, we base on our own strengths to serve the local economy, and carry out in-depth cooperation in the areas of aerospace manufacturing operation, infrastructure construction, trade of large sets of equipment and others, which has achieved good economic and social benefits. For example, we operate by way of joint venture with Tanzania, Zambia, Burundi, Kenya and so on to jointly establish airlines, and open up the air passages between local and neighboring countries, so as to

promote the economic and social development; we have also set up the Bayon Cambodia Airlines as the first domestic airline company that invests overseas in the establishment of the operation of mainly domestic branch line aircraft MA60, which officially opened for operation at the end of 2014.

Chinese people preach the “Harmony”, so we carry out international cooperation not only based on bilateral win-win cooperation, but also looking forward to building good relations of great understanding and the harmonious development between two countries and peoples. For example, Austria FACC company joining franchise with AVIC not only ended its history of continuous losses, but also made good development; meanwhile, we invested about 200 million Euros in facilities in Oklahoma, Austria, with an increase of employees for more than 1,000 people, which is highly praised by the local government and residents, and has become a successful example of Sino-Austrian cooperation. Another example, we apply a variety of modes of cooperation to export glass production line related equipment and technology to businesses in Africa and other areas to promote their glass production level and capacity enhancement, and the same time, provide local solutions for more than 300 jobs. In addition, we also carried out wind farm and other new energy projects, waste incineration and other environmental protection projects as well as mobile hospitals and other social welfare projects, making efforts to better the lives of local residents.

Currently, in the overall framework of “Belt and Road Initiative”, AVIC, as a diversified industrial group, has a huge potential of high-quality production capacity, wide field of international cooperation, and also broader space for cooperation, with more fruitful achievements from cooperation. Whether in the field of aviation, or non-aviation, whether in manufacturing or operations management, we all have the strengths and capabilities, and can apply a variety of business, operation and financing models to provide integrated solutions for our partners. We can make product marketing cooperation, transfer technology for joint production, carry out joint research and development, and even provide financial and other services, so as to create value for both parties jointly.

Ladies and gentlemen,

The communication between countries along the “Silk Road” has a long history, and the friendship between peoples of those countries go way back, which is what we should cherish. In the new era of history, AVIC sincerely hopes that under the strategic framework of the “Belt and Road Initiative”, we can develop cooperation of “Equality, mutual benefit and win-win” with enterprises in all countries. We will give full play to our own productivity advantages, and closely cooperate with the related national governments and businesses, expand the areas of cooperation and promote regional cooperation, and

work together to implement each project sound and well, facilitate the economic development, cultural exchanges, people's livelihood improvement and mutual political trust of the related countries along the “Belt and Road”, to make due contributions to the world peace and development, so that the ancient “Silk Road” will bloom with brilliant glory of the new era!

Thank you all!