

FOR IMMEDIATE RELEASE

**CONTINENTAL MOTORS, INC. POWERS FORWARD WITH EXPANDED INVESTMENT IN
DIESEL ENGINE TECHNOLOGY**

OSHKOSH, WI (24 July 2012) — Continental Motors, Inc. (CMI), a subsidiary of AVIC International Holding Corporation of Beijing, China announced today that it has expanded its investment in advanced diesel engine technology for the general aviation market. The company's board of directors has authorized full investment in a line of diesel engines ranging from 160 horsepower to 350 plus horsepower.

Continental Motors' turbo diesel line is based on the traditional piston aviation engine model. This approach simplifies many design aspects for the engine and also simplifies both the forward and backward compatibility with the aircraft community. The turbo diesel series will incorporate three models initially – TD220 (160-180 HP range); TD300 (200-250 HP range) and TD450 (300-350 HP range).

“Continental Motors is working hard towards the delivery of a highly anticipated full range of diesel engines to the aviation community” said Rhett Ross, President of Continental Motors. “I am pleased to announce that the commitment by our company and board extends to full production launch of the diesel line. The TD300 will enter rate production at our factory in Mobile, Alabama in Q1 of 2013” he went on to say.

The turbo diesel series will be characterized by horizontally opposed cylinders, direct propeller drive and electronic controls. The engines will also include many other enhancements to ensure that they provide the cost, reliability and customer support people expect from Continental Motors. The TD 300 enters production in Q1 2013. The TD450 will enter production in Q1 of 2015. The TD220 will follow after these two have successfully entered the market.

AVIC International Holding Corporation of Beijing, China, a subsidiary of Aviation Industry Corporation of China, engages in aviation, trading and logistics, real estate, and industrial investment businesses in China and internationally. Within the aviation market, its operations include parts trading, spare parts supply, piston aviation engine manufacturing through Continental Motors, Inc., flight training, and after sales support. www.avic-intl.cn

Continental Motors Inc. of Mobile, AL has been a recognized world leader in the development of aviation products for over 100 years. Our aircraft piston engine leadership stretches from the A-70 radial engine, which established a new level of smoothness and reliability, to the engines for the Voyager aircraft, which successfully circumnavigated the globe without refueling. The company currently manufactures a full line of piston engine products that power the majority of the high performance certified piston aircraft of today. www.genuinecontinental.aero

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