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中國國際航空股份有限公司  
AIR CHINA LIMITED

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*  
(Stock Code: 00753)

**FIRST QUARTERLY REPORT 2015**

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the “**Board**”) of Air China Limited (the “**Company**”) held a meeting of the Board on 29 April 2015 and passed the resolution approving the quarterly report of the Company for the first quarter of 2015 prepared in accordance with the PRC Accounting Standards.

**1. IMPORTANT NOTICE**

1.1 The Board, the supervisory committee, as well as the directors, supervisors and senior management of the Company hereby warrant that there are no false representations, misleading statements or material omissions in this report, and jointly and severally accept full responsibility for the truthfulness, accuracy and completeness of the contents of this quarterly report.

1.2 Attendance of the directors of the Company at the Board meeting.

<b>Name of absent director</b>	<b>Position of absent director</b>	<b>Reason(s) for absence</b>	<b>Name of proxy</b>
John Robert Slosar	Director	Business engagement	Ian Sai Cheung Shiu
Fan Cheng	Director	Business engagement	Song Zhiyong

1.3 Cai Jianjiang (legal representative of the Company), Xiao Feng (person in charge of accounting function), and Zhan Zhong (person in charge of accounting department (accounting superintendent)) hereby warrant that the financial statements set out in this quarterly report are true, accurate and complete.

1.4 The financial statements set out in the first quarterly report of the Company are unaudited.

## 2. MAJOR FINANCIAL DATA OF THE COMPANY AND CHANGES IN SHAREHOLDERS

### 2.1 Major financial data

			<i>Unit: RMB'000</i>
	<b>At the end of the reporting period</b>	<b>At the end of the previous year</b>	<b>Increase/ decrease at the end of the reporting period as compared to the end of the previous year (%)</b>
Total assets	210,693,979	209,642,869	0.50
Net asset attributable to shareholders of the listed company	56,070,490	54,340,012	3.18
	<b>For the period from the beginning of the year to the end of the reporting period (January to March)</b>	<b>For the corresponding period of the previous year (January to March)</b>	<b>Increase/decrease as compared to the corresponding period of the previous year (%)</b>
Net cash flows from operating activities	5,902,751	3,730,780	58.22

	For the period from the beginning of the year to the end of the reporting period	For the corresponding period of the previous year	Increase/decrease as compared to the corresponding period of the previous year (%)
Revenue	25,261,513	24,418,843	3.45
Net profit attributable to shareholders of the listed company	1,675,244	92,708	1,707.01
Net profit attributable to shareholders of the listed company after deducting non-recurring profits and losses	1,621,861	-17,468	9,384.75
Weighted average return on net assets (%)	3.03	0.17	Increased by 2.86 pts
Basic earnings per share (RMB)	0.14	0.01	1,300.00
Diluted earnings per share (RMB)	N/A	N/A	N/A
Weighted average return on net assets after deducting non-recurring profits and losses (%)	2.94	-0.03	Increased by 2.97 pts
Basic earnings per share after deducting non-recurring profits and losses (RMB)	0.13	-0.001	13,100.00

Non-recurring profits and losses

Applicable  Not applicable

*Unit: RMB '000*

<b>Items</b>	<b>Amounts for the period</b>
Gains/(losses) from disposal of non-current assets	-1,017
Government grants included in the profits and losses for the current period (except for those that are closely related to the Company's normal operating business and qualified under national policy to continually receive certain standard amount and quantities)	133,974
Gain/(loss) from changes in fair value of financial assets/liabilities held for trading and investment gains from disposal of financial assets/liabilities held for trading and available-for-sale financial assets (except for hedging activities related to the Company's normal operating business)	2,660
Other non-operating income and expenses not covered above	-9,600
Effect on non-controlling interests (after taxation)	-41,782
Effect of income tax	-30,852
<b>Total</b>	<b>53,383</b>

## 2.2 Total number of shareholders, the top 10 shareholders and the top 10 shareholders not subject to selling restrictions as at the end of the reporting period

Total number of shareholders 255,692

*Unit: share*

Name of shareholder (full name)	Particulars of the top 10 shareholders					
	Shares held at the end of the period	Shareholding percentage (%)	Shares held subject to selling restrictions	Shares pledged or frozen Status	Number	Nature of shareholder
China National Aviation Holding Company	5,427,546,093	41.48	192,796,331	Frozen	127,445,536	State
Cathay Pacific Airways Limited	2,633,725,455	20.13	0	Nil		Foreign legal person
HKSCC NOMINEES LIMITED	1,679,986,520	12.84	0	Unknown		Foreign legal person
China National Aviation Corporation (Group) Limited	1,556,334,920	11.89	0	Frozen	36,454,464	Foreign legal person
China National Aviation Fuel Group Corporation	86,300,000	0.66	0	Unknown		State-owned legal person
Sinotrans Air Transportation Development Co., Ltd.	75,800,000	0.58	0	Unknown		State-owned legal person
Jiang Hongye (蔣宏業)	39,600,000	0.30	0	Unknown		Unknown
Taikang Life Insurance Ltd — Bonus — Personal Bonus — 019L — FH002 Shanghai	35,004,590	0.27	0	Unknown		Unknown
Bank of China Limited — Huatai-PineBridge Positive Growth Mixed Fund	23,466,170	0.18	0	Unknown		Unknown
Zhao Xiaodong (趙曉東)	21,663,258	0.17	0	Unknown		Unknown

**Particulars of the top 10 shareholders not subject to selling restrictions**

Name of shareholder	Number of tradable shares held not subject to selling restrictions	Class and number of shares	
		Class	Number
China National Aviation Holding Company	5,234,749,762	RMB ordinary shares	5,234,749,762
Cathay Pacific Airways Limited	2,633,725,455	Overseas listed foreign shares	2,633,725,455
HKSCC NOMINEES LIMITED	1,679,986,520	Overseas listed foreign shares	1,679,986,520
China National Aviation Corporation (Group) Limited	1,556,334,920	RMB ordinary shares Overseas listed foreign shares	1,332,482,920 223,852,000
China National Aviation Fuel Group Corporation	86,300,000	RMB ordinary shares	86,300,000
Sinotrans Air Transportation Development Co., Ltd.	75,800,000	RMB ordinary shares	75,800,000
Jiang Hongye (蔣宏業)	39,600,000	RMB ordinary shares	39,600,000
Taikang Life Insurance Ltd — Bonus — Personal Bonus — 019L — FH002 Shanghai	35,004,590	RMB ordinary shares	35,004,590
Bank of China Limited — Huatai-PineBridge Positive Growth Mixed Fund	23,466,170	RMB ordinary shares	23,466,170
Zhao Xiaodong (趙曉東)	21,663,258	RMB ordinary shares	21,663,258
Explanations on connected relationship or action in concert among the above shareholders	China National Aviation Corporation (Group) Limited is a wholly-owned subsidiary of China National Aviation Holding Company. Accordingly, China National Aviation Holding Company is directly and indirectly interested in 53.37% of the shares of the Company.		

*Notes:*

1. HKSCC NOMINEES LIMITED is a subsidiary of The Stock Exchange of Hong Kong Limited and its principal business is acting as nominee for and on behalf of other corporate shareholders or individual shareholders. The 1,679,986,520 H Shares held by it in the Company do not include the 166,852,000 Shares held by it as nominee of China National Aviation Corporation (Group) Limited.

2. According to the “Implementation Measures on Partial Transfer of State-owned Shares to the National Social Security Fund in the Domestic Securities Market” (Cai Qi [2009] No. 94) (《境內證券市場轉持部分國有股充實全國社會保障基金實施辦法》(財企[2009]94號)) and the Notice ([2009] No. 63) jointly issued by the Ministry of Finance, the State-owned Assets Supervision and Administration Commission of the State Council, China Securities Regulatory Commission and the National Council for Social Security Fund, 127,445,536 shares and 36,454,464 shares held by China National Aviation Holding Company, the controlling shareholder of the Company, and China National Aviation Corporation (Group) Limited respectively are frozen at present.

**2.3 Total number of holders of preference shares, the top 10 holders of preference shares and the top 10 holders of preference shares not subject to selling restrictions as at the end of the reporting period**

Applicable  Not applicable

**3. SIGNIFICANT EVENTS**

**3.1 Particulars of, and reasons for, significant changes in major items in the accounting statements and key financial indicators of the Company**

Applicable  Not applicable

Total profit of the Group for the first quarter of 2015 was RMB2,406 million, representing a year-on-year increase of RMB2,264 million; net profit attributable to the parent company was RMB1,675 million, representing a year-on-year increase of RMB1,583 million. The increases in total profit of the Group and net profit attributable to the parent company were mainly due to the year-on-year increase in revenue as a result of optimised operational arrangement and increased capacity deployment as well as the effective cost control and the year-on-year decrease in aviation fuel cost.

*Unit: RMB'000*

Items in consolidated balance sheet	As of 31 March 2015	As of 31 December 2014	Amount of Change	Percentage	Reasons for Change
Short-term bonds payable	1,240,000	640,000	600,000	93.75%	Issuance of short-term bonds by a subsidiary of the Group during the reporting period.
Receipts in advance	87,157	141,037	-53,880	-38.20%	Decrease in amount of passenger tickets received in advance during the reporting period.
Taxes payable	1,342,686	973,620	369,066	37.91%	Increase in corporate income taxes payable and civil aviation infrastructure construction levy during the reporting period.

<b>Items in consolidated income statement</b>	<b>For the period from the beginning of the year to the end of the reporting period (January to March)</b>	<b>For the corresponding period of the previous year (January to March)</b>	<b>Amount of Change</b>	<b>Percentage</b>	<b>Reasons for Change</b>
Investment income	190,395	44,141	146,254	331.33%	Increase in investment income from joint ventures and associated companies recognised during this reporting period as compared to the corresponding period of the previous year.
Non-operating income	143,071	223,708	-80,637	-36.05%	Decrease in income from grants during this reporting period as compared to the corresponding period of the previous year.
Non-operating expenses	19,713	7,613	12,100	158.94%	Increase in non-operating expenses of Shenzhen Airlines during this reporting period.
Income tax expenses	510,806	48,987	461,819	942.74%	Increase in income tax expenses due to increased taxable income during this reporting period.

Items in consolidated statement of cash flows	For the period from the beginning of the year to the end of the reporting period (January to March)	For the corresponding period of the previous year (January to March)	Amount of		Reasons for Change
			Change	Percentage	
Net cash proceeds from disposal of fixed assets, intangible assets and other long-term assets	3,568	268,674	-265,106	-98.67%	Decrease in aircraft disposals completed during this reporting period as compared to the corresponding period of the previous year.
Net increase in secured loans	180,004	4,543	175,461	3862.23%	Greater change in the balance of secured deposits during the reporting period as compared to the corresponding period of the previous year.
Cash received from borrowings	4,995,568	9,403,891	-4,408,323	-46.88%	Improvement in utilisation efficiency of self-owned funds and proactive reduction in borrowings used as working capital during the reporting period.
Cash received from issue of debentures	600,000	–	600,000	–	Issue of short-term bonds by a subsidiary of the Group during the reporting period.
Cash paid for repayment of borrowings	6,598,736	11,337,256	-4,738,520	-41.80%	Decrease in repayment of matured debts during this reporting period as compared to the corresponding period of the previous year.
Other cash paid relating to financing activities	1,532,612	935,247	597,365	63.87%	Increase in settlement of obligations under finance leases during the reporting period as compared to the corresponding period of the previous year.

### 3.2 Analysis and explanation on the progress of significant events and their impact and resolutions

Applicable  Not applicable



### 3.3 Performance of undertakings given by the Company and the shareholders holding more than 5% of the shares of the Company

Applicable  Not applicable

Background of undertakings	Type of undertakings	The party making the undertakings	Contents of undertakings	Date and duration of undertakings	Is there performance duration?	Are they timely and strictly performed?
Undertakings in relation to refinancing	Related party transactions	CNAHC	<p>China National Aviation Holding Company (“CNAHC”) made the undertakings in respect of matters relating to deposits and loans business between the Company and China National Aviation Finance Co., Ltd. (“CNAF”), a subsidiary of CNAHC, as follows:</p> <p>(1) CNAF is a duly incorporated enterprise group finance company pursuant to the Administrative Measures for Enterprise Groups Finance Companies and other relevant rules and regulations, and sets up sound internal control and financial accounting systems. The operations of CNAF are in compliance with the requirements of the relevant rules and regulations and it is running very well, therefore the deposits and loans business activities between the Company and CNAF are definitely secure. In the future, CNAF will continue to operate in strict compliance with the requirements of the relevant rules and regulations;</p> <p>(2) As the Company is independent from CNAHC in respect of its assets, businesses, personnel, finance and organizations, CNAHC will continue to ensure independence of the Company and fully respect the rights of the Company to determine its own operations. The deposits and loans business activities between the Company and CNAF are decided by the Company in its sole discretion in accordance with the relevant regulatory requirements and actual operating needs, and the internal procedures are to be performed according to the relevant laws and regulations and the articles of association of the Company. CNAHC will not intervene the decisions of the Company;</p> <p>(3) According to the Administrative Measures for Enterprise Groups Finance Companies, in the event of crisis involving payment difficulties of CNAF, CNAHC will increase the capital of CNAF to the extent required for resolving such payment difficulties, so as to ensure the security of the Company’s deposits placed with CNAF.</p>	The undertakings were made on 12 August 2010	No	Yes

Undertakings in relation to refinancing	Related party transactions	The Company	Under the framework of the financial services agreement signed by the Company and CNAF on 20 November 2012, it is assured that the maximum daily balance of deposits placed by the Company and its holding subsidiaries with CNAF shall be less than the maximum daily balance of loans and other credit services granted by CNAF to the Company and its holding subsidiaries, and the average daily balance of deposits placed by the Company and its holding subsidiaries with CNAF in each accounting year shall be less than the average daily balance of loans and other credit services actually granted by CNAF to the Company and its holding subsidiaries in the relevant year.	The undertakings were made on 17 October 2012 and shall be fulfilled on or before 31 December 2015	Yes	Yes
Other undertakings	Shares sale restriction	CNAHC	On 20 December 2013, CNAHC increased its shareholdings in the Company by 760,000 A shares via the trading system of the Shanghai Stock Exchange, representing 0.01% of the total issued share capital of the Company (the "First Share Acquisition"). CNAHC intends to continue to increase its shareholdings in the Company, either in its own name or through parties acting in concert with it, via the secondary market within 12 months from 20 December 2013 up to an aggregated amount not exceeding 2% of the total issued share capital of the Company (including the increased shareholdings in the First Share Acquisition). CNAHC undertakes that it will not sell any shares it holds in the Company during the period of the implementation of the acquisition plan and within the statutory period.	The undertakings were made on 21 December 2013 and shall be fulfilled on or before 19 June 2015	Yes	Yes

**3.4 Warning in respect of forecast of possible net loss from the beginning of the year to the end of the next reporting period or warning in respect of any significant changes in net profit as compared with that of the corresponding period of previous year and the underlying reasons**

Applicable  Not applicable

Company name Air China Limited  
Legal representative Cai Jianjiang  
Date 29 April 2015

## 4. APPENDIX

### 4.1 Financial Statements

#### Consolidated Balance Sheet

31 March 2015

Prepared by Air China Limited

Items	<i>Unit: RMB'000 (Unaudited)</i>	
	<b>Balance at the end of period</b>	<b>Balance at the beginning of the year</b>
<b>CURRENT ASSETS:</b>		
Cash and bank balances	9,037,969	9,734,557
Provisions on payables		
Contributions made		
Financial assets at fair value through profit or loss	14,154	12,534
Derivative financial assets		
Bills receivable	233	155
Accounts receivable	3,409,601	2,984,209
Prepayments	786,559	843,801
Premium receivable		
Receivables on reinsurance		
Provisions for reinsurance contracts		
Interest receivable		
Dividend receivable		
Other receivables	2,891,809	2,846,003
Purchase of financial assets resold		
Inventories	1,116,787	1,100,179
Assets held for sale	327,879	457,623
Non-current assets due within a year		
Other current assets	1,930,894	2,510,998
Total current assets	19,515,885	20,490,059

Items	<b>Balance at the end of period</b>	<b>Balance at the beginning of the year</b>
<b>NON-CURRENT ASSETS:</b>		
Loans and advances		
Available-for-sale financial assets	93,823	90,222
Held-to-maturity investments		
Long-term receivables	551,966	525,184
Long-term equity investments	13,580,649	13,368,005
Investment properties	344,188	347,992
Fixed assets	141,800,274	139,607,933
Construction in progress	25,690,440	26,448,536
Construction materials		
Disposal of fixed assets		
Biological assets for production		
Oil and gas assets		
Intangible assets	3,992,840	3,619,450
Development expenses		
Goodwill	1,102,185	1,102,185
Long-term deferred expenses	549,366	558,726
Deferred tax assets	3,472,363	3,484,577
Other non-current assets		
Total non-current assets	191,178,094	189,152,810
Total assets	210,693,979	209,642,869

Items	<b>Balance at the end of period</b>	<b>Balance at the beginning of the year</b>
<b>CURRENT LIABILITIES:</b>		
Short-term loans	17,754,781	20,671,494
Borrowings from central bank		
Deposits from clients and placements from other banks		
Contributions received		
Short-term bonds payable	1,240,000	640,000
Financial liabilities at fair value through profit or loss	6,502	7,712
Derivative financial liabilities		
Bills payable	150,000	150,000
Accounts payable	12,096,220	11,757,797
Domestic air traffic liabilities	1,583,258	2,103,215
International air traffic liabilities	2,551,385	2,727,591
Receipts in advance	87,157	141,037
Sale of financial assets repurchased		
Fees and commissions payable		
Salaries and wages payable	1,257,457	1,663,520
Taxes payable	1,342,686	973,620
Interest payable	746,654	69,180
Dividend payable		
Other payables	4,983,923	5,251,688
Amounts payable on reinsurance		
Reserves on insurance contracts		
Brokerage payable		
Underwriting fees payable		
Liabilities held for sale		
Non-current liabilities due within a year	13,407,212	13,725,417
Other current liabilities		
Total current liabilities	57,207,235	60,472,271

Items	<b>Balance at the end of period</b>	<b>Balance at the beginning of the year</b>
<b>NON-CURRENT LIABILITIES:</b>		
Long-term loans	31,548,363	31,829,076
Debentures payable	17,194,630	17,194,120
Including: Preference shares		
Perpetual bonds		
Long-term payables	3,487,250	3,402,031
Long-term employee compensations payable		
Specific payables		
Obligations under finance leases	33,518,343	31,240,298
Estimated liabilities	353,210	360,481
Deferred income	3,516,793	3,336,106
Deferred income tax liabilities	2,443,827	2,336,862
Other non-current liabilities		
Total non-current liabilities	92,062,416	89,698,974
Total liabilities	149,269,651	150,171,245
<b>OWNER'S EQUITY</b>		
Issued capital	13,084,751	13,084,751
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	16,647,545	16,647,545
Less: Treasury shares		
Other comprehensive income	-5,003,810	-5,059,044
Specific reserves		
Surplus reserves	5,766,587	5,766,587
General risk provisions		
Retained earnings	25,575,417	23,900,173
Total owner's equity attributable to shareholders of the Company	56,070,490	54,340,012
Non-controlling interests	5,353,838	5,131,612
Total owner's equity	61,424,328	59,471,624
Total liabilities and owner's equity	210,693,979	209,642,869

Legal representative of the Company: Cai Jianjiang  
Person in charge of accounting function: Xiao Feng  
Person in charge of accounting department: Zhan Zhong

**Balance Sheet of the Parent Company**

31 March 2015

Prepared by Air China Limited

<b>Items</b>	<i>Unit: RMB'000 (Unaudited)</i>	
	<b>Balance at the end of period</b>	<b>Balance at the beginning of the year</b>
<b>CURRENT ASSETS:</b>		
Cash and bank balances	2,658,888	3,258,265
Financial assets at fair value through profit or loss		
Derivative financial assets		
Bills receivable		
Accounts receivable	2,281,318	2,033,210
Prepayments	575,338	559,578
Interest receivable		
Dividend receivable		
Other receivables	2,530,979	2,592,836
Inventories	651,670	633,178
Assets held for sale	327,879	457,623
Non-current assets due within a year		
Other current assets	1,674,949	1,895,153
Total current assets	10,701,021	11,429,843

<b>Items</b>	<b>Balance at the end of period</b>	<b>Balance at the beginning of the year</b>
<b>NON-CURRENT ASSETS:</b>		
Available-for-sale financial assets	22,784	22,784
Entrusted loans	1,020,000	1,020,000
Held-to-maturity investments		
Long-term receivables	358,368	349,500
Long-term equity investments	24,526,007	24,488,744
Investment properties		
Fixed assets	97,191,816	96,751,867
Construction in progress	17,832,850	18,466,382
Construction materials		
Disposal of fixed assets		
Biological assets for production		
Oil and gas assets		
Intangible assets	2,505,971	2,125,388
Development expenses		
Goodwill		
Long-term deferred expenses	356,447	362,315
Deferred tax assets	2,009,455	2,009,455
Other non-current assets		
Total non-current assets	145,823,698	145,596,435
Total assets	156,524,719	157,026,278



<b>Items</b>	<b>Balance at the end of period</b>	<b>Balance at the beginning of the year</b>
<b>CURRENT LIABILITIES:</b>		
Short-term loans	11,055,670	13,059,072
Financial liabilities at fair value through profit or loss	0	0
Derivative financial liabilities		
Bills payable		
Accounts payable	8,513,363	8,358,733
Domestic air traffic liabilities	1,083,940	1,472,580
International air traffic liabilities	2,254,179	2,445,144
Receipts in advance	84,418	99,081
Salaries and wages payable	429,012	522,110
Taxes payable	1,153,293	788,834
Interest payable	634,725	574,389
Dividend payable		
Other payables	3,494,204	3,875,786
Held-for-sale liabilities		
Non-current liabilities due within a year	9,593,538	9,915,116
Other current liabilities		
Total current liabilities	38,296,342	41,110,845

Items	Balance at the end of period	Balance at the beginning of the year
<b>NON-CURRENT LIABILITIES:</b>		
Long-term loans	17,470,278	17,612,658
Debentures payable	16,000,000	16,000,000
Including: Preference shares		
Perpetual bonds		
Long-term payables	1,757,510	1,757,510
Long-term employee compensations payable		
Specific payables		
Obligations under finance leases	24,939,166	23,895,151
Estimated liabilities	18,751	18,751
Deferred income	2,951,031	2,798,912
Deferred income tax liabilities	130,177	130,177
Other non-current liabilities		
Total non-current liabilities	63,266,913	62,213,159
Total liabilities	101,563,255	103,324,004
<b>OWNER' S EQUITY:</b>		
Issued capital	13,084,751	13,084,751
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	20,823,233	20,823,233
Less: Treasury shares		
Other comprehensive income	166,530	166,530
Specific reserves		
Surplus reserves	5,766,587	5,766,587
Retained earnings	15,120,363	13,861,173
Total owner's equity	54,961,464	53,702,274
Total liabilities and owner's equity	156,524,719	157,026,278

Legal representative of the Company: Cai Jianjiang  
Person in charge of accounting function: Xiao Feng  
Person in charge of accounting department: Zhan Zhong

**Consolidated Income Statement**

January to March 2015

Prepared by Air China Limited

Items	Unit: RMB'000 (Unaudited)	
	Amounts for the period	Amounts for the corresponding period of the previous year
<b>I. Revenue from operations</b>	25,261,513	24,418,843
Including: Operating income	25,261,513	24,418,843
Interest income		
Premium earned		
Fees and commission income		
<b>II. Total operating costs</b>	23,172,250	24,537,159
Including: Operating costs	19,549,141	20,732,739
Interest expenses		
Fees and commission expenses		
Returned premium		
Net reimbursement paid		
Net amounts of provisions on insurance contracts drawn		
Bonus paid on insurance policy		
Reinsurance premium		
Business taxes and other levies	46,089	39,761
Selling expenses	1,683,692	1,721,119
Administrative expenses	753,710	732,407
Finance expenses	1,137,672	1,311,394
Impairment loss of assets	1,946	-261
Add: Gains from changes in fair value (loss is represented by "-" sign)	2,890	-204
Investment income (loss is represented by "-" sign)	190,395	44,141
Including: Gains arising from investments in associated companies and joint ventures	189,508	43,786
Exchange gains (loss is represented by "-" sign)		

Items	Amounts for the period	Amounts for the corresponding period of the previous year
<b>III. Profit from operations (loss is represented by “-” sign)</b>	2,282,548	-74,379
Add: Non-operating income	143,071	223,708
Including: Gains arising from disposal of non-current assets	13	198
Less: Non-operating expenses	19,713	7,613
Including: Loss arising from disposal of non-current assets	312	480
<b>IV. Total profit (total loss is represented by “-” sign)</b>	2,405,906	141,716
Less: Income tax expenses	510,806	48,987
<b>V. Net profit (net loss is represented by “-” sign)</b>	1,895,100	92,729
Net profits attributable to shareholders of the Company	1,675,244	92,708
Gains or losses attributable to non-controlling interests	219,856	21
<b>VI. Other comprehensive income after taxation</b>	57,604	178,388
Other comprehensive income after taxation attributable to shareholders of the Company	55,234	174,285
(I) Other comprehensive income that cannot be subsequently reclassified to profit or loss		
1. Change arising from re-measurement of net liabilities or net assets in defined benefit plans		
2. Share of other comprehensive income of the investees accounted for using the equity method that cannot be reclassified to profit or loss		
(II) Other comprehensive income that will be subsequently reclassified to profit or loss	55,234	174,285
1. Share of other comprehensive income of the investees accounted for using the equity method that will be subsequently reclassified to profit or loss		

<b>Items</b>	<b>Amounts for the period</b>	<b>Amounts for the corresponding period of the previous year</b>
2. Gains or losses arising from changes in fair value of available-for-sale financial assets	1,377	
3. Gains or losses arising from reclassification of held-to-maturity investments to available-for-sale financial assets		
4. Effective portion of profit or loss on cash flow hedge		
5. Foreign exchange translation reserve	53,857	174,285
6. Others		
Other comprehensive income after taxation attributable to non-controlling interests	2,370	4,103
<b>VII. Total comprehensive income</b>	<b>1,952,704</b>	<b>271,117</b>
Total comprehensive income attributable to shareholders of the Company	1,730,478	266,993
Total comprehensive income attributable to non-controlling interests	222,226	4,124
<b>VIII. Earnings per share:</b>		
(I) Basic (RMB)	0.04	0.01
(II) Diluted (RMB)	N/A	N/A

Legal representative of the Company: Cai Jianjiang  
Person in charge of accounting function: Xiao Feng  
Person in charge of accounting department: Zhan Zhong

**Income Statement of the Parent Company**

January to March 2015

Prepared by Air China Limited

Items	Unit: RMB'000 (Unaudited)	
	Amounts for the period	Amounts for the corresponding period of the previous year
<b>I. Revenue from operations</b>	17,575,841	17,066,804
Less: Operating costs	13,436,927	14,389,650
Business taxes and other levies	28,055	22,109
Selling expenses	1,269,511	1,307,449
Administrative expenses	400,412	376,729
Finance expenses	849,237	971,036
Impairment loss of assets		
Add: Gains from changes in fair value (loss is represented by “-” sign)		
Investment income (loss is represented by “-” sign)	37,822	47,710
Including: Gains arising from investments in associated companies and joint ventures	37,264	47,710
<b>II. Profit from operations (loss is represented by “-” sign)</b>	1,629,521	47,541
Add: Non-operating income	16,471	62,767
Including: Gains arising from disposal of non-current assets	8	140
Less: Non-operating expenses	6,324	6,357
Including: Loss arising from disposal of non-current assets	26	77
<b>III. Total profit (total loss is represented by “-” sign)</b>	1,639,668	103,951
Less: Income tax expenses	380,478	6,865
<b>IV. Net profit (net loss is represented by “-” sign)</b>	1,259,190	97,086

Items	Amounts for the period	Amounts for the corresponding period of the previous year
<b>V. Other comprehensive income after taxation</b>		
(I) Other comprehensive income that cannot be subsequently reclassified to profit or loss		
1. Change arising from re-measurement of net liabilities or net assets in defined benefit plans		
2. Share of other comprehensive income of the investees accounted for using the equity method that cannot be reclassified to profit or loss		
(II) Other comprehensive income that will be subsequently reclassified to profit or loss		
1. Share of other comprehensive income of the investees accounted for using the equity method that will be reclassified to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investments to available-for-sale financial assets		
4. Effective portion of profit or loss on cash flow hedge		
5. Foreign exchange translation reserve		
6. Others		
<b>VI. Total comprehensive income</b>	1,259,190	97,086
<b>VII. Earnings per share:</b>		
(I) Basic (RMB)		
(II) Diluted (RMB)		

Legal representative of the Company: Cai Jianjiang  
Person in charge of accounting function: Xiao Feng  
Person in charge of accounting department: Zhan Zhong

## Consolidated Cash Flow Statement

January to March 2015

Prepared by Air China Limited

Unit: RMB'000 (Unaudited)

Items	Amounts for the period	Amounts for the corresponding period of the previous year
<b>I. Cash flows from operating activities:</b>		
Cash received from sales of goods and provision of services	25,409,856	25,117,741
Net increase in deposits from clients and placements from other banks		
Net increase in borrowings from central bank		
Net increase in contributions made to other financial institutions		
Cash received from premiums of original insurance contracts		
Net cash received from reinsurance operations		
Net increase in reserve of the insured and investment		
Net increase in disposal of held-for-trading financial assets		
Cash received from interests, fees and commission		
Net increase in contributions received		
Net increase in cash from repurchase operations		
Refund of tax and levy	1,918	
Other cash received relating to operating activities	733,811	726,794
Subtotal of cash inflows of operating activities	26,145,585	25,844,535
Cash paid for goods purchased and services received	13,649,637	16,038,164
Net increase in loans and advances to clients		
Net increase in deposits in central bank and to other banks		
Cash paid in respect of claims under original insurance contracts		
Cash paid for interests, fees and commission		
Cash paid for bonus paid on insurance policy		
Cash paid to or on behalf of employees	4,187,863	3,735,003
Tax and levies paid	601,422	571,584
Other cash paid relating to operating activities	1,803,912	1,769,004
Subtotal of cash outflows from operating activities	20,242,834	22,113,755
Net cash flows from operating activities	5,902,751	3,730,780



Items	Amounts for the period	Amounts for the corresponding period of the previous year
<b>II. Cash flows from investment activities:</b>		
Cash received from sales and redemption of investments		
Cash received from investment income	1,118	
Net cash proceeds from disposal of fixed assets, intangible assets and other long-term assets	3,568	268,674
Net cash proceeds from disposal of subsidiaries and other business units		
Other cash received relating to investment activities	38,395	49,844
Subtotal of cash inflows from investment activities	43,081	318,518
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	3,408,309	4,845,716
Cash paid for investments		
Net increase in secured loans	180,004	4,543
Net cash payments for acquisition of subsidiaries and other business units		
Other cash paid relating to investment activities	1,691	6,071
Subtotal of cash outflows from investment activities	3,590,004	4,856,330
Net cash flows from investment activities	-3,546,923	-4,537,812
<b>III. Cash flows from financing activities:</b>		
Cash received from capital injection		
Including: Cash received from capital injection of minority shareholders in subsidiaries		
Cash received from borrowings	4,995,568	9,403,891
Cash received from issue of debentures	600,000	
Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities	5,595,568	9,403,891
Cash paid for repayment of borrowings	6,598,736	11,337,256
Cash paid for distribution of dividends, profits or payment of interest expenses	691,413	791,374
Including: Dividends and profit paid to minority shareholders by subsidiaries		
Other cash paid relating to financing activities	1,532,612	935,247
Subtotal of cash outflows from financing activities	8,822,761	13,063,877
Net cash flows from financing activities	-3,227,193	-3,659,986

<b>Items</b>	<b>Amounts for the period</b>	<b>Amounts for the corresponding period of the previous year</b>
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	-5,192	49,862
<b>V. Net increase in cash and cash equivalents</b>	-876,557	-4,417,156
Add: Balance of cash and cash equivalents as at the beginning of the period	9,659,987	14,761,830
<b>VI. Balance of cash and cash equivalents as at the end of the period</b>	8,783,430	10,344,674

Legal representative of the Company: Cai Jianjiang  
Person in charge of accounting function: Xiao Feng  
Person in charge of accounting department: Zhan Zhong

## Cash Flow Statement of the Parent Company

January to March 2015

Prepared by Air China Limited

Items	Unit: RMB'000 (Unaudited)	
	Amounts for the period	Amounts for the corresponding period of the previous year
<b>I. Cash flows from operating activities:</b>		
Cash received from sales of goods and provision of services	17,475,983	17,753,637
Refund of tax and levy		
Other cash received relating to operating activities	427,207	433,294
Subtotal of cash inflows from operating activities	17,903,190	18,186,931
Cash paid for goods purchased and services received	9,576,537	10,796,400
Cash paid to or on behalf of employees	2,097,235	1,982,487
Tax and levies paid	417,090	227,049
Other cash paid relating to operating activities	1,761,599	1,816,505
Subtotal of cash outflows from operating activities	13,852,461	14,822,441
Net cash flows from operating activities	4,050,729	3,364,490
<b>II. Cash flows from investment activities:</b>		
Cash received from sales and redemption of investments		
Cash received from investment income	559	
Net cash proceeds from disposal of fixed assets, intangible assets and other long-term assets	2,344	267,848
Net cash proceeds from disposal of subsidiaries and other business units		
Other cash received relating to investment activities	14,740	46,213
Subtotal of cash inflows from investment activities	17,643	314,061
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	2,105,561	2,948,777
Cash paid for investments		
Net cash payments for acquisition of subsidiaries and other business units		
Cash paid for entrusted loans		1,020,000
Other cash paid relating to investment activities		3,819
Subtotal of cash outflows from investment activities	2,105,561	3,972,596
Net cash flows from investment activities	-2,087,918	-3,658,535

Items	Amounts for the period	Amounts for the corresponding period of the previous year
<b>III. Cash flows from financing activities:</b>		
Cash received from capital injection		
Cash received from borrowings	2,643,005	3,402,694
Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities	2,643,005	3,402,694
Cash paid for repayment of borrowings	3,603,608	5,659,422
Cash paid for distribution of dividends, profits or payment of interest expenses	536,131	605,154
Other cash paid relating to financing activities	1,057,680	727,815
Subtotal of cash outflows from financing activities	5,197,419	6,992,391
Net cash flows from financing activities	-2,554,414	-3,589,697
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	-7,774	4,915
<b>V. Net increase in cash and cash equivalents</b>	-599,377	-3,878,827
Add: Balance of cash and cash equivalents as at the beginning of the period	3,258,265	5,924,189
<b>VI. Balance of cash and cash equivalents as at the end of the period</b>	2,658,888	2,045,362

Legal representative of the Company: Cai Jianjiang  
Person in charge of accounting function: Xiao Feng  
Person in charge of accounting department: Zhan Zhong

By order of the Board  
**Air China Limited**  
**Rao Xinyu Tam Shuit Mui**  
*Joint Company Secretaries*

Beijing, the PRC, 29 April 2015

*As at the date of this announcement, the directors of the Company are Mr. Cai Jianjiang, Ms. Wang Yinxiang, Mr. Cao Jianxiong, Mr. Feng Gang, Mr. John Robert Slosar, Mr. Ian Sai Cheung Shiu, Mr. Song Zhiyong, Mr. Fan Cheng, Mr. Fu Yang\*, Mr. Yang Yuzhong\*, Mr. Pan Xiaojiang\* and Mr. Simon To Chi Keung\*.*

\* *Independent non-executive director of the Company*