

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

ANNOUNCEMENT ON KEY OPERATING DATA OF DECEMBER 2017

The enclosed announcement (the “**SSE Announcement**”) was published by Air China Limited (the “**Air China**”) on the Shanghai Stock Exchange on 15 January 2018, which contains combined operating data for December 2017 for Air China and its subsidiaries (collectively, the “**Group**”).

This announcement enclosing the SSE Announcement is made by Air China pursuant to Rule 13.09 and Rule 13.10B of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO. The data in the enclosed SSE Announcement was calculated based on the internal statistics of the Group, which may differ from the data disclosed in the relative periodic reports.

This announcement enclosing the SSE Announcement is made by Air China pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The data in the enclosed SSE Announcement was calculated based on the internal statistics of the Group, which may differ from the data disclosed in the relative periodic reports.

Investors are advised to exercise caution in dealing in shares of Air China.

By Order of the Board
Air China Limited
Zhou Feng Tam Shuit Mui
Joint Company Secretaries

Beijing, the PRC, 15 January 2018

As at the date of this announcement, the directors of the Company are Mr. Cai Jianjiang, Mr. Song Zhiyong, Mr. John Robert Slosar, Mr. Wang Xiaokang, Mr. Liu Deheng*, Mr. Stanley Hui Hon-chung* and Mr. Li Dajin*.*

* *Independent non-executive director of the Company*

SSE ANNOUNCEMENT

The SSE Announcement is written in Chinese, with no official English translation. The English translation is provided solely for reference only. In case of any discrepancy between the two versions, the Chinese version shall prevail. The full version of the SSE Announcement is as follows:

AIR CHINA LIMITED ANNOUNCEMENT ON KEY OPERATING DATA OF DECEMBER 2017

In December 2017, Air China Limited (the “**Company**”), and its subsidiaries (the “**Group**”) maintained growth in combined passenger traffic (measured by revenue passenger kilometers (the “**RPK**”)) as compared to the same period last year as well as compared to the same period last month. Passenger capacity (measured by available seat kilometers (the “**ASK**”)) and passenger traffic recorded a year-on-year increase of 9.4% and 10.6% respectively. For domestic routes, passenger capacity and passenger traffic increased by 6.5% and 7.2%, respectively, as compared to the same period last year. For international routes, passenger capacity and passenger traffic increased by 15.1% and 16.4%, respectively, as compared to the same period last year. Passenger capacity on regional routes increased by 1.6%, and passenger traffic recorded an increase of 11.5%, as compared to the same period last year. The overall passenger load factor was 80.3%, representing an increase of 0.9 percentage points as compared to the same period last year. The passenger load factor for domestic, international and regional routes increased by 0.5, 0.9 and 7.4 percentage points respectively.

The Company launched a Shenzhen-Los Angeles route (three times a week) on 7 December 2017, a Beijing-Brisbane route (four times a week) on 11 December 2017, a Hangzhou-Phuket route (three times a week) on 21 December 2017, and a Tianjing-Lianyungang-Bangkok route (three times a week) on 29 December 2017.

In terms of cargo operations, in December 2017, cargo and mail traffic (measured by revenue freight tonne kilometers (the “**RFTK**”)) continued to maintain growth as compared to the same period last year but recorded a slight decrease as compared to the same period last month. Freight tonnage carried almost maintained the same on both a year-on-year basis and a month-on-month basis. Cargo capacity (measured by available freight tonne kilometers (the “**AFTK**”)) increased by 9.1% year-on-year. Cargo and mail traffic increased by 4.2% and the volume of cargo and mail carried decreased by 0.5% as compared to the same period last year. The cargo load factor was 56.4% in December 2017, representing a year-on-year decrease of 2.6 percentage points.

In December 2017, the Group introduced eleven aircraft in total, including one A319, one A320NEO, one A330-300, two B737-800s, five B737-8MAXs and one B787-9 aircraft and retired one B737-700 and one B737-800 aircraft. As at the end of December 2017, the Group operated a fleet of 655 aircraft, including 276 self-owned aircraft, 176 aircraft under finance lease and 203 aircraft under operating lease.

The following table sets forth key operating data for December 2017:

	December 2017	Year- on-Year Change (%)	Month- on-Month Change (%)	Cumulative 2017	Year- on-Year Cumulative Change (%)
I. Capacity					
1. ATK (in million) ¹	3,160.5	9.3	1.9	35,671.3	5.6
Domestic	1,525.6	8.1	-1.6	17,473.3	8.0
International	1,536.7	10.9	5.8	17,061.2	3.7
Regional	98.1	3.0	0.5	1,136.9	-1.7
2. ASK (in million) ²	21,607.6	9.4	2.8	247,871.5	6.3
Domestic	12,648.0	6.5	-0.8	147,987.6	5.9
International	8,188.0	15.1	9.3	90,754.9	7.8
Regional	771.6	1.6	-0.2	9,128.9	-2.2
3. AFTK (in million) ³	1,210.7	9.1	0.6	13,312.8	4.5
Domestic	387.5	12.8	-3.8	4,164.5	15.3
International	797.5	7.4	2.8	8,870.0	0.3
Regional	25.7	7.8	3.7	278.3	-0.1
II. Traffic					
1. RTK (in million) ⁴	2,230.6	8.5	0.5	25,386.2	7.1
Domestic	1,068.4	5.1	-2.9	12,521.1	5.2
International	1,091.8	12.0	4.0	12,090.1	9.5
Regional	70.4	10.5	0.1	775.0	3.2
2. RPK (in million) ⁵	17,355.5	10.6	1.5	201,090.0	6.9
Domestic	10,303.8	7.2	-3.2	122,878.3	6.2
International	6,410.9	16.4	10.1	71,063.5	8.6
Regional	640.8	11.5	0.8	7,148.2	2.6
3. RFTK (in million) ⁶	682.4	4.2	-0.8	7,552.4	8.0
Domestic	149.9	-6.2	0.9	1,646.4	-0.2
International	521.7	7.6	-1.3	5,791.6	10.6
Regional	10.9	5.0	-1.8	114.4	7.0

	December 2017	Year- on-Year Change (%)	Month- on-Month Change (%)	Cumulative 2017	Year- on-Year Cumulative Change (%)
4. Number of Passengers carried (in thousand)	8,545.6	8.0	-1.4	101,577.5	5.1
Domestic	6,914.4	6.9	-3.4	83,525.0	5.9
International	1,219.1	13.4	10.1	13,496.0	1.9
Regional	412.1	12.9	1.9	4,556.5	2.3
5. Total Cargo and Mail carried (in tonnes)	168,426.8	-0.5	-0.2	1,845,836.0	4.3
Domestic	94,883.5	-6.8	0.4	1,044,702.2	-0.9
International	65,769.2	9.5	-1.0	719,049.4	12.4
Regional	7,774.1	4.1	-1.5	82,084.4	9.3
III. Load Factor					
1. Passenger Load Factor (%) ⁷	80.3	0.9	-1.1	81.1	0.4
Domestic	81.5	0.5	-2.0	83.0	0.2
International	78.3	0.9	0.6	78.3	0.5
Regional	83.0	7.4	0.8	78.3	3.7
2. Cargo and Mail Load Factor (%) ⁸	56.4	-2.6	-0.8	56.7	1.8
Domestic	38.7	-7.8	1.8	39.5	-6.1
International	65.4	0.2	-2.7	65.3	6.1
Regional	42.3	-1.2	-2.4	41.1	2.7
3. Overall Load Factor (%) ⁹	70.6	-0.5	-1.0	71.2	1.0
Domestic	70.0	-2.0	-1.0	71.7	-1.9
International	71.0	0.7	-1.2	70.9	3.7
Regional	71.7	4.9	-0.3	68.2	3.3

Notes:

1. “ATK(s)” refers to the number of tonnes of capacity available for transportation multiplied by the kilometers flown
2. “ASK(s)” refers to the number of seats available for sale multiplied by the kilometers flown
3. “AFTK(s)” refers to the number of tonnes of capacity available for the carriage of cargo and mail multiplied by the kilometers flown
4. “RTK(s)” refers to the revenue load (passenger and cargo) in tonnes multiplied by the kilometers flown
5. “RPK(s)” refers to the number of revenue passengers carried multiplied by the kilometers flown
6. “RFTK(s)” refers to the revenue cargo and mail load in tonnes multiplied by the kilometers flown
7. “Passenger Load Factor” refers to revenue passenger kilometers expressed as a percentage of available seat kilometers
8. “Cargo and Mail Load Factor” refers to revenue freight tonne kilometers expressed as a percentage of available freight tonne kilometers
9. “Overall Load Factor” refers to RTKs expressed as a percentage of available tonne kilometers

The key operating data above was calculated based on the internal statistics of the Group, which may differ from the data disclosed in the relative periodic reports. Investors are hereby reminded of the risks which may result from inappropriate reliance upon or utilization of the information given above.

By Order of the Board
Zhou Feng
Board Secretary

Beijing, the PRC, 15 January, 2018