

Air China Limited Announces 2015 Third Quarter Results

Results Highlights

Items (RMB Billion)	Q3 2015 (Jul-Sep)	Q3 2014 (Jul-Sep)	Change %	Jan-Sep 2015	Jan-Sep 2014	Change %
Operating Revenue	31.230	29.812	4.76	82.381	78.960	4.33
Operating Profit	2.980	3.736	-20.24	7.952	3.457	130.04
Net Profit	2.331	2.687	-13.25	6.280	3.171	98.09
Earnings Per Share (RMB)	0.19	0.22	-13.25	0.51	0.26	98.09

Hong Kong – October 29, 2015 – Air China Limited (“Air China” or “the Company,” together with its subsidiaries, collectively “the Group”) (HKEX: 00753; LSE: AIRC; SSE: 601111; ADR OTC: AIRYY), today announced its financial results¹ for the third quarter of 2015 (“the Period”).

Operating and Business Highlights

In the third quarter of 2015, China’s economy ran smoothly amid low international oil prices. Benefiting from a relatively strong summer market, domestic passenger demand grew steadily, international passenger demand rose significantly due to increased outbound tourism, and the cargo business continued to rebound. The Group proactively increased its deployed capacity, optimized its operations and refined cost management, resulting in a positive operating situation overall. However, influenced by exchange loss from RMB depreciation, operating profit and net profit recorded decrease.

During the Period, the Group recorded an operating revenue of RMB31.230 billion, representing a year-on-year increase of 4.76%. Operating costs were RMB 21.839 billion, down by 5.11%

year-on-year. Operating profit was RMB2.980 billion, dropping 20.24% year-on-year. Net profit was RMB 2.331 billion, a decrease of 13.25% from RMB2.687 billion in the same period last year.

During the Period, passenger capacity, measured by Available Seat Kilometers (ASK) was 56.632 billion, an increase of 11.88% year-on-year. Overall passenger traffic measured by Revenue Passenger Kilometers (RPK) was 46.287 billion, up 13.09% year-on-year. RPK on international and domestic routes increased by 18.27% and 11.53% year-on-year to 15.782 billion and 28.723 billion, respectively, and RPK on regional routes dropped 2.68% year-on-year to 1.782 billion. The passenger load factor was 81.73%, a year-on-year increase of 0.87 percentage points.

Cargo capacity as measured by Available Freight Tonne Kilometers (AFTK) was 3.054 billion, an increase of 20.47% year-on-year. Cargo traffic as measured by Revenue Freight Tonne Kilometers (RFTK) reached 1.678 billion, rising by 14.27%. The cargo and mail load factor was 54.94%, a year-on-year decrease of 2.98 percentage points.

Outlook

The aviation industry still faces many challenges ahead, yet the overall market demand looks to be positive. In light of a complex and ever changing business environment, the Group will persist with its prudent management precepts, firmly implement its strategies, strengthen cost controls, consolidate and expand its competitive advantages while continuing to improve its customer experience and strive to generate greater synergies by working with strategic partners to achieve sustainable growth.

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About Air China

Air China Limited (Air China) is the national flag carrier of China and a leading provider of passenger, air cargo and airline-related services and products in China. Its operational headquarters is in Beijing, a major domestic and international hub in China. It also provides airline-related services, including aircraft maintenance, ground handling services in Beijing, Chengdu, and other locations. As of June 30,

2015, the Group operated a fleet of 559 aircraft with an average age of 6.11 years, while the Company operated a fleet of 343 aircraft with an average age of 6.11 years. Passenger traffic routes have reached to 341 routes, including 86 international, 16 regional and 239 domestic routes. The Company's network covered 35 countries and regions globally and 164 cities, including 57 international, 4 regional and 103 domestic cities. Through the Star Alliance, the Company's route network extends to 1,321 destinations in 193 countries. Air China was listed on Hong Kong Stock Exchange and London Stock Exchange on December 15, 2004 under codes 00753 and AIRC respectively. On August 18, 2006, Air China was listed on Shanghai Stock Exchange under code 601111. For further details, please visit Air China's website: www.airchina.com.cn.

Safe Harbor Statement

This press release contains projections and forward-looking statements that reflect the company's current views with respect to future events and financial performance. These views are based on current assumptions which are subject to various risks and which may change over time. No assurance can be given that future events will occur that projections will be achieved, or that the company's assumptions are correct. Actual results may differ materially from those projected.

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