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中国南方航空股份有限公司
CHINA SOUTHERN AIRLINES COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1055)

**PROPOSED CHANGE OF SCOPE OF BUSINESS AND PROPOSED
AMENDMENT TO THE ARTICLES OF ASSOCIATION
AND
OVERSEAS REGULATORY ANNOUNCEMENT**

All members of the board (“Board”) of directors (the “Directors”) of China Southern Airlines Company Limited (the “Company”) jointly and severally warrant the truthfulness, accuracy and completeness of the contents of this announcement, and accept responsibility for any misrepresentations, misleading statements or material omissions contained herein.

**PROPOSED CHANGE OF SCOPE OF BUSINESS AND PROPOSED
AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

To meet the needs of business development, the Board proposed to expand the scope of business of the Company to include the “insurance agency services” and the articles of association of the Company (the “Articles of Association”) will be required to be amended to reflect such change of the scope of business. Pursuant to the relevant requirements of the listing rules of the Stock Exchanges where the Company are listed and the Articles of Association, the abovementioned matters shall be submitted to the forthcoming general meeting of the Company for consideration and approval by the shareholders of the Company (the “Shareholders”).

The proposed amendment to the Articles of Association consequential to the change of the scope of business of the Company is subject to the approval of the Shareholders at the forthcoming general meeting of the Company and will become effective after registration with the relevant government authorities in the PRC.

A circular containing, inter alia, details of the proposed change of scope of business and proposed amendments to the Articles of Association will be despatched to the Shareholders as soon as possible.

**MATTERS IN RELATION TO LETTER OF UNDERTAKING ISSUED BY CHINA
SOUTHERN AIR HOLDING COMPANY (“CSAHC”)**

The Company received a letter of undertaking issued by CSAHC recently in relation to the Financial Service Agreement entered into between the Company and China Southern Airlines

Group Finance Company Limited on 15 November 2007. The full text of which is set out below for information purpose only:

“CHINA SOUTHERN AIRLINES COMPANY LIMITED:

In respect of the deposits and loans incurred between your Company and China Southern Airlines Group Finance Company Limited (hereinafter referred to as “SA Finance”), a subsidiary of China Southern Air Holding Company (hereinafter referred to as the “Group”), the Group hereby undertakes as follows:

1. SA Finance is a duly incorporated enterprise group finance company pursuant to the “Administrative Measures for Enterprise Groups Finance Companies” and the other relevant rules and regulations, whose principal business is to provide finance management services for the members of the Group, and the relevant capital flows within the Group.
2. The operations of SA Finance are in compliance with the requirements of the relevant rules and regulations and it is running very well, therefore your deposits and loans with SA Finance are definitely secure. In future, SA Finance will continue to operate in strict compliance with the requirements of the relevant rules and regulations.
3. The issue of loan facility between your Company and SA Finance can be independently dealt with by your Company in accordance with the relevant rules and regulations and the Articles of Association, and the Group will not intervene the relevant policy of your Company;
4. As your Company is independent from the Group in respect of your assets, businesses, personnel, finance and organizations, the Group will continue to fully respect your rights to determine your own operations, and will not intervene your daily business operations.

This announcement is also published pursuant to rule 13.09(2) of The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

China Southern Air Holding Company

31 March 2009”

By order of the Board

China Southern Airlines Company Limited

Xie Bing and Liu Wei

Joint Company Secretaries

Guangzhou, the People’s Republic of China

2 April 2009

As at the date of this announcement, the Directors include Si Xian Min, Li Wen Xin, Wang

Quan Hua, Liu Bao Heng, Tan Wan Geng, Xu Jie Bo and Chen Zhen You as executive Directors; and Wang Zhi, Sui Guang Jun, Gong Hua Zhang and Lam Kwong Yu as independent non-executive Directors.