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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)

EXTENSION OF LONG STOP DATE
DISCLOSEABLE AND CONNECTED TRANSACTION
DISPOSAL OF 50% EQUITY INTERESTS IN
MTU MAINTENANCE ZHUHAI CO. LTD.

Reference is made to the announcement of China Southern Airlines Company Limited (the “Company”) issued on the website of the Stock Exchange (www.hkexnews.hk) on 28 September 2009 and China Securities Journal, Shanghai Securities News and the website of the Shanghai Stock Exchange (www.sse.com.cn) on 29 September 2009 and the circular of the Company dated 12 October 2009 (“Circular”) in relation to, among others, the proposed disposal of the 50% equity interests in MTU Maintenance Zhuhai Co., Ltd. and the relevant continuing connected transactions. Capitalised terms used herein have the same meaning as defined in the Circular.

Completion of the Transfer Agreement is subject to the conditions stated in the sub-paragraph headed “Conditions precedent” under the section headed “The Transfer Agreement” in the Circular having been fulfilled on or before the Long Stop Date or such other date as mutually agreed between the parties to the Agreement, failing which the Transfer Agreement will be terminated and all obligations of the parties under the Transfer Agreement shall cease, provided that the rights and liabilities of the parties thereto which have accrued prior to termination shall subsist and none of the parties to the Transfer Agreement shall have any claims against the other (save for any antecedent breach).

Completion of the Agreement is also subject to the conditions stated in the sub-paragraph headed “Conditions precedent” under the section headed “The Agreement” in the Circular. If the Agreement does not become effective on or before the Long Stop Date, it will lapse and be of no further force and effect, and the parties thereto shall have no claims whatsoever against each other.

According to the progress of the transfer of the equity interests in the JV Company, it is expected that additional time is required for the fulfilment of the conditions precedent, thus, the Company and CSAHC entered into a supplemental agreement on 29 December 2009 pursuant to which the parties agree that if the conditions precedent are not fulfilled on or before 28 February 2010 or such later date as the parties may mutually agree in writing, the parties may

negotiate and mutually agree to terminate the Transfer Agreement and the parties thereto shall not be subject to any default liability for such mutual termination. Each party thereto shall bear its own costs and expenses in relation to the Proposed Transfer. All rights and obligations of the parties under the Transfer Agreement shall cease, provided that the rights and liabilities of the parties thereto which have accrued prior to termination shall subsist and none of the parties to the Transfer Agreement shall have any claims against the other (save for any antecedent breach). Each of the parties thereto agree and confirm that the remaining provisions of the Transfer Agreement shall remain unchanged and in full force and effect.

On the same date, the Company, CSAHC, MTU and the JV Company also entered into a supplemental agreement, pursuant to which the parties agree that if the Agreement does not become effective on or before 28 February 2010, it will lapse and be of no further force and effect, and the Parties shall have no claims whatsoever against each other. Each of the parties thereto agree and confirm that the remaining provisions of the Transfer Agreement shall remain unchanged and in full force and effect.

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

29 December 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, Zhang Zi Fang, 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.