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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)

PROFIT WARNING

This announcement is made by China Southern Airlines Company Limited (the “Company”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board (the “Board”) of directors (the “Directors”) of the Company and all of its members confirm that this announcement does not contain any misrepresentation, misleading statement or material omission, and jointly and severally accept full responsibility for the truthfulness, accuracy and completeness of the contents of this announcement.

The Board wishes to inform the shareholders of the Company and potential investors that the financial results of the Company for the year ended 31 December 2008 will be further affected by a provision to be made for the impairment loss of the relevant fixed assets of the Company, based on preliminary assessment of the condition of provision made for impairment loss for assets of the Company.

Pursuant to the requirement under the “China Accounting Standards for Business Enterprises”, the Company is required to conduct impairment tests on the assets of the Company when it prepares its annual financial reports. Accordingly, a provision will be made for the impairment loss of the relevant fixed assets of the Company, as a result of the proposed displacement of some old aircraft and the decrease in the market price of aircraft caused by the global financial crisis. It is preliminary estimated that the provision for impairment loss for such fixed assets will, to some extent, have a negative impact on the 2008 financial results of the Company. The Board considers that as the impairment loss is a non-cash item, it will not seriously affect the cash flow of the Company. The operation of the Company remains stable.

The Company is still in the process of preparing its annual results for the year ended 31 December 2008. Information contained in this announcement is based on unaudited financial information which is subject to audit by the Company’s independent auditor. Shareholders of the Company and potential investors are advised to read carefully the Company’s annual results announcement for the year ended 31 December 2008 which is expected to be published in April 2009.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in shares of the Company.

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

11 March 2009

As at the date of this announcement, the directors of the Company 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.