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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)

ANNOUNCEMENT ON IMPLEMENTATION RESULTS OF INCREASE IN SHAREHOLDINGS OF COMPANY BY CONTROLLING SHAREHOLDER

Reference is made to the announcement of China Southern Airlines Company Limited (the "**Company**") dated 22 January 2014 in relation to the increase in shareholdings of the Company by its controlling shareholder.

I. The increase in shareholdings

On 22 January 2014, China Southern Air Holding Company (the "**CSAHC**"), the controlling shareholder of the Company, has increased its shareholdings in the Company by 1,175,267 A shares via the trading system of the Shanghai Stock Exchange and was intended to increase its shareholdings in the Company via the trading system of the Shanghai Stock Exchange within 12 months from 22 January 2014 in an aggregated amount not exceeding 2% of the total issued share capital of the Company (including the increased shareholdings) (the "**Increase in Shareholdings**").

II. Completion of the increase in shareholdings

As of 22 January 2015, CSAHC has completed the Increase in Shareholdings. During the period between 22 January 2014 and 21 January 2015, CSAHC has cumulatively increased its shareholdings in the Company by 58,536,278 A shares via the trading system of the Shanghai Stock Exchange, representing approximately 0.6% of the total share capital of the Company. Prior to the implementation of the Increase in Shareholdings, CSAHC held 4,150,050,000 A Shares, representing approximately 42.27% of the total share capital of the Company; CSAHC directly and indirectly held 5,214,820,000 shares of the Company, representing approximately 53.12% of the total share capital of the Company. Immediately following the implementation of the Increase in Shareholdings, CSAHC held 4,208,586,278 A shares, representing approximately 42.87% of the total share capital of the Company; CSAHC directly and indirectly held 5,273,356,278 shares of the Company, representing approximately 53.71% of the total share capital of the Company.

CSAHC has not reduced its shareholdings in the Company during the period of the implementation of the Increase in Shareholdings pursuant to its undertaking.

III. Legal Opinion

On 21 January 2015, in relation to the Increase in Shareholdings, Guandong Zhengda United Law firm issued the opinion that: CSAHC has the capacity to implement the Increase in Shareholdings; the Increase in Shareholdings is in accordance with the relevant law, provisions and regulations under the Company Law of The People's Republic of China, Securities Law of The People's Republic of China, Administrative Measures for the Takeover of Listed Companies issued by China Securities Regulatory Commission (the "**CSRC**"), Guidelines for the Increase in Shareholdings by Shareholders

of Listed Companies and their Persons Acting on Concert issued by Shanghai Stock Exchange, and is exempted from the requirement of a waiver application to CSRC; the Increase in Shareholdings was implemented in accordance with internal decision and approval and relevant information disclosure obligation has been complied with, and there are no insider dealing or information leakage and making suggestions to others to purchase or sell the shares of the Company and control the securities market or other related illegal behavior; there are no legal issues that will affect the shareholding changes due to the Increase in Shareholdings.

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

22 January 2015

As at the date of this announcement, the Directors include Si Xian Min, Wang Quan Hua, Yuan Xin An and Yang Li Hua as non-executive Directors, Tan Wan Geng, Zhang Zi Fang and Li Shao Bin as executive Directors; and Wei Jin Cai, Ning Xiang Dong, Liu Chang Le and Tan Jin Song as independent non-executive Directors.