

REPORT OF THE INTERNATIONAL AUDITORS



TO THE MEMBERS OF CHINA EASTERN AIRLINES CORPORATION LIMITED

(established in the People's Republic of China with limited liability)

We have audited the accompanying balance sheets of China Eastern Airlines Corporation Limited (the "Company") and its subsidiaries (the "Group") as at 31 December 2000, and the consolidated profit and loss account and cash flow statement for the year then ended. These financial statements set out on pages 34 to 81 are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2000, and of the results of the Group's operations and cash flows for the year then ended in accordance with International Accounting Standards, and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 9 April 2001