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中國國際航空股份有限公司

AIR CHINA LIMITED

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

(Stock Code: 00753)

**ANNOUNCEMENT
PROPOSED CHANGE OF AUDITORS**

This announcement is made by Air China Limited (the “**Company**”) pursuant to Rule 13.51 (4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

China National Aviation Holding Company, the controlling shareholder of the Company, is a central state-owned enterprise regulated by the State-owned Assets Supervision and Administration Commission of the State Council of the People's Republic of China (the “**SASAC**”). Pursuant to the relevant requirements issued by SASAC and the Ministry of Finance of the People's Republic of China, if the service term of an external accounting firm to continuously undertake financial auditing work for a central state-owned enterprise exceeds the prescribed time limit, the enterprise should consider changing or per request change such accounting firm.

In this connection, according to the above-mentioned requirements and after due consideration, the board of directors of the Company (the “**Board**”) has resolved, with the recommendation from the audit and risk management committee of the Board (the “**Audit and Risk Management Committee**”), to appoint Deloitte Touche Tohmatsu as the Company's international auditor and Deloitte Touche Tohmatsu Certified Public Accountants LLP (Special General Partnership) as the Company's domestic auditor and internal control auditor for the year ending 31 December 2017 (the “**Proposed Appointment**”) and such Proposed Appointment is subject to the approval of the shareholders of the Company (the “**Shareholders**”) at the general meeting of the Company. Upon approval at the general meeting, KPMG and KPMG Huazhen (Special General Partnership) will cease to be the auditors of the Company.

KPMG, the current international auditor of the Company, and KPMG Huazhen (Special General Partnership), the current domestic auditor and internal control auditor of the Company, have been providing audit services to the Company for four years and their term of service will expire at the

2016 annual general meeting of the Company. KPMG and KPMG Huazhen (Special General Partnership) have confirmed in writing that there were no matters regarding the proposed change of auditors of the Company that need to be brought to the attention of the Shareholders and the Audit and Risk Management Committee. The Board is not aware of any matter regarding the proposed change of auditors that should be brought to the attention of the Shareholders. The Board and the Audit and Risk Management Committee confirmed that there were no disagreements or unresolved matters between the Company and KPMG and KPMG Huazhen (Special General Partnership) regarding the proposed change of auditors.

The Board would like to take this opportunity to express its sincere gratitude to KPMG and KPMG Huazhen (Special General Partnership) for their professional services provided to the Company for the past years.

By Order of the Board
Air China Limited
Rao Xinyu Tam Shuit Mui
Joint Company Secretaries

Beijing, the PRC, 27 April 2017

As at the date of this announcement, the directors of the Company are Mr. Cai Jianjiang, Mr. Song Zhiyong, Mr. Cao Jianxiong, Mr. Feng Gang, Mr. John Robert Slosar, Mr. Ian Sai Cheung Shiu, Mr. Pan Xiaojiang, Mr. Simon To Chi Keung*, Mr. Stanley Hui Hon-chung* and Mr. Li Dajin*.*

* *Independent non-executive director of the Company*