

Management Discussion of April Operating Data

During April 2013, Air China Limited continued to record a year-over-year increase in passenger traffic, both in terms of Revenue Passenger Kilometres (RPK) and head count, and maintained similar levels for both indicators on a month-over-month basis. For cargo operation, Revenue Freighter Tonne Kilometres (RFTK) increased on a year-over-year basis but decreased month-over-month.

Passenger capacity in April, measured in Available Seat Kilometres (ASK), rose 11.1% year-over-year while passenger traffic, measured by RPK, climbed 9.6% year-over-year. Capacity on domestic routes increased 15.0% year-over-year, while RPK on domestic routes rose 12.4% year-over-year. Capacity and RPK on international routes rose 3.1% and 4.1% year-over-year respectively, and on regional routes rose 9.8% and 4.3% year-over-year respectively. The passenger load factor was 81.0%, a year-over-year decrease of 1.1 percentage points, of which that factor on international routes climbed 0.8 percentage points, but those same factors on domestic and regional routes declined 1.9 and 3.9 percentage points respectively.

Cargo capacity in April, measured in Available Freighter Tonne Kilometres (AFTK), rose 8.0% year-over-year. Revenue Freighter Tonne Kilometres (RFTK) and freighter tonnage carried both increased by 6.0% compared with April 2012. The cargo load factor was 58.4%, a year-over-year decline of 1.1 percentage points.

On 1 April, a new route, Tianjin-Xi'an-Urumqi (three flights per week), was launched. Another new route, Hangzhou-Yantai-Changchun (four flights per week), was launched starting from 2 April.

In April, excluding the controlling company, Air China purchased a total of 293,000 tonnes of jet fuel at a price of RMB7,293 per tonne, a year-over-year decrease of 8%. The average jet fuel purchase price at international airports was RMB6,340 per tonne, a year-over-year decline of 10%. The average jet fuel purchase price for international flights at the top six Chinese airports was RMB6,686 per tonne, a year-over-year decline of 10%. The average jet fuel purchase price for domestic flights was RMB7,841 per tonne, a year-over-year decrease of 8%.

Effective Date (Based on Ticket Issue Date)	Route		Previous Rate (Per Head Per Sector)	New Rate (Per Head Per Sector)
1 April	Hong Kong to Mainland China		HK\$242	HK\$254
	Mainland China to Hong Kong		RMB196	RMB204
24 April	Switzerland to Mainland China		CHF124	CHF160
	Mainland China to Switzerland		RMB 900	RMB 1200
5 April	Domestic routes	Below 800km	RMB 80	RMB70
		Above 800km	RMB 140	RMB 130

During the month, the company added three aeroplanes, specifically, one A321, one B737 and one B777-300ER. As at the end of April, Air China retired two B737 aeroplanes and operated a fleet of 472 aeroplanes.