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ANNOUNCEMENT

Further to the press announcement of the Company dated April 15, 2003, the Directors of the Company hereby issue the following supplemental announcement regarding the impact of the recent outbreak of SARS on the Group's business operation.

Further to the press announcement ("Press Announcement") of China Southern Airlines Company Limited (the "Company", and together with its subsidiaries, the "Group") dated April 15, 2003, the Directors of the Company would like to issue the following supplemental announcement regarding the impact of the recent outbreak of the severe acute respiratory syndrome ("SARS") on the Group's business operation, pursuant to paragraph 2 of the Listing Agreement:

1. Based on the currently available information and certain historical figures of the Group,
 - i. the available seat kilometers (ASK) of the Group in April 2003 decreased by 18.3% compared to March 2003, or by 14.4% compared to the same period last year;
 - ii. the average revenue passenger kilometers (RPK) of the Group in April 2003 decreased by 34.1% compared to March 2003, or by 40% compared to the same period last year;
 - iii. the passenger load factor of the Group in April 2003 decreased by 12 percentage points compared to March 2003, or by 21.2 percentage points compared to the same period last year;
 - iv. the total number of passengers of the Group in April 2003 decreased by 36.5% compared to the same period last year.
2. In response to the adverse change in operational environment of the Group brought about by the outbreak of SARS, the Group has implemented various continuing measures to adjust its operational capacity accordingly, which include negotiating with aircraft manufacturers to explore the possibility of postponing the delivery date of new aircraft and requesting its staff to take leave at a reduced salary on rotation. In addition, the Group has continued its efforts in fully implementing the precautionary measures in accordance with the general guidelines issued by the Hygiene Department of the Chinese Government, in order to tackle the potential spread of SARS on its airlines and at all contact points with its passengers, as described in the Press Announcement.
3. The Board of Directors believes that the recent outbreak of SARS has brought unprecedented difficulties and challenges to the business operation of the Group, and predicts that the continued persistence of which will have a significantly negative impact on the Group's financial position.

MEANWHILE, POTENTIAL INVESTORS AND SHAREHOLDERS OF THE COMPANY SHOULD EXERCISE CAUTION WHEN DEALING IN THE SHARES OF THE COMPANY.

By order of the Board
SU LIANG
Company Secretary

Guangzhou, the People's Republic of China
May 12, 2003

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China Daily May 13, 2003

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHINA SOUTHERN AIRLINES COMPANY LIMITED

By /s/ Su Liang

Name: Su Liang
Title: Company Secretary

Date: May 14, 2003