



中國東方航空股份有限公司

CHINA EASTERN AIRLINES CORPORATION LIMITED

(A joint stock limited company incorporated in the People's Republic of China (the "PRC") with limited liability)
(Stock code: 670)

FIRST QUARTERLY REPORT 2005

This announcement is made by China Eastern Airlines Corporation Limited (the "Company") pursuant to the disclosure requirement under Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial statements of the Company for the first quarter of 2005 were not audited, and were prepared in accordance with the PRC Accounting Regulations.

1. IMPORTANT NOTICE

This announcement is made by the Company pursuant to the disclosure requirement under Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

This quarterly report was prepared in accordance with the regulations as prescribed by the China Securities Regulatory Commission in relation to disclosure of information in quarterly reports for listed companies, and is published simultaneously in Shanghai and Hong Kong. The financial statements of the Company for the first quarter of 2005 were not audited, and were prepared in accordance with the PRC Accounting Regulations.

The board of directors of the Company (the "Board") hereby confirms that the information set out in this report does not contain any false information, misleading statement or material omission, and accepts joint and several responsibility for the truthfulness, accuracy and completeness of the contents of this report.

This quarterly report was considered and approved at the third ordinary meeting of 2005 of the Board. Mr. Ye Yigan, Director, was absent from the meeting with reason. Mr. Cao Jianxiong, Director, appointed Mr. Li Fenghua, Chairman of the Board, as his proxy to vote on his behalf.

Mr. Li Fenghua, Chairman of the Board, Mr. Luo Chaogeng, President of the Company, Mr. Luo Weide, Chief Financial Officer, Mr. Jia Shaojun, General Manager of the Financial Department and officer-in-charge of the accounting department, hereby represent that the financial report forming part of this quarterly report is true and complete.

2. BASIC PARTICULARS OF THE COMPANY

2.1 Basic Company information

Abbreviation:	Eastern Airlines
Code:	600115 (A Share) 670 (H Share)
Secretary of the Board:	Luo Zhuping
Telephone:	8621-62686268
Securities representative:	Lu Shaojun
Telephone:	8621-62686268-30928
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2.2 Financial information

2.2.1 Main accounting data and financial indicators

	End of reporting period (RMB)	End of last year (RMB)	Increase/decrease between end of reporting period and end of last year (%)
Total assets	43,960,318,202.21	41,395,604,675.45	6.20
Shareholder equity (excluding that of minority shareholders)	5,848,500,995.76	5,798,174,364.53	0.87
Net assets per share	1.20	1.19	0.84
Adjusted net assets per share	1.1312	1.1209	0.92
	Reporting period (January - March)	Beginning of year to end of reporting period (January - March)	Increase/decrease between this reporting period and the same period last year (%)
Net cash flow from operating activities	614,744,009.02	614,744,009.02	92.91
Earnings per share	0.0104	0.0104	-81.99
Yield on net assets	0.87%	0.87%	Decreased 4.18%
Yield on net assets net of non-recurring loss or gain	0.51%	0.51%	Decreased 2.43%
Non-recurring loss gain items (January - March)		Amount (RMB)	
Subsidy income		18,144,593.07	
Non-operating income		5,857,689.58	
Non-operating expenses		3,426,877.12	
Total		20,575,405.53	

2.2.2 Profit statement

Profit statement (January - March) Unit: RMB

Item	This period (January - March)		Corresponding period of last year (January - March)	
	Consolidated	Parent company	Consolidated	Parent company
1. Revenue from main operations	4,795,191,634.34	3,748,364,254.49	4,377,000,518.69	3,466,453,052.64
Less: Main operation cost	4,010,169,517.05	3,108,783,244.42	3,552,525,727.61	2,893,533,168.49
Business taxes and additional	111,901,355.07	82,116,479.65	114,333,626.91	88,338,308.78
2. Profit from main operations (deficit shown in negative)	673,120,762.22	557,464,530.42	710,141,164.17	484,581,575.37
Add: Other operating profit (deficit shown in negative)	163,867,110.60	76,757,514.11	126,956,809.80	89,052,640.53

Less: Operating expenses	336,756,700.76	293,420,202.51	272,951,709.80	242,340,335.44
General and administration expenses	244,972,331.69	186,644,805.79	213,001,008.50	163,433,227.36
Financial expenses	193,496,661.38	169,876,586.33	172,939,188.15	158,365,718.53
3. Profit from operations (deficit shown in negative)	61,762,178.99	-15,719,550.10	178,206,067.53	9,494,934.57
Add: Investment income (deficit shown in negative)	3,817,594.74	52,687,799.33	8,854,843.98	106,644,070.95
Subsidy income	21,346,580.08	21,346,580.08	55,399,524.91	55,399,524.91
Non-operating income	6,891,399.50	433,048.31	9,078,185.22	107,498,463.22
Less: Non-operating expenses	4,031,620.14	4,018,051.95	1,555,833.78	1,295,034.11
4. Total profit (deficit shown in negative)	89,786,133.17	54,729,825.67	249,982,787.86	277,741,959.54
Less: Income tax	20,395,915.99	16,500,000.00	25,001,404.02	
Gain or loss of minority shareholders	18,960,074.80		40,954,059.34	
5. Net profit (deficit shown in negative)	50,430,142.38	38,229,825.67	184,027,324.50	277,741,959.54

2.3 The total number of the Company's shareholders as at the end of the reporting period and the shareholdings of the 10 largest holders of listed shares outstanding

Total number of shareholders as at the end of the reporting period	112,701
Shareholding of the 10 largest holders of listed shares outstanding	

Name of shareholders (in full)	Number of listed shares outstanding held at the end of the period	Class (A, B, H Shares or others)
1 HKSCC NOMINEES LIMITED	1,485,465,163	H Shares
2 東吳證券有限責任公司	4,515,791	A Shares
3 HSBC NOMINEES (HONGKONG) LIMITED	3,992,000	H Shares
4 HSBC NOMINEES (HONGKONG) LIMITED {A/C BR-9}	3,000,000	H Shares
5 China Everbright Bank Company Limited - 光大保德信量化核心證券投資	2,353,179	A Shares
6 HSBC NOMINEES (HONGKONG) LIMITED {A/C BR-43}	2,256,000	H Shares
7 HSBC NOMINEES (HONGKONG) LIMITED {A/C BR-41}	2,122,000	H Shares
8 HSBC NOMINEES (HONGKONG) LIMITED {A/C BR-42}	2,000,000	H Shares
9 Industrial and Commercial Bank of China - 安信證券投資基金	1,999,999	A Shares
10 China Construction Bank - 博時裕富證券投資基金	1,742,643	A Shares

3. DISCUSSION AND ANALYSIS OF MANAGEMENT

3.1 Brief analysis of the Company's overall operational activities during the reporting period

For the first quarter of 2005, the Company completed an aggregate of 1,037 million tonne-kilometres in traffic-turnover, an increase of 11.17% over the same period of last year; the number of passengers carried was 4,056 thousand persons, an increase of 3.31% over the same period of last year; the occupancy rate was 62.53%, an increase of 0.64% over the same period of last year; the total quantity of cargoes and mails carried was 159.3 thousand tones, an increase of 9.68%; the total flying hours were 87.9 thousand, an increase of 3.52% over the same period of last year. In the first quarter, the revenue from the Company's main operations was approximately RMB4,795 million, the profit from the Company's main operations was approximately RMB673 million and the net profit was approximately RMB50 million. The operating cost has increased due to the fact that the steady market demand for passenger and cargo flights were met by surging prices of aviation fuel both domestic and abroad.

3.2 Information on the principal industry or products which accounted for more than 10% of the total of the revenue or profit from the Company's main business

Industry	Revenue from main business (RMB) unaudited	Cost of main business (RMB) unaudited	Gross margin (%)
Transport revenue	4,770,247,254.98	3,988,733,431.15	16.38
Of which: connected transactions	0	68,000,000	

By order of the Board
CHINA EASTERN AIRLINES CORPORATION LIMITED
Li Fenghua
Chairman of the Board

The Board as at the date hereof comprises of:

Li Fenghua (Chairman, Executive Director)
Ye Yigan (Non-executive Director)
Cao Jianxiong (Non-executive Director)
Wan Mingwu (Vice President, Executive Director)
Zhong Xiong (Non-executive Director)
Luo Zhuping (Executive Director)
Hu Honggao (Independent non-executive Director)
Peter Lok (Independent non-executive Director)
Wu Baiwang (Independent non-executive Director)
Zhou Ruijin (Independent non-executive Director)
Xie Rong (Independent non-executive Director)
Shanghai, the PRC
28th April, 2005