

CHINA EASTERN AIRLINES CORP LTD
Form 6-K
April 30, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16

under the Securities Exchange Act of 1934

For the month of April 2014

Commission File Number: 001-14550

China Eastern Airlines Corporation Limited

(Translation of Registrant's name into English)

Board Secretariat's Office

Kong Gang San Lu, Number 88

Shanghai, China 200335

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F: Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934: Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): n/a

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 Eastern Airlines
Corporation Limited
(Registrant)**

Date April 30, 2014 **By** /s/ Wang Jian
Name: Wang Jian
Title: Joint Company Secretary

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

(Stock code: 00670)

FIRST QUARTERLY REPORT 2014

This announcement is made by the Company pursuant to the disclosure requirement under Rules 13.09 and 13.10B 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 2014 were not audited, and were prepared in accordance with the PRC Accounting Regulations.

1. IMPORTANT NOTICE

This announcement is made by China Eastern Airlines Corporation Limited (the “**Company**”) pursuant to the disclosure requirement under Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (which requires any issuer listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) whose securities are also listed on other stock exchange(s) to simultaneously inform the Stock Exchange of any information released to any of such other exchange(s) and to ensure that such information is released to the market in Hong Kong at the same time as it is released to the other market(s)). At the request of the Shanghai Stock Exchange, a similar announcement of the even date is being made by the Company in Shanghai pursuant to the relevant provisions of the Shanghai listing rules and regulations.

This quarterly report was prepared in accordance with the regulations as prescribed by the China Securities Regulatory Commission (the “**CSRC**”) 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 2014 were not audited, and were prepared in accordance with the PRC Accounting Regulations.

The board of directors (the “**Board**”) and the supervisory committee of the Company, and its directors, supervisors and senior management hereby confirm that the information set out in this quarterly report does not contain false information, misleading statement or material omission, and accept joint and several responsibility for the correctness, accuracy and completeness of the information set out in this quarterly report.

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All directors of the Company attended the meeting of the Board.

Name of the person-in-charge of the Company	Liu Shaoyong
Name of the officer-in-charge of accounting	Ma Xulun
Name of the officer-in-charge of the accounting department (accounting officer)	Wu Yongliang

Liu Shaoyong, the person-in-charge of the Company, Ma Xulun, the officer-in-charge of accounting of the Company, and Wu Yongliang, the officer-in-charge of the accounting department (accounting officer) of the Company hereby confirm that the financial statements forming part of this quarterly report are true, accurate and complete.

The financial statements in the first quarterly report of the Company are unaudited.

2. MAIN FINANCIAL DATA AND CHANGES IN SHAREHOLDERS OF THE COMPANY

2.1 Main financial data

	As at the end of the reporting period	As at the end of last year Adjusted	Unadjusted	Currency: RMB Increase/ decrease as at the end of the reporting period compared with the end of last year (%)
Total assets (RMB million)	143,521	137,776	137,776	4.17
Net assets per share attributable to the shareholders of listed company (RMB million)	24,398	24,617	24,617	-0.89
	From the beginning	From the beginning of		Increase/ decrease compared

	of the year to the end of the reporting period	last year to the end of the reporting period	with the same period last year (%)	
		Adjusted	Unadjusted	
Net cash flows from operating activities (RMB million)	1,535	1,805	1,797	-14.96

	From the beginning of the year to the end of the reporting period	From the beginning of last year to the end of the reporting period	Unadjusted	Increase/decrease compared with the same period last year (%)
Revenue (RMB million)	21,798	20,849	20,660	4.55
Net profit attributable to shareholders of listed company (RMB million)	-205	-131	-132	56.49
Net profit attributable to shareholders of listed company after deducting non-recurring profit and loss (RMB million)	-247	-157	-158	57.32 Decrease by 0.269 percentage points
Weighted average return on net assets (%)	-0.837	-0.568	-0.568	37.96
Basic earnings per share (RMB per share)	-0.0162	-0.01174	-0.01174	37.96
Diluted earnings per share (RMB per share)	-0.0162	-0.01174	-0.01174	37.96

After deducting non-recurring profit and loss and relevant amounts:

Unit: million Currency: RMB

Item	Amount for the period (from January to March)
Gains or losses from disposal of non-current assets	5
Non-operating incomes and expenses other than the above	41
Effect on income tax	-2
Effect on minority interests (net of tax)	-2
Total	42

The total number of the Company's shareholders and the shareholding of the 10 largest shareholders and the shareholding of the 10 largest holders of listed shares (or holders of shares without trading moratorium) as at the end of the reporting period

Unit: Shares		Shareholding of the 10 largest shareholders			
Total number of shareholders	239,317			Number of shares with trading moratorium held	Number of shares pledged or locked-up
Name of shareholders	Nature of shareholders	Percentage of shareholding (%)	Total number of shares held		
China Eastern Air Holding Company () ("CEA holding") HKSCC NOMINEES LIMITED (including CES Global Holdings (Hong Kong) Limited () ("CES Global")) CES Finance Holding Co. Ltd () ("CES Finance") Shanghai Alliance Investment Limited (#36039;) China National Aviation Fuel Holding Company (#27833; #26009;) Jin Jiang International Holdings Company Limited (#37670; #27743;) Aerospace Capital Holding Co., Ltd. (#22825; #36039;)	State-owned legal person	40.03	5,072,922,927	241,547,927	Nil
	Overseas legal person	32.97	4,178,501,298	698,865,000	Unknown
	State-owned legal person	3.61	457,317,073	457,317,073	Nil
	State-owned legal person	3.37	427,085,429	0	Unknown
	State-owned legal person	3.32	421,052,632	0	Unknown
	State-owned legal person	2.71	343,288,860	0	Unknown
	State-owned legal person	0.78	99,088,580	0	Unknown

Sinotrans Air Transportation Development Co., Ltd. (22806; 36939; 36939; 30332; 23637; 20221;	State-owned legal person	0.66	83,157,894	0	Unknown
Bank of China Group Investment Limited (37504; 36039;	Overseas legal person	0.17	21,997,755	0	Unknown
Ma Xinqi	Domestic natural person	0.15	18,741,056	0	Unknown

Shareholding of the 10 largest holders of shares without trading moratorium

Name of shareholders (in full)	Number of listed shares held without trading moratorium as at the end of the reporting period	Class and number of shares
China Eastern Air Holding Company ()	4,831,375,000	RMB ordinary shares 4,831,375,000
HKSCC Nominees Limited (including CES Global Holdings (Hong Kong) Limited ()	3,479,636,298	Overseas listed foreign shares 3,479,636,298
Shanghai Alliance Investment Limited ()	427,085,429	RMB ordinary shares 427,085,429
China National Aviation Fuel Holding Company ()	421,052,632	RMB ordinary shares 421,052,632
Jin Jiang International Holdings Company Limited ()	343,288,860	RMB ordinary shares 343,288,860
Aerospace Capital Holding Co., Ltd. ()	99,088,580	RMB ordinary shares 99,088,580
Sinotrans Air Transportation Development Co., Ltd. ()	83,157,894	RMB ordinary shares 83,157,894
Bank of China Group Investment Limited ()	21,997,755	RMB ordinary shares 21,997,755
Ma Xinqi	18,741,056	RMB ordinary shares 18,741,056
Shanghai Light Industry Co., Ltd. for Foreign Economic & Technical Co-operation ()	18,574,343	RMB ordinary shares 18,574,343

Description of connected relationship or activities in concert among the above shareholders

Among the 4,178,469,298 shares held by HKSCC Nominees Limited, 2,626,240,000 shares are held by CES Global in the capacity of beneficial owner. CEA Holding, the controlling shareholder of the Company, owns 100% equity interest in CES Finance; and CES Finance owns 100% equity interest in CES Global, thus CES Finance and CES Global are subsidiaries wholly-owned by CEA Holding. The Company is not aware of any other connected relationship or activities in concert among the 10 largest holders of shares without trading moratorium.

3. IMPORTANT MATTERS

3.1 Details of and reasons for the substantial changes in main items of financial statements and financial indicators of the Company

“Applicable” “Not applicable”

Item	Change (%)	Reasons for the change
Short-term borrowings	67.82	Primarily due to the increase in the Company's short-term borrowings for operation needs during the first quarter of 2014.
Notes payable	-50	Primarily due to the decrease in commercial acceptance bills of the Company's subsidiaries.
Interests payable	-44.21	Primarily due to the maturity of the Company's super short-term commercial paper which decreased the interest expenses.
Bonds payable	35.78	Primarily due to the Company's issuance of RMB2.5 billion corporate bonds in March 2014.
Business taxes and surcharges	-75.70	Primarily due to the implementation of the “transformation from business tax to value-added tax” policy by two of the Company's subsidiaries since April 2013 and August 2013 respectively.
Finance expenses	582.86	Primary due to the increase of RMB797 million in the Company's exchange loss arising from the appreciation of the US dollar against Renminbi as compared to the same period last year.
Investment gains	300	Primary due to the bonus received from associated companies.
Non-operating incomes	65.19	Primary due to an increase in operational routes subsidy.
Net profit attributable to shareholders of the Company	56.49	Primary due to non-operating factors such as exchange loss which resulted in a decrease in net profit attributable to shareholders of the Company.

3.2 Analysis of the progress of significant events and their effects and proposed solutions

“ Applicable ✓ Not applicable

3.3 The status of implementation of the matters undertaken by the Company and shareholders holding more than 5% interests

✓ Applicable “ Not applicable

Background of undertaking	Type of undertaking	Undertaking party	Content of undertaking	Time and term of undertaking	Whether there is an implementation period	Whether the undertaking has been strictly implemented in a timely manner
Undertaking in relation to refinancing	Trading moratorium of shares	CEA Holding/CES Finance	Pursuant to the “Report on non-public issuance of A shares” published by the Company on 17 April 2013, the Company issued 241,547,927 A shares of the Company and 457,317,073 A shares of the Company to CEA Holding and CES Finance respectively, on a non-public basis in April 2013. CEA Holding and CES Finance undertook that: they shall not transfer the A shares of the Company purchased under the aforesaid issuance within 36 months from the date of	Time of undertaking: April 2013; term of undertaking: from 16 April 2013 to 16 April 2016	Yes	Yes

		completion of the issuance of A shares.			
Trading moratorium of shares	CES Global	The Company issued 698,865,000 additional H shares to CES Global in June 2013. According to the resolution passed at the 18th ordinary meeting of the sixth session of the Board held on 11 September 2012 and the resolution passed at the 2012 first extraordinary general meeting of the Company held on 9 November 2012, CES Global undertook that: it shall not transfer the H shares of the Company purchased under the aforesaid issuance within 36 months from the date of completion of the issuance of H shares.	Time of undertaking: November 2012; term of undertaking: from 21 June 2013 to 21 June 2016	Yes	Yes
To resolve defects in land and other property ownership	CEA Holding	Due to historical problems, some of the land and property injected by CEA Holding into the Company had not yet been transferred to the name of the Company. In this regard, CEA Holding undertook that it shall, on a best-effort basis, enable the Company to obtain the relevant land use rights certificates and property ownership certificates in relation to its capital contribution to the	Time of undertaking: 2009; effective for a long term	No	Yes

Company, and complete the relevant legal procedures in relation to the transfer of property ownership; and CEA Holding shall bear all obligations in relation to the losses caused to the Company as a result of the failure of CEA Holding in completing the relevant procedures for transferring the relevant property ownership in a timely manner, and shall indemnify all the losses suffered by the Company in this regard.

Subsequent progress of the undertaken matters

Pursuant to the requirements of

and the Guide for Listed Companies No. 4 – Undertakings by a Listed Company and its Effective Controller, Shareholders, Connected Persons and Acquirers and the Performance thereof) issued by the CSRC and the “Notice on Further Improvement of Undertakings and Performance of Listed Companies and Related Parties Under Shanghai Jurisdiction” (Hu Zheng Jian Gong Si Zi [2014] No. 5)) issued by Shanghai Securities Supervision Bureau, the Company made self-assessment on its effective controller, shareholders, connected persons, acquirers as well as the undertakings and performance of the Company. Based on the requirements of the policies, the Company and its controlling shareholder, CEA Holding, are rectifying and regulating relevant undertakings, researching and assessing solutions, and dealing with undertakings in respect of defects in land and other property ownership actively and prudently. For details, please refer to the announcements of the Company published on 15 February, 6 March and 3 April 2014 on China Securities Daily, Shanghai Securities News and the website of the Shanghai Stock Exchange and the overseas regulatory announcements of the Company dated 14 February, 5 March and 2 April 2014 published on the Stock Exchange’s website.

3.4 Warning of and reasons for any expected accumulated losses from the beginning of the year to the end of the following reporting period or substantial changes in profitability compared to the same period last year

“ Applicable; Not applicable

By order of the Board

;

CHINA EASTERN AIRLINES CORPORATION LIMITED

Liu Shaoyong

Chairman

As at the date of this announcement, the directors of the Company are:

Liu Shaoyong (Chairman)
Ma Xulun (Vice Chairman, President)
Xu Zhao (Director)
Gu Jiadan (Director)
Li Yangmin (Director, Vice President)

Tang Bing (*Director, Vice President*)
Sandy Ke-Yaw Liu (*Independent non-executive Director*)
Ji Weidong (*Independent non-executive Director*)
Shao Ruiqing (*Independent non-executive Director*)
Li Ruoshan (*Independent non-executive Director*)
Ma Weihua (*Independent non-executive Director*)

Shanghai, the People's Republic of China

29 April 2014

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4. APPENDICES**4.1****Consolidated Balance Sheet****31 March 2014***Prepared by: China Eastern Airlines Corporation Limited**Amounts expressed in RMB million**Unaudited*

Item	Balance at the end of the reporting period	Balance at the beginning of the year
Current assets:		
Monetary capital	2,571	2,378
Derivative financial assets	–	–
Notes receivable	1	–
Trade receivables	3,828	3,524
Prepayments	920	852
Interest receivable	1	–
Dividends receivable	20	20
Other receivables	1,796	2,107
Inventory	2,283	2,305
Non-current assets held for sale	344	344
Non-current assets due within one year	91	98
Other non-current assets	1,081	982
Total current assets	12,936	12,610
Non-current assets:		
Hedge instruments	68	68
Financial assets available for sale	411	411
Long-term equity investment	1,447	1,497
Fixed assets	93,172	90,677
Construction in progress	21,021	18,352
Intangible assets	2,651	2,375

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Goodwill	9,028	9,028
Long-term deferred expenses	1,371	1,338
Deferred income tax assets	387	389
Other non-current assets	1,029	1,031
Total non-current assets	130,585	125,166
Total assets	143,521	137,776

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4.1

Consolidated Balance Sheet *(Cont'd)***31 March 2014***Prepared by: China Eastern Airlines Corporation Limited**Amounts expressed in RMB million**Unaudited*

Item	Balance at the end of the reporting period	Balance at the beginning of the year
Current liabilities:		
Short-term borrowings	13,300	7,925
Derivative financial liabilities	3	3
Notes payable	20	40
Trade payables	12,974	12,532
Account collected in advance	455	436
Settlement of vouchers	3,163	4,497
Staff remuneration payable	2,561	2,819
Tax payable	1,886	1,755
Interest payable	270	484
Other payables	2,793	2,224
Non-current liabilities due within one year	14,253	16,366
Other current liabilities	–	4,000
Total current liabilities	51,678	53,081
Non-current liabilities:		
Long-term borrowings	22,795	20,330
Hedge instruments	132	124
Bonds payable	9,484	6,985
Long-term payables	26,005	23,728
Long-term staff remuneration payable	5,615	5,615
Special items payable	115	115
Deferred income tax liabilities	30	30
Other non-current liabilities	1,671	1,477
Total non-current liabilities	65,847	58,404

Total liabilities	117,525	111,485
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4.1

Consolidated Balance Sheet (Cont'd)
31 March 2014

Prepared by: China Eastern Airlines Corporation Limited
Amounts expressed in RMB million
Unaudited

Item	Balance at the end of the reporting period	Balance at the beginning of the year
Owners' equity (or shareholders' equity):		
Paid-up capital (or share capital)	12,674	12,674
Capital reserves	14,868	14,882
Surplus reserves	–	–
Undistributed profits	-3,144	-2,939
Total equity attributable to equity holders of parent company	24,398	24,617
Minority interests	1,598	1,674
Total owners' equity	25,996	26,291
Total liabilities and owners' equity	143,521	137,776

Legal representative of the Company: Liu Shaoyong

Officer-in-charge of accounting: Ma Xulun

Officer-in-charge of the accounting department: Wu Yongliang

4.1

Balance Sheet of Parent Company**31 March 2014**

Prepared by: China Eastern Airlines Corporation Limited
Amounts expressed in RMB million

Unaudited

Item	Balance at the end of the reporting period	Balance at the beginning of the year
Current assets:		
Monetary capital	884	1,242
Derivative financial assets	–	–
Notes receivable	–	–
Trade receivables	1,587	2,914
Prepayments	262	291
Interest receivable	–	–
Dividends receivable	20	51
Other receivables	9,483	9,318
Inventory	1,935	1,964
Non-current assets held for sale	–	–
Non-current assets due within one year	40	40
Other non-current assets	1,208	977
Total current assets	15,419	16,797
Non-current assets:		
Hedge instruments	68	68
Financial assets available for sale	374	374
Long-term equity investment	11,455	11,366
Fixed assets	59,068	57,840
Construction in progress	19,336	16,709
Intangible assets	1,663	1,381
Goodwill	9,028	9,028
Long-term deferred expenses	964	958
Deferred income tax assets	–	–
Other non-current assets	592	600

Total non-current assets	102,548	98,324
Total assets	117,967	115,121

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4.1

Balance Sheet of Parent Company (Cont'd)**31 March 2014**

Prepared by: China Eastern Airlines Corporation Limited
Amounts expressed in RMB million

Unaudited

Item	Balance at the end of the reporting period	Balance at the beginning of the year
Current liabilities:		
Short-term borrowings	13,556	8,018
Derivative financial liabilities	3	3
Notes payable	–	–
Trade payables	11,688	11,787
Account collected in advance	174	148
Settlement of vouchers	3,058	4,366
Staff remuneration payable	1,573	1,690
Tax payable	755	848
Interest payable	160	379
Other payables	7,626	6,307
Non-current liabilities due within one year	8,881	10,935
Other current liabilities	–	4,000
Total current liabilities	47,474	48,481
Non-current liabilities:		
Long-term borrowings	17,032	14,400
Hedge instruments	132	124
Bonds payable	4,791	4,789
Long-term payables	17,059	15,767
Long-term staff remuneration payable	4,466	4,466
Special items payable	95	95
Deferred income tax liabilities	–	–
Other non-current liabilities	1,021	867
Total non-current liabilities	44,596	40,508

Total liabilities	92,070	88,989
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4.1

Balance Sheet of Parent Company (Cont'd)**31 March 2014***Prepared by: China Eastern Airlines Corporation Limited**Amounts expressed in RMB million**Unaudited*

Item	Balance at the end of the reporting period	Balance at the beginning of the year
Owners' equity (or shareholders' equity):		
Paid-up capital (or share capital)	12,674	12,674
Capital reserves	15,701	15,716
Surplus reserves	–	–
Undistributed profits	-2,478	-2,258
Total owners' equity (or shareholders' equity)	25,897	26,132
Total liabilities and owners' equity (or shareholders' equity)	117,967	115,121

Legal representative of the Company: Liu Shaoyong

Officer-in-charge of accounting: Ma Xulun

Officer-in-charge of the accounting department: Wu Yongliang

4.2

Consolidated Income Statement**January to March 2014***Prepared by: China Eastern Airlines Corporation Limited**Amounts expressed in RMB million**Unaudited*

Item	Amount for the reporting period	Amount for the corresponding period of last year
1. Total revenue	21,798	20,849
Of which: Revenue	21,798	20,849
2. Total operating costs		
	22,963	21,588
Of which: Operating costs	19,955	19,379
Business taxes and surcharges	26	107
Selling expenses	1,415	1,356
Administrative expenses	611	606
Finance expenses	956	140
Assets impairment loss	–	–
Add: Gains arising from changes in fair value (loss indicated by “–”)	6	11
Investment gains (loss indicated by “–”)	12	3
Of which: Investment gains on associated companies and joint ventures	–	–
3. Operating profit (loss indicated by “&ndash;”)	-1,147	-725
Add: Non-operating income	968	586
Less: Non-operating expenses	3	3
Of which: Loss on disposal of non-current assets	–	–

4. Total profits (total losses indicated by “&ndash;”)	-182	-142
Less: Income tax expenses	61	25
5. Net profit (net loss indicated by “&ndash;”)	-243	-167
Net profit attributable to equity holders of parent company	-205	-131
Minority interests	-38	-36
6. Earnings per share:		
(1) Basic earnings per share	-0.0162	-0.0117
(2) Diluted earnings per share	-0.0162	-0.0117

Legal representative of the Company: Liu Shaoyong

Officer-in-charge of accounting: Ma Xulun

Officer-in-charge of the accounting department: Wu Yongliang

4.2

Income Statement of Parent Company**January to March 2014***Prepared by: China Eastern Airlines Corporation Limited**Amounts expressed in RMB million**Unaudited*

Item	Amount for the reporting period	Amount for the corresponding period of last year
1. Revenue	11,687	11,006
Less: Operating costs	10,742	10,359
Business taxes and surcharges	6	12
Selling expenses	798	859
Administrative expenses	333	318
Finance expenses	669	100
Assets impairment loss	–	–
Add: Gains arising from changes in fair value (loss indicated by “–”)	6	11
Investment gains (loss indicated by “–”)	30	-400
Of which: Investment gains on associated companies and joint ventures	–	–
2. Operating profit (loss indicated by “–”)	-825	-1,031
Add: Non-operating income	607	516
Less: Non-operating expenses	2	2
Of which: Loss on disposal of non-current assets	–	–
3. Total profits (total losses indicated by “–”)	-220	-517
Less: Income tax expenses	–	–
4. Net profit (net loss indicated by “–”)		

Legal representative of the Company: Liu Shaoyong

Officer-in-charge of accounting: Ma Xulun

Officer-in-charge of the accounting department: Wu Yongliang

4.3

Consolidated Cash Flow Statement**From January to March 2014***Prepared by: China Eastern Airlines Corporation Limited**Amounts expressed in RMB million**Unaudited*

Item	Amount for the reporting period	Amount for the corresponding period of last year
1. Cash flow from operating activities:		
Cash received from sales of goods and provision of labour services	21,850	20,721
Other cash received from operating activities	1,360	1,095
Sub-total of cash inflow from operating activities	23,210	21,816
Cash paid for purchase of goods and receiving of labour services	15,548	14,253
Cash paid to and for employees	3,519	3,609
Taxes paid	575	502
Other cash paid for operating activities	2,033	1,647
Sub-total of cash outflow from operating activities	21,675	20,011
Net cash flows from operating activities	1,535	1,805

4.3

Consolidated Cash Flow Statement *(Cont'd)***From January to March 2014***Prepared by: China Eastern Airlines Corporation Limited**Amounts expressed in RMB million**Unaudited*

Item	Amount for the reporting period	Amount for the corresponding period of last year
2. Cash flow from investing activities:		
Cash received from disposal of investment	–	–
Investment income in cash	14	1
Net cash recovered from disposals of fixed assets, intangible assets and other long-term assets	5	12
Other cash received from investing activities	58	991
Sub-total of cash inflow from investing activities	77	1,004
Amount paid in cash in relation to purchases of fixed assets, intangible assets and other long-term assets	4,340	4,711
Investments paid in cash	–	–
Sub-total of cash outflow from investing activities	4,340	4,711
Net cash flow from investing activities	–4,263	–3,707

4.3

Consolidated Cash Flow Statement (Cont'd)**From January to March 2014***Prepared by: China Eastern Airlines Corporation Limited**Amounts expressed in RMB million**Unaudited*

Item	Amount for the reporting period	Amount for the corresponding period of last year
3. Cash flow from fund raising activities:		
Proceeds received in cash from investments	–	50
Cash received from borrowings	11,673	7,385
Proceeds received in cash from bonds issuance	2,500	4,795
Other proceeds in cash from fund raising activities	–	–
Sub-total of cash inflow from fund raising activities	14,173	12,230
Cash paid for repayment of indebtedness	9,658	3,035
Cash payments for distribution of dividends, profits or payments of interest expense	588	448
Other cash paid for fund raising activities	962	1,155
Sub-total of cash outflow from fund raising activities	11,208	4,638
Net cash flow from fund raising activities	2,965	7,592

4.	Effect of changes in exchange rate on cash and cash equivalents	–22	–11
5.	Net increase in cash and cash equivalents	215	5,679
	Add: Balance of cash and cash equivalents at the beginning of the period	1,995	2,539
6.	Balance of cash and cash equivalents at the end of the period	2,210	8,218

Legal representative of the Company: Liu Shaoyong

Officer-in-charge of accounting: Ma Xulun

Officer-in-charge of the accounting department: Wu Yongliang

4.3

Cash Flow Statement of Parent Company**From January to March 2014***Prepared by: China Eastern Airlines Corporation Limited**Amounts expressed in RMB million**Unaudited*

Item	Amount for the reporting period	Amount for the corresponding period of last year
1. Cash flow from operating activities:		
Cash received from sales of goods and provision of labour services	13,694	13,453
Other cash received from operating activities	1,236	884
Sub-total of cash inflow from operating activities	14,930	14,337
Cash paid for purchase of goods and receiving of labour services	8,305	9,325
Cash paid to and for employees	2,349	2,024
Taxes paid	474	222
Other cash paid for operating activities	1,212	1,242
Sub-total of cash outflow from operating activities	12,340	12,813
Net cash flows from operating activities	2,590	1,524
2. Cash flow from investing activities:		
Cash received from disposal of investment	–	951
Investment income in cash	46	89
Net cash recovered from disposals		

of fixed assets, intangible assets and other long-term assets	4	–
Other cash received from investing activities	30	12
Sub-total of cash inflow from investing activities	80	1,052
Amount paid in cash in relation to purchases of fixed assets, intangible assets and other long-term assets	3,804	4,107
Investments paid in cash	85	–
Sub-total of cash outflow from investing activities	3,889	4,107
Net cash flow from investing activities	–3,809	–3,055

4.3

Cash Flow Statement of Parent Company (Cont'd)**From January to March 2014**

*Prepared by: China Eastern Airlines Corporation Limited
Amounts expressed in RMB million*

Unaudited

Item	Amount for the reporting period	Amount for the corresponding period of last year
3. Cash flow from fund raising activities:		
Proceeds received in cash from investments	–	–
Cash received from borrowings	11,173	6,879
Proceeds received in cash from bonds issuance	–	4,795
Other proceeds in cash from fund raising activities	–	–
Sub-total of cash inflow from fund raising activities	11,173	11,674
Cash paid for repayment of indebtedness	9,097	2,416
Cash payments for distribution of dividends, profits or payments of interest expense	449	218
Other cash paid for fund raising activities	744	1,017
Sub-total of cash outflow from fund raising activities	10,290	3,651
Net cash flow from fund raising activities	883	8,023

4.	Effect of changes in exchange rate on cash and cash equivalents	–21	–10
5.	Net increase in cash and cash equivalents	–357	6,482
	Add: Balance of cash and cash equivalents at the beginning of the period	1,029	617
6.	Balance of cash and cash equivalents at the end of the period	672	7,099

Legal representative of the Company: Liu Shaoyong

Officer-in-charge of accounting: Ma Xulun

Officer-in-charge of the accounting department: Wu Yongliang