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CATHAY PACIFIC AIRWAYS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 293)

Price Sensitive Information European Commission Decision

On 9th November 2010 (Central European Time) the European Commission announced that it has issued a decision in its Airfreight investigation finding that, amongst other things, Cathay Pacific Airways Limited (“Cathay Pacific”) and a number of other international air cargo carriers agreed to cargo surcharge levels and that such agreements infringed European competition law. The European Commission has imposed a fine of Euros 57,120,000 (equivalent to HK\$618 million) on Cathay Pacific. Cathay Pacific is reviewing the decision and evaluating its options with its legal advisers.

As previously disclosed, Cathay Pacific is the subject of investigations and proceedings with regard to its air cargo operations by the competition authorities of a number of jurisdictions, including the European Commission. With respect to the European Commission, Cathay Pacific received a Statement of Objections on 24th December 2007, to which Cathay Pacific subsequently responded.

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Cathay Pacific remains committed to its long standing policy of full compliance with the law and reaffirms its support of full and fair competition among air carriers.

Investors are advised to exercise caution in dealing in shares of Cathay Pacific.

This announcement is issued by Cathay Pacific pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

As at the date of this announcement, the Directors of Cathay Pacific are:

Executive Directors: Christopher Pratt (Chairman), James Barrington, James E. Hughes-Hallett, John Slosar and Tony Tyler;

Non-Executive Directors: Cai Jianjiang, Fan Cheng, James W.J. Hughes-Hallett, Peter Kilgour, Kong Dong, Ian Shiu, Merlin Swire and Zhang Lan; and

Independent Non-Executive Directors: Irene Lee, Jack So, Tung Chee Chen and Peter Wong.

By Order of the Board

Cathay Pacific Airways Limited

David Fu

Company Secretary

Hong Kong, 9th November 2010