



中信
CITIC

PRESS RELEASE

29 August 2017

2017 HALF-YEAR RESULTS

CITIC Limited ("the company") today announced its half-year results for the period ended 30 June 2017.

HIGHLIGHTS

<i>HK\$ million</i>	1H 2017	1H 2016
Profit attributable to ordinary shareholders	32,261	20,182
Earnings per share (HK\$)	1.11	0.69
Dividend per share (HK\$)	0.11	0.10
	As at 30 Jun 2017	As at 31 Dec 2016
Total ordinary shareholders' funds and perpetual capital securities	528,458	490,633

For the first six months of 2017, CITIC Limited recorded a profit attributable to ordinary shareholders of HK\$32.3 billion, 60% higher than that for the same period in 2016. This increase was mainly driven by improved profit performance in the property business, a gain resulting from Guoan Football Club's introduction of a strategic investor, and a revaluation gain on an investment held.

The board recommends payment of an interim dividend of HK\$0.11 per share.

Financial Services recorded a net profit of HK\$21.3 billion, representing a 3% decrease compared with the same period last year. Profit at CITIC Bank grew slightly compared with the first half of 2016. Reflecting the bank's continuing efforts to improve its income mix, net non-interest income rose, offsetting some of the impact of the lower interest income caused by narrowing of net interest margin. CITIC-Prudential recorded significant net profit growth mainly due to higher premium income. CITIC Trust continued to outperform its peers. At CITIC Securities, net profit decreased mainly due to the drop in trading volume on the A-share market.

In the Resources and Energy sector, CITIC Resources recorded a significant profit rise of 81%. The crude oil business performed well, which was attributable to the increase in the selling price of oil as well as ongoing cost controls. CITIC Dameng, in which CITIC Resources holds a 34% interest, turned profitable in the first half of 2017, thus also contributing to CITIC Resources' bottom line. CITIC Metal's profit increased substantially as well, due mainly to the

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contribution from its 15%-held Las Bambas copper mine in Peru, which began commercial operation in July 2016. However, the overall sector recorded a loss of HK\$284 million. This is because in July 2016 the Sino Iron project began commercial operation and associated costs needed to be recorded in the income statement. As a result, losses in the first half of 2017 were higher compared with the same period in 2016.

Manufacturing recorded a net profit of HK\$1.8 billion, reflecting a year-on-year increase of 9%, mainly due to the improved performance of the special steel business. In the first six months of the year, steel plant profit rose 33% as a result of the increased average selling price of special steel and a larger proportion of high-end products. In other subsidiaries, CITIC Heavy Industry's net profit remained flat compared with the first six months of 2016. In line with the business focus of intelligent manufacturing, special robots and intelligent equipment became key profit contributors over the period. CITIC Dicastal's net profit decreased year-on-year due mainly to the foreign exchange loss caused by a rising Euro against the RMB. But at the operational level, the production and sales of aluminium wheels and castings continued to increase in the first half of 2017 owing to strong demand in the auto market. For the second half of the year, CITIC Dicastal's operation and performance are expected to remain solid.

Engineering Contracting recorded a net profit of HK\$310 million, which was 71% lower than the same period last year. This was mainly because a number of CITIC Construction's new overseas projects, such as KK Phase II in Angola, the Royal Albert Dock Project in the UK, and a road rehabilitation project in Kazakhstan, commenced construction later than expected and have therefore not yet become major profit contributors. As of the end of this June, the total value of signed contracts by CITIC Construction was RMB200.5 billion.

Real Estate recorded a net profit of HK\$5.7 billion in the first half of 2017. During the period, two office buildings in Shanghai Lujiazui Harbour City were completed and delivered, respectively, to Industrial and Commercial Bank of China and China Life Insurance. A share of profit from the company's 10% equity investment in China Overseas Land & Investment Limited was also recorded.

Other businesses continued to contribute to the company's bottom line. In July, CITIC completed its investment in McDonald's business in mainland China and Hong Kong. Also in July, through the CITIC Agriculture Fund, the company proposed to acquire a portion of Dow AgroSciences' corn seed business in Brazil.

About CITIC Limited

CITIC Limited (SEHK: 267) is China's largest conglomerate with total assets over US\$900 billion. Among its diverse global businesses, CITIC Limited focuses primarily on financial services, resources and energy, manufacturing, engineering contracting and real estate. CITIC Limited enjoys leading market positions in sectors well matched to China's economy. CITIC's rich history, diverse platform and strong corporate culture across all businesses ensure that CITIC Limited is unrivalled in capturing opportunities arising in China.

CITIC Limited is listed on the Stock Exchange of Hong Kong, where it is a constituent of the Hang Seng Index. CITIC Group Corporation, a Chinese state-owned enterprise, owns 58% of CITIC Limited. For more information about CITIC Limited, please visit the company website at www.citic.com.

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Attachment:

- Announcement of the 2017 half-year results is on CITIC Limited's website: www.citic.com.

- The Half-Year Report 2017 will be posted on CITIC Limited's website around 8 September 2017 and mailed to shareholders of record and others expressing interest around 15 September 2017.