



PRESS RELEASE

26 August 2016

2016 HALF-YEAR RESULTS

CITIC Limited ("the company") today announced its half-year results for the period ended 30 June 2016.

HIGHLIGHTS

<i>HK\$ million</i>	1H 2016	1H 2015
Profit attributable to ordinary shareholders	20,182	37,685
Earnings per share (HK\$)	0.69	1.51
Dividend per share (HK\$)	0.10	0.10
	As at 30 Jun	As at 31 Dec
Total ordinary shareholders' funds and perpetual capital securities	490,319	492,902

For the first six months of 2016, CITIC Limited recorded profit attributable to ordinary shareholders of HK\$20.2 billion, a 46% decline compared with the same period in 2015. This was mainly due to the following: (1) first half 2015 profit included a gain from the sale of a 3.16% equity interest in CITIC Securities and an accounting gain from CITIC Securities' issuance of additional shares; (2) tax payments and expenses related to the restructuring of the property business; (3) a significant earnings decline at CITIC Securities; and (4) the depreciation of the Renminbi which affected the company's profit when translated into Hong Kong dollar, the company's reporting currency.

The board recommends payment of an interim dividend of HK\$0.10 per share.

Financial Services recorded a net profit of HK\$21.9 billion, compared with HK\$33.3 billion in the same period last year. However, excluding the gain from the sale of an interest in CITIC Securities in 2015 as mentioned above, profit for the sector in the first half of 2016 decreased 7%. This decline was due to CITIC Limited's reduced interest in CITIC Bank as well as a significant reduction in CITIC Securities' profit.

CITIC Bank recorded a 12% rise in revenue while profit saw slight growth, reflecting increased provisions taken for non-performing loans. CITIC Securities' results were affected by a lacklustre A share market. CITIC Trust, on the other hand, performed well.

Resources and Energy recorded a net profit of HK\$911 million. Excluding a one-time accounting gain in the first half of 2015, net profit for the current review period increased 32%. CITIC Resources achieved a year-on-year increase in crude oil production and realised continuous improvement in production efficiency and cost control. CITIC Metal's commodity trading business

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performed well despite fluctuations in the price of commodities. The Sino Iron project in Western Australia achieved a major milestone in May with the commissioning of the last two of its six concentrator lines. Sino Iron is now focusing on ramping up production, maximising efficiencies across all lines and further lowering operating costs.

Manufacturing recorded a net profit of HK\$1.6 billion, an increase of 26% compared with the same period last year. CITIC Pacific Special Steel and CITIC Dicastal both saw profit growth. However, CITIC Heavy Industries' net profit declined due to a slowdown in its traditional customer segments.

The **Engineering Contracting** business recorded a net profit of HK\$1.1 billion, increasing 7% over the same period last year, primarily because of the reversal of previous impairment provisions from CITIC Construction's highway project in Algeria. In addition, CITIC Construction's profit was affected by the depreciation of the Venezuelan currency, the bolívar, as projects in Venezuela were contracted to receive a portion of the payment in bolívars. CITIC Engineering Design performed well during the reporting period.

In **Real Estate**, the company's proposed sale of its residential property projects in mainland China to China Overseas Land & Investment Limited resulted in related tax payments and expenses in the first half of the year. The gain from the transaction is expected to be recognised in the second half of the year. During the review period, the overall decline in completed and delivered property projects during the period also contributed to the profit decrease.

About CITIC Limited

CITIC Limited is China's largest conglomerate operating domestically and overseas. With businesses in financial services, resources and energy, manufacturing, engineering contracting and real estate as well as others. CITIC's rich history, diverse platform and strong corporate culture across all businesses, ensure that CITIC Limited is unrivalled in capturing opportunities arising from China's continued growth. CITIC Limited is listed on the Stock Exchange of Hong Kong (SEHK:267) where it is a constituent of the Hang Seng Index. CITIC Group, 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.

Media enquiries:

Brunswick Group Ltd. (citic@brunswickgroup.com)

Ms Ginny WILMERDING
Tel: 852 3512-5028
Mobile: 852 9730-6376
gwilmerding@brunswickgroup.com

Ms Elaine LI
Tel: 852 3512-5032
Mobile: 852 9387-1132
eli@brunswickgroup.com

Ms Veronica ZHAO
Tel: 86 10-5960-8675
Mobile: 86 139-1011-1496
xzhao@brunswickgroup.com

Australian Contact:

Citadel-MAGNUS

Mr John GARDNER
Tel: 61 8-6160-4901
Mobile: 61 413-355-997
JGardner@citadelmagnus.com

Attachment:

- Announcement of the 2016 half-year results is on CITIC Limited's website: www.citic.com.

-The Half-Year Report 2016 will be posted on CITIC Limited's website around 8 September 2016 and mailed to shareholders of record and others expressing interest around 19 September 2016.