



CITIC RESOURCES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

Website: www.citicresources.com

(Stock Code: 1205)

ANNOUNCEMENT OF ANNUAL RESULTS BY A SUBSIDIARY – CITIC AUSTRALIA TRADING LIMITED For the year ended 31 December 2004

THIS IS NOT THE ANNOUNCEMENT OF THE ANNUAL RESULTS OF CITIC RESOURCES HOLDINGS LIMITED (THE “COMPANY”).

THIS ANNOUNCEMENT IS MADE BY THE COMPANY PURSUANT TO THE REQUIREMENTS OF RULE 13.09(1) OF THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED TO PROVIDE SHAREHOLDERS OF THE COMPANY AND THE PUBLIC WITH AUDITED FINANCIAL INFORMATION OF A LISTED SUBSIDIARY WHICH ANNOUNCES SUCH INFORMATION TO THE PUBLIC IN AUSTRALIA.

On 24 February 2005, the Directors of CATL, a company listed on the ASX and in which the Company has an indirect interest of 81%, has approved the financial results of CATL for the year ended 31 December 2004 which will be released by CATL through the ASX website on 25 February 2005.

Set out below in this announcement is the information from the ASX & Media Release by CATL with details of CATL’s results and dividend for the year ended 31 December 2004.

On 24 February 2005, the board of directors (the “**Directors**”) of CITIC Australia Trading Limited (“**CATL**”), a company listed on the Australian Stock Exchange (the “**ASX**”) and in which the Company has an indirect interest of 81%, has approved the financial results of CATL for the year ended 31 December 2004.

Set out below is the information from the ASX & Media Release by CATL with details of CATL’s results and dividend for the year ended 31 December 2004.

HIGHLIGHTS

Profit:

- consolidated net profit after tax (“**NPAT**”) of A\$5.75 million
- 11.4% increase over 2003’s NPAT of A\$5.16 million

Iron ore (a new export trading line in 2004):

- Sales : A\$116.00 million
- Profit before tax: A\$ 1.53 million

Earnings Per Share (“**EPS**”):

| (cents per share) | 2004 | 2003 | 2002 |
|-------------------|------|------|------|
| Basic EPS | 7.07 | 6.43 | 2.66 |
| Diluted EPS | 7.02 | 6.39 | 2.66 |

Dividend:

- 3.5 cents, fully franked at 30% tax rate
- Record date: 8 April 2005
- Payment date: 22 April 2005

| (cents per share) | 2004 | 2003 | 2002 |
|---|------|------|------|
| Dividend per share (All fully franked at 30% tax rate) | 3.5 | 3.2 | 2.0 |

Return on Equity:

- 40.4%, being NPAT divided by the average consolidated total equity

Annual General Meeting (“**AGM**”):

- To be held on Thursday, 12 May 2005
- AGM Notice, together with the Annual Report, will be sent to shareholders in early April

COMMENTARY ON RESULTS

CATL’s NPAT for the year ended 31 December 2004 was A\$5.75 million, an 11.4% increase over 2003’s NPAT of A\$5.16 million. Sales rose 35% to A\$609 million, from A\$452 million in 2003.

Alumina achieved a A\$2.80 million pre-tax profit which, although lower than 2003’s profit of A\$4.48 million, still leaves alumina as the largest contributor to CATL’s profit.

“This year’s alumina result is commendable,” said Mr Yuheng Wu, CATL’s Managing Director. “When spot prices dropped sharply in late April, following Chinese government announcements of measures to slow overheated industries such as aluminium and steel, CATL’s trading team reacted swiftly, taking measures that minimised the impact.”

The significant increase in sales reflects high average prices during the year for most commodities in which CATL trades, particularly alumina. It also reflects significant sales of iron ore during the year.

Iron ore made a significant contribution in its first year, with sales of A\$116 million earning a profit before tax of A\$1.53 million. Although CATL and its subsidiary CITIC Australia Commodity Trading have done a number of ad hoc iron ore transactions in past years, 2004 marked the debut of significant, regular trading.

“By combining our trading experience and financial strengths with the long-standing relationships of CITIC Metals (our Beijing-based sister company) with Chinese steel mills, this new export product line has started exceptionally well,” said Mr Wu. “CATL shipped 1.3 million tonnes of iron ore to Chinese steel mills in the first year. We will continue to work with CITIC Metals to service Chinese steel mills, with the aim of further developing iron ore into a regular trading line.”

Imports continued their steady performance, with pre-tax profit rising 8% to A\$2.71 million (2003: A\$2.50 million), on sales of A\$86 million (2003: A\$76 million).

OUTLOOK

As has been previously highlighted, CATL's board considers it prudent not to provide detailed profit forecasts because the volatile nature of international commodity trading makes predicting CATL's revenue and earnings difficult. The significant fluctuations in commodity prices during mid-2004 again illustrates this point clearly.

However, CATL can advise that exports of alumina and iron ore have started the year well, underpinning a strong start to 2005. In addition, CATL has entered into an advance purchase agreement with a Chinese aluminium smelter, whereby it has progressively prepaid for over 20,000 tonnes of aluminium ingots for delivery during 2005, commencing in March. This diversifies export trading lines and helps further reduce relative reliance upon alumina. CATL continues to seek longer term arrangements with suppliers and/or customers.

“It is pleasing to see CATL's strategy of recent years bearing fruit,” said Mr Wu. “Iron ore exports and our import division have each earned a substantial proportion of CATL's 2004 profit. We will continue our strategy of developing multiple trading lines, to reduce CATL's relative reliance upon earnings from alumina.”

Imports, particularly tyres and wheels, are seeing signs of increasing competition, although it is too early to assess the impact (if any) on future results.

GENERAL

The full financial results of CATL for the year ended 31 December 2004 will be released by CATL through the ASX website: www.asx.com.au on 25 February 2005.

By Order of the Board
CITIC Resources Holdings Limited
Peter Kwok Viem
Chairman

Hong Kong, 24 February 2005

As of the date of this announcement, the executive directors of the Company are Mr. Kwok Viem, Peter; Mr. Ma Ting Hung; Ms. Li So Mui; Mr. Mi Zengxin; Mr. Qiu Yiyong; Mr. Sun Xinguo; Mr. Zeng Chen and Mr. Zhang Jijing and the independent non-executive directors are Mr. Chan Mo Po, Paul; Mr. Fan Ren Da, Anthony and Mr. Tsang Link Carl, Brian.

Please also refer to the published version of this announcement in The Standard.