



CITIC RESOURCES HOLDINGS LIMITED

CITIC RESOURCES ANNOUNCES 2010 FULL YEAR PROFIT INCREASED BY 8.5 TIMES TO HK\$1,101.7 MILLION

OIL AND COAL MINING REMAIN THE GROUP'S PRIMARY FOCUS IN ENERGY AND RESOURCES STRATEGY

Financial Highlights

	For the year ended 31 December (HK\$Million)		
	2010	2009	Change
Revenue	32,252.3	19,425.4	+66.0%
Gross Profit	2,941.5	1,881.8	+56.3%
Profit attributable to shareholders	1,101.7	115.7	+8.5 times
Earnings Per Share - Basic	HK18.21 cents	HK1.91 cents	+8.5 times
Net Total Debts to Net Total Capital	49.7%	54.7%	N/A

(Hong Kong, 27 March 2011) – CITIC Resources Holdings Limited (“CITIC Resources” or the “Company”) (HKEx stock code: 1205) today announced the audited annual results of the Company and its subsidiaries (the “Group”) for the 12 months ended 31 December 2010.

During the year under review, the Group recorded a total revenue of approximately HK\$32.3 billion (2009: HK\$19.4 billion), representing strong growth of 66.0% on a year-on-year basis. Profit attributable to shareholders increased 8.5 times to HK\$1,101.7 million, attributable to a gain resulting from the spin-off and separate listing of CITIC Dameng Holdings Limited (“CITIC Dameng”), improved operating performance from the Group’s core businesses and better control over operating expenses. Basic earnings per share was HK18.21 cents and net total debts to net total capital improved to 49.7%.

Mr. Zeng Chen, President and Chief Executive Officer of the Group stated: “We are pleased to present the encouraging results of 2010. During the year, we completed the spin-off of CITIC Dameng which unlocked the investment value of CITIC Dameng and paves the way for us to focus resources in our core businesses such as oil and coal.”

On the 2011 business outlook, Mr. Zeng added: “Construction at the Yuedong Block is making good progress despite various challenges, and we are confident production will improve in line with our construction and development schedule. Looking ahead, we will continue to focus on our oil exploration and production business and simultaneously strengthen our coal business. While consolidating our existing operations and assets, we will continue to explore investment opportunities with strong potential for enhancing shareholder value.”

Sales to external customers

	For the year ended 31 December (HK\$Million)		
	2010	2009	Change
Crude Oil	3,802.9	2,882.5	+31.9%
Coal	507.2	344.0	+47.4%
Import and Export of Commodities	24,536.2	13,083.5	+87.5%
Aluminium Smelting	1,215.4	1,029.1	+18.1%
Manganese	2,190.6	2,086.4	+5.0%
Consolidated	32,252.3	19,425.4	+66.0%

Crude Oil

Crude oil continues to be an important part of the Group's businesses with segment revenue increasing by about 31.9% in 2010. Production improvement and capacity expansion are two immediate objectives.

Karazhanbas oilfield in Kazakhstan

Benefiting from the rise in oil prices and the deployment of enhanced oil recovery methods of cyclic steam stimulation and steam flooding, the Karazhanbas oilfield continued to be the main driver for the Group's crude oil revenue growth with higher efficiencies and growth in production at sustainable rates attained.

Hainan-Yuedong Block, Bohai Bay Basin in Liaoning

The Group is on schedule towards achieving full production from the Yuedong Block. In August 2010, approval of the overall development plan was obtained from the National Development and Reform Commission of PRC with pilot production successfully commencing thereafter. Construction of three other artificial islands started in 2Q 2010 and production facilities on these new artificial islands are tentatively scheduled to be completed by the end of 2013 and full production will then follow.

Seram Island Non-Bula Block, Indonesia

The Group has succeeded and shall continue to drill new wells and carry out necessary repairs to existing wells to sustain and improve the production from the oilfield.

Coal

Demand for low volatile pulverised coal injection coal ("LV PCI coal") was strong in the year and revenue from the Group's 7% direct interests in the Coppabella and Moorvale coal mines joint venture (the "CMJV") recorded over 47.4% growth in the year. The Group's share of profit of associates mainly represented the share of profits from our 16.14% shareholding in Macarthur Coal which also recorded strong growth in the year. As steel production in PRC is expected to continue to rise in the future, outlook for demand for LV PCI coal remains strong in particular since the Group continues to hold the right to market all coal produced by the CMJV to customers in PRC.

Import and Export of Commodities

Thanks to the recovery in both demand for and prices of commodities, segment revenue increased by about 87.5%. In November 2010, the Group renewed the Cooperation Agreement with CITIC Metal Company Limited ("CITIC Metal"), a wholly-owned subsidiary of CITIC Group allowing the Group to continue to sell iron ore and, from 2011 onwards, coal through CITIC Metal into the PRC market which retains a strong demand for natural resources.

Aluminium smelting

Segment revenue increased by 18.1% in 2010 as a result of recovering selling prices. The curtailment program and cost cutting measures have proved to be effective in improving the profit margin. The small segment loss recorded was due to the non-cash loss from revaluation of “embedded derivatives” arising from the electricity supply agreement.

Manganese

As a result of the increase in demand for and selling prices of manganese products, segment revenue rose 5.0% in 2010. The spin-off and separate listing of the shares of CITIC Dameng on the Main Board of the Stock Exchange of Hong Kong completed on 18 November 2010, and the Company’s shareholding in CITIC Dameng diluted to 38.98%. The Group’s share of results of CITIC Dameng are as share of profit of associate.

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About CITIC Resources Holdings Limited

CITIC Resources Holdings Limited (“CRH”) was listed on the Hong Kong Stock Exchange since 1997. CITIC Resources is a provider of natural resources with particular focus on energy business. The principal activities of CITIC Resources and its subsidiaries include aluminium smelting, import and export of commodities, and oil and coal exploration, development and production. CITIC Group is the parent company of CITIC Resources with majority stake of about 54%.

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