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CITIC Limited
中國中信股份有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00267)

ANNOUNCEMENT

**UNAUDITED FINANCIAL STATEMENTS OF
CITIC CORPORATION LIMITED
FOR THE THREE MONTHS ENDED 31 MARCH 2017**

This announcement is made by CITIC Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong).

CITIC Corporation Limited (“**CITIC Corporation**”), a wholly-owned subsidiary of the Company, is a company incorporated in the People’s Republic of China (“**PRC**”). As CITIC Corporation issued medium-term notes and super & short-term commercial paper in the PRC, it is required to announce the financial statements of itself and its subsidiaries on a quarterly basis prepared in accordance with the PRC Generally Accepted Accounting Principles in accordance with the relevant regulations of the People’s Bank of China and the National Association of Financial Market Institutional Investors.

The unaudited financial statements of CITIC Corporation for the three months ended 31 March 2017 are available on China Bond, China Money and Shanghai Clearing House at www.chinabond.com.cn, www.chinamoney.com.cn and www.shclearing.com, respectively, and are set out at the end of this announcement.

By Order of the Board
CITIC Limited
Chang Zhenming
Chairman

Hong Kong, 2 May 2017

As at the date of this announcement, the executive directors of the Company are Mr Chang Zhenming (Chairman), Mr Wang Jiong, Ms Li Qingping and Mr Pu Jian; the non-executive directors of the Company are Mr Yang Jinming, Mr Liu Yeqiao, Mr Song Kangle, Ms Yan Shuqin, Mr Liu Zhongyuan and Mr Yang Xiaoping; and the independent non-executive directors of the Company are Mr Francis Siu Wai Keung, Dr Xu Jinwu, Mr Anthony Francis Neoh, Ms Lee Boo Jin, Mr Noriharu Fujita and Mr Paul Chow Man Yiu.

Consolidated Balance Sheet

as at 31 March 2017 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	31 March 2017	31 December 2016
Cash and deposits	657,677,711	810,279,212
Placements with banks and non-bank financial institutions	193,948,291	167,207,891
Financial assets at fair value through profit or loss	69,907,273	69,609,531
Derivative financial instruments	29,787,256	47,604,014
Trade and other receivables	120,137,294	116,748,654
Inventories	21,418,892	19,350,656
Financial assets held under resale agreements	32,661,705	173,190,986
Loans and advances to customers and other parties	2,880,641,491	2,807,206,792
Available-for-sale financial assets	568,675,617	567,006,461
Held-to-maturity investments	224,641,677	218,393,136
Investments classified as receivables	1,074,389,278	1,043,289,575
Long-term equity investments	54,559,172	52,022,970
Investment properties	4,021,247	4,003,390
Fixed assets	38,401,212	37,743,752
Construction in progress	8,523,596	9,049,738
Intangible assets	23,048,165	23,373,919
Goodwill	8,538,418	8,377,578
Deferred tax assets	16,306,735	14,564,662
Other assets	30,182,721	33,303,707
Total assets	6,057,467,751	6,222,326,624

Consolidated Balance Sheet (continued)

as at 31 March 2017 (Unaudited)

CITIC Corporation Limited	Expressed in Renminbi '000	
	31 March 2017	31 December 2016
Borrowing from central banks	173,600,000	184,050,000
Placements from banks and non-bank financial institutions	58,691,262	83,722,646
Derivative financial instruments	27,571,473	45,068,448
Trade and other payables	137,676,300	148,882,024
Financial assets sold under repurchase agreements	40,803,698	120,342,029
Deposits from banks and non-bank financial institutions and customers	4,490,688,694	4,597,804,179
Employee benefits payable	12,305,096	15,045,569
Taxes payable	10,354,507	10,412,890
Bank and other loans	49,654,782	47,266,590
Debt instruments issued	510,389,091	432,353,847
Provisions	1,576,966	1,489,976
Deferred tax liabilities	2,001,224	1,964,803
Other liabilities	13,664,342	18,553,687
Total liabilities	5,528,977,435	5,706,956,688
Paid-in capital	139,000,000	139,000,000
Capital reserve	40,043,586	40,078,654
Other comprehensive income/(loss)	(1,034,941)	556,541
Surplus reserve	5,982,516	5,982,516
General reserve	36,105,518	36,105,518
Retained earnings	130,252,256	118,552,754
Total equity attributable to owners of the Company	350,348,935	340,275,983
Non-controlling interests	178,141,381	175,093,953
Total owners'equity	528,490,316	515,369,936
Total liabilities and owners'equity	6,057,467,751	6,222,326,624

Consolidated Income Statement

for the three months ended 31 March 2017 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	2017	2016
Operating income	61,758,066	58,573,636
Less: Total operating costs	45,594,908	43,721,073
Including: Operating costs	20,011,192	14,320,797
Business taxes and surcharges	478,817	2,860,227
Selling and distribution expenses	580,515	656,262
General and administrative expenses	10,995,817	11,444,848
Financial expenses	675,226	1,020,817
Impairment losses	12,853,341	13,418,122
Add: Gains from changes in fair value	15,635	(3,899)
Investment income	3,310,040	398,832
Operating profit	19,488,833	15,247,496
Add: Non-operating income	176,233	313,984
Less: Non-operating expenses	81,574	69,141
Profit before income tax	19,583,492	15,492,339
Less: Income tax expense	3,774,407	3,857,386
Net profit for the period	15,809,085	11,634,953
Attributable to: Owners of the Company	11,699,502	7,570,865
Non-controlling interests	4,109,583	4,064,088

Consolidated Cash Flow Statement

for the three months ended 31 March 2017 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	2017	2016
Cash flows from operating activities		
Cash received from sale of goods and rendering of services	21,769,255	19,383,311
Net decrease in deposits with banks and non-bank financial institutions	1,075,646	2,049,535
Net increase in deposits from customers	-	186,789,176
Net decrease in deposits with central banks	5,507,431	-
Net increase in borrowing from central banks	-	44,500,000
Net increase in deposits from banks and non-bank financial institutions	93,138,343	136,552,212
Interests, fee and commission received	67,981,604	65,911,263
Net decrease in placements with banks and non-bank financial institutions	14,596,875	2,136,128
Net decrease in financial assets held under resale agreements	140,529,281	132,498,665
Net decrease in financial assets at fair value through profit or loss	9,149,305	-
Net increase in financial liabilities at fair value through profit or loss	-	304,602
Refund of taxes	283,770	103,958
Cash received from other operating activities	11,742,795	10,159,916
Sub-total of cash inflows from operating activities	365,774,305	600,388,766
Cash paid for goods and services	18,745,395	17,283,530
Net increase in loans and advance to customers and other parties	84,748,291	145,837,029
Net increase in deposits with central banks	-	26,059,993
Net decrease in deposits from customers	203,966,594	-
Net decrease in borrowing from central banks	10,450,000	-
Net increase in investments classified as receivables	31,194,888	180,237,129
Net decrease in financial assets sold under repurchase agreements	79,538,331	55,395,264
Net decrease in placements from banks and non-bank financial institutions	24,888,221	6,486,178
Net increase in financial assets at fair value through profit or loss	-	25,676,126
Net decrease in financial liabilities at fair value through profit or loss	4,084	-
Interests, fee and commission paid	26,569,564	25,988,210
Cash paid to and on behalf of employees	11,991,845	10,373,034
Cash paid for various taxes	8,563,257	7,204,848
Cash paid for other operating activities	27,163,853	46,827,457
Sub-total of cash outflows from operating activities	527,824,323	547,368,798
Net cash flows from operating activities	(162,050,018)	53,019,968

Consolidated Cash Flow Statement (continued)

for the three months ended 31 March 2017 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	2017	2016
Cash flows from investing activities:		
Cash received from disposal of financial investments	244,001,276	281,398,636
Cash received from returns on investments	514,497	584,321
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	2,210	61,677
Net cash received from disposal of associates and joint ventures	107,538	16,018
Cash received from other investing activities	248,889	4,529,534
Sub-total of cash inflows from investing activities	244,874,410	286,590,186
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,281,229	4,663,669
Cash paid for acquisition of financial investments	238,590,174	320,962,841
Net cash payment for acquisition of subsidiaries	197,570	-
Net cash payment from disposal of subsidiaries	1,400,000	3,913,051
Net cash payment for acquisition of associates and joint ventures	67,011	-
Cash paid for other investing activities	2,609,967	26,280
Sub-total of cash outflows from investing activities	244,145,951	329,565,841
Net cash flows from investing activities	728,459	(42,975,655)
Cash flows from financing activities:		
Cash received from capital contributions	15,568	75,000
(Including: Cash received by subsidiaries from non-controlling interests)	15,568	75,000
Cash received from new banks and other loans	9,051,827	11,612,964
Cash received from issuance of new debt instruments	211,466,808	141,595,137
Cash received from other financing activities	100,345	59,238
Sub-total of cash inflows from financing activities	220,634,548	153,342,339
Cash paid for repayment of banks and other loans and debt instruments issued	141,510,225	106,443,722
Cash paid for dividends, profit distributions or interest	6,402,180	3,741,971
(Including: Dividends and profits paid by subsidiaries to non-controlling interests)	80,133	174,243
Cash paid for other financing activities	114,987	200,576
Sub-total of cash outflows from financing activities	148,027,392	110,386,269
Net cash flows from financing activities	72,607,156	42,956,070
Effect of foreign exchange rate changes on cash and cash equivalents	(605,690)	(349,701)
Net increase in cash and cash equivalents	(89,320,093)	52,650,682
Add: Cash and cash equivalents at the beginning of the period	426,151,148	268,389,704
Cash and cash equivalents at the end of the period	336,831,055	321,040,386

Balance Sheet

as at 31 March 2017 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	31 March 2017	31 December 2016
Cash and deposits	7,534,107	15,857,709
Financial assets at fair value through profit or loss	1,722,874	2,502,765
Trade and other receivables	26,733,394	26,593,361
Loans and advances to customers and other parties	12,043,059	11,044,002
Available-for-sale financial assets	14,979,129	10,380,811
Long-term equity investments	214,111,256	211,703,075
Fixed assets	605,333	614,148
Other assets	-	2,495
Total assets	277,729,152	278,698,366

Balance Sheet (continued)

as at 31 March 2017 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	31 March 2017	31 December 2016
Trade and other payables	9,373,285	12,510,312
Taxes payable	5,288	6,209
Debt instruments issued	41,258,547	41,240,807
Provisions	700,000	700,000
Deferred tax liabilities	215,365	215,269
Other liabilities	2,094,135	2,044,926
Total liabilities	53,646,620	56,717,523
Paid-in capital	139,000,000	139,000,000
Capital reserve	50,268,921	50,268,921
Other comprehensive income	952,845	952,845
Surplus reserve	5,982,516	5,982,516
Retained earnings	27,878,250	25,776,561
Total owners' equity	224,082,532	221,980,843
Total liabilities and owners' equity	277,729,152	278,698,366

Income Statement

for the three months ended 31 March 2017 (Unaudited)

CITIC Corporation Limited	Expressed in Renminbi '000	
	2017	2016
Operating income	2,697,533	824,422
Less: Total operating costs	595,844	724,281
Including: Taxes and surcharges	871	30,575
General and administrative expenses	124,097	113,097
Financial expenses	496,847	580,609
Impairment losses	(25,971)	-
Operating profit	2,101,689	100,141
Add: Non-operating income	-	-
Less: Non-operating expenses	-	-
Profit before income tax	2,101,689	100,141
Less: Income tax expense	-	-
Net profit for the period	2,101,689	100,141

Cash Flow Statement

for the three months ended 31 March 2017 (Unaudited)

CITIC Corporation Limited

Expressed in Renminbi '000

	2017	2016
Cash flows from operating activities:		
Interests, fee and commission received	42,168	71,948
Cash received from other operating activities	211,644	811,585
Sub-total of cash inflows from operating activities	253,812	883,533
Interests, fee and commission paid	82	187
Cash paid for various taxes	150,834	456,754
Cash paid for other operating activities	128,361	119,256
Sub-total of cash outflows from operating activities	279,277	576,197
Net cash flows from operating activities	(25,465)	307,336
Cash flows from investing activities:		
Cash received from disposal of investments	103,911	1,953,496
Sub-total of cash inflows from investing activities	103,911	1,953,496
Cash paid for acquisition of investments	6,188,835	7,446,922
Entrusted loans to subsidiaries	1,000,000	310,000
Sub-total of cash outflows from investing activities	7,188,835	7,756,922
Net cash flows from investing activities	(7,084,924)	(5,803,426)
Cash flows from financing activities:		
Cash paid for repayment of bank and other loans and debt instruments issued	-	3,000,000
Interest paid	459,000	875,742
Cash paid for dividends or profit distributions	3,021,000	-
Sub-total of cash outflows from financing activities	3,480,000	3,875,742
Net cash flows from financing activities	(3,480,000)	(3,875,742)
Effect of foreign exchange rate changes on cash and cash equivalents	13,937	3,153
Net decrease in cash and cash equivalents	(10,576,452)	(9,368,679)
Add: Cash and cash equivalents at the beginning of the period	13,470,864	15,777,831
Cash and cash equivalents at the end of the period	2,894,412	6,409,152