

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement does not constitute an offer or invitation to subscribe for or purchase any securities nor is it calculated to invite any such offer or invitation. Any prospective investors should read the Prospectus for detailed information about the proposed offer of securities mentioned in this announcement before deciding whether or not to invest in such securities. No application for the securities mentioned in this announcement should be made by any person nor would such application be accepted without completion of a formal application form or other application procedure that is to be issued with or in respect of the Prospectus.

In particular, this announcement is not an offer of securities for sale in Hong Kong, the United States or elsewhere. Securities may not be offered or sold in the United States absent registration or an exemption from registration. Any public offering of securities to be made in the United States would be made by means of a prospectus that may be obtained from the issuer or selling security holder and that would contain detailed information about the company and its management, as well as financial statements.

The information included in this announcement is subject to amendment and finalisation and approval of the Prospectus. In addition, unless otherwise stated, the historical financial information in this announcement is unaudited and may differ from the audited financial information which will be included in the Prospectus. Shareholders of, and prospective investors in, the securities of the Company should therefore exercise extreme caution in interpreting this information and when dealing in such securities.



CITIC PACIFIC

CITIC Pacific Limited 中信泰富有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 267)

SEPARATE LISTING OF CITIC 1616 HOLDINGS LIMITED ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED – PREFERENTIAL OFFER TO THE QUALIFYING SHAREHOLDERS

Reference is made to the announcements of CITIC Pacific made on 10 January 2007 and 22 January 2007 about the Proposed Spin-off and separate listing of CITIC 1616.

The Company wishes to announce that it has proposed that, if and when the Proposed Spin-off materialises, Qualifying Shareholders shall be entitled to subscribe on an assured basis at the Offer Price for one Reserved Share for every whole multiple of 20 existing Shares held by them as at 5:00 p.m. on 16 March 2007 (i.e. the Record Date).

If the Proposed Spin-off is postponed, the Directors may determine another Record Date and the Company will make a further announcement.

Shareholders and potential investors should note that the Proposed Spin-off and the Global Offering, which are subject to a number of conditions, may or may not proceed. In particular, the timetable for the Proposed Spin-off has not yet been finalised, and there is no assurance that approval from the Stock Exchange will be granted or that the underwriters' obligations under the underwriting agreements will become unconditional or that the underwriting agreements will not be terminated. Accordingly, Shareholders and potential investors are urged to exercise extreme caution when dealing in the securities of the Company.

This announcement is made further to the announcements of the Company made on 10 January 2007 and 22 January 2007 about the Proposed Spin-off and the separate listing of CITIC 1616 (the "Announcements"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as given to them in the Announcements.

The Company wishes to announce that it has proposed that, if and when the Proposed Spin-off materialises, Qualifying Shareholders shall be entitled to subscribe on an assured basis at the Offer Price for one Reserved Share for every whole multiple of 20 existing Shares held by them as at 5:00 p.m. on 16 March 2007 (i.e. the Record Date) as follows:

Timetable for the assured entitlements

Last day of dealings in Shares on cum-entitlement basis	Wednesday, 14 March 2007
First day of dealings in Shares on ex-entitlement basis	Thursday, 15 March 2007
Latest time for lodging transfer of the Shares cum-entitlement pursuant to the Preferential Offer	4:00 p.m., Friday, 16 March 2007
Record Date	5:00 p.m., Friday, 16 March 2007

If the Proposed Spin-off is postponed, the Directors may determine another Record Date and the Company will make a further announcement.

Summary of the Preferential Offer

Subject to the Stock Exchange granting the approval for the listing of, and permission to deal in, the CITIC 1616 Shares on the main board of the Stock Exchange, sufficient number of Reserved Shares will be made available for subscription by Qualifying Shareholders at the Offer Price under the Preferential Offer.

Based on the existing share capital structure of the Company, it is currently estimated that the Qualifying Shareholders are entitled to subscribe on an assured basis at the Offer Price for one Reserved Share for every whole multiple of 20 existing Shares held by them as at 5:00 p.m. on the Record Date. However, the aforesaid is only an estimate and the final assured entitlement will depend on the number of Shares held by Qualifying Shareholders on the Record Date.

With a view to maximising the percentage of CITIC 1616 Shares in the hands of the public immediately after the Global Offering, CITIC HK, Mr. Yung Chi Kin (chairman of the Company) and Mr. Fan Hung Ling (managing director of the Company) have indicated that they would not take up any Reserved Shares to the extent that they are Qualifying Shareholders and CITIC 1616 will not allocate any Reserved Shares to them.

In order to apply for the Reserved Shares under the Preferential Offer, Qualifying Shareholders will be required to complete a blue application form which will be despatched, together with an electronic copy of the Prospectus on CD-ROM, in due course to each Qualifying Shareholder who is entitled to apply for the Reserved Shares.

Any Qualifying Shareholder holding less than 20 Shares will not be entitled to apply for the Reserved Shares on an assured basis. Qualifying Shareholders will be permitted to apply for a number of Reserved Shares which is greater than, less than, or equal to, their assured entitlements under the Preferential Offer. A valid application in respect of a number of Reserved Shares less than or equal to a Qualifying Shareholder's assured entitlement will be accepted in full, subject to the terms and conditions set out in the Prospectus and the blue application forms. Where a Qualifying Shareholder applies for a number of Reserved Shares which is greater than his or her assured entitlement, his or her assured entitlement will be satisfied in full, subject as mentioned above, but the excess portion of such application will only be met to the extent that there are sufficient available Reserved Shares resulting from other Qualifying Shareholders with an assured entitlement declining to take up all or some of their assured entitlements. Qualifying Shareholders may, in addition to applying for Reserved Shares, also make one application for CITIC 1616 Shares under the Hong Kong Public Offer. The Global Coordinator, on behalf of the Underwriters, will allocate any Reserved Shares not taken up by Qualifying Shareholders first to satisfy the excess applications for the Reserved Shares from Qualifying Shareholders on a fair and reasonable basis, and thereafter, at the discretion of the Global Coordinator, to the Public Offer. Save for the above, the Preferential Offer will not be subject to the clawback arrangement between the International Placing and the Public Offer.

Shareholders should note that assured entitlements to Reserved Shares may not represent a multiple of a full board lot of 1,000 CITIC 1616 Shares and will be rounded down to the closest whole number if required, and that dealings in odd lots of the CITIC 1616 Shares may be at a price below the prevailing market price for full board lots.

Entitlements to the Reserved Shares will not be transferable and there will be no trading in nil paid entitlements on the Stock Exchange. Any CITIC 1616 Shares issued pursuant to the Preferential Offer will be deemed fully paid and ranked pari passu in all respects with other CITIC 1616 Shares then in issue.

Shareholders and potential investors should note that the Proposed Spin-off and the Global Offering, which are subject to a number of conditions, may or may not proceed. In particular, the timetable for the Proposed Spin-off has not yet been finalised, and there is no assurance that approval from the Stock Exchange will be granted or that the underwriters' obligations under the underwriting agreements will become unconditional or that the underwriting agreements will not be terminated. Accordingly, Shareholders and potential investors are urged to exercise extreme caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions have the meanings as set out below unless the context requires otherwise:

"CITIC 1616 Shares"	ordinary shares in the capital of CITIC 1616
"CITIC HK"	CITIC Hong Kong (Holdings) Limited, a substantial shareholder holding approximately 29% interest in the Company
"Director(s)"	the director(s) of the Company
"Global Coordinator"	BNP Paribas Capital (Asia Pacific) Limited (the global coordinator of the Global Offering)
"Global Offering"	the Hong Kong Public Offer (including the Preferential Offer) and the International Placing
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Public Offer"	the offer of the CITIC 1616 Shares proposed to be made to the public in Hong Kong for subscription pursuant to the listing of the CITIC 1616 Shares on the main board of the Stock Exchange
"International Placing"	the placing of the CITIC 1616 Shares with certain professional, institutional and other investors proposed to be made pursuant to the listing of the CITIC 1616 Shares on the main board of the Stock Exchange
"Offer Price"	the final price per CITIC 1616 Share fixed at a HK\$ amount (exclusive of brokerage fee, SFC transaction levy and the Stock Exchange trading fee) at which the CITIC 1616 Share is to be offered pursuant to the Global Offering, as will be set out in the Prospectus
"Preferential Offer"	the preferential offer of the CITIC 1616 Shares proposed to be made to the Qualifying Shareholders
"Prospectus"	the prospectus proposed to be issued by CITIC 1616 in relation to the Global Offering
"Public Offer"	the issue and offer of the Public Offer Shares proposed to be made to the public in Hong Kong for subscription at the Offer Price
"Public Offer Shares"	CITIC 1616 Shares being initially offered by the Company for subscription at the Offer Price pursuant to the Public Offer
"Record Date"	5:00 p.m. on Friday, 16 March 2007, being the date for ascertaining the Qualifying Shareholders who shall be entitled to assured entitlements under the Preferential Offer
"Reserved Share(s)"	such CITIC 1616 Shares proposed to be offered pursuant to the Preferential Offer
"SFC"	The Securities and Futures Commission of Hong Kong
"Shares"	ordinary shares of HK\$0.40 each in the capital of the Company
"Underwriters"	the underwriters of the International Placing and the Public Offer

By Order of the Board
CITIC Pacific Limited
Alice Tso Mun Wai
Company Secretary

Hong Kong, 9 March 2007

As at the date of this announcement, the executive directors of the Company are Messrs Larry Yung Chi Kin (Chairman), Henry Fan Hung Ling, Peter Lee Chung Hing, Carl Yung Ming Jie, Leslie Chang Li Hsien, Vernon Francis Moore, Li Shilin, Liu Jifu, Chau Chi Yin, Milton Law Ming To and Wang Ande; the non-executive directors of the Company are Messrs Willie Chang, André Desmarais, Chang Zhenming and Peter Kruyt (alternate director to Mr. André Desmarais); and the independent non-executive directors of the Company are Messrs Hamilton Ho Hau Hay, Alexander Reid Hamilton, Hansen Loh Chung Hon and Norman Ho Hau Chong.

"Please also refer to the published version of this announcement in the Standard and Hong Kong Economic Times."