

CITIC International Financial Holdings Sets Up Cross-Strait Financial Bridge

(Hong Kong: 13 January, 2003) CITIC International Financial Holdings Limited (“CIFH”), the financial flagship of CITIC outside Mainland China, has entered into separate memorandum of understanding (“MOU”) with four Taiwanese banks in December last year. This represents the start of a series of initiatives undertaken by CIFH to build its banking and financial services franchise in Greater China.

CIFH signed separate MOU with Bank Sinopac, Chinatrust Commercial Bank, Land Bank of Taiwan and United World Chinese Commercial Bank (listed in alphabetical order) in December last year. The memoranda underline CIFH’s aim to establish a joint financial platform through collaboration with these Taiwanese banks that offers a comprehensive range of financial services to their customers operating in the Mainland as PRC regulations permit.

Mr. Chang Zhenming, Chief Executive Officer of CITIC International Financial Holdings Limited, said, “We are pleased to be allied in this initiative with Sinopac, Chinatrust Commercial Bank, Land Bank of Taiwan and United World Chinese Commercial Bank, given their strong domestic franchise, the diversity of their corporate profile and customer base, as well as their shared commitment to providing superior customer service.”

“We see this as one of several strategic moves for our Greater China operations. By establishing strategic partnerships with these Taiwanese Banks, we will be uniquely positioned to capitalize on the burgeoning economic and trading activities within the Greater China region and to harness the new opportunities in an optimal way. There is a large population of Taiwanese companies, approximately half a million, which have invested and are operating in the Mainland, mainly in Jiangsu, Guangdong and Fujian province as well as in Shanghai, who have diversified banking and financial needs. Through this collaboration, we will be able to position ourselves as a cross-strait financial bridge for these Taiwanese companies by addressing their Mainland financial needs,” Mr. Chang said.

Taiwanese companies operating in the Mainland were finding it difficult to get access to a comprehensive suite of banking and financial services. Through collaborating with these Taiwanese banks to set up a joint financial platform, CIFH's subsidiaries such as CITIC Ka Wah Bank will be able to provide a comprehensive range of financial services to these Taiwanese companies, directly or through their sister bank, CITIC Industrial Bank in the Mainland.

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CITIC International Financial Holdings Limited

CITIC International Financial Holdings Limited ("CIFH") is the financial flagship of China International Trust and Investment Corporation ("CITIC") outside Mainland China. CIFH is approximately 55% owned by CITIC and is the holding company of CITIC Ka Wah Bank Limited, the seventh largest locally incorporated licensed bank in Hong Kong, and CITIC International Assets Management Limited, an asset management company. CIFH also holds 25% of CITIC Capital Markets Holdings Limited, a China-focused investment bank.

CIFH emerged as a result of the reorganization of CITIC Ka Wah Bank which was completed on 25 November 2002. The reorganization into a holding company increases the Group's overall competitiveness and provides CITIC Ka Wah Bank and other entities under CIFH greater strategic advantages and higher flexibility in collaborating with the CITIC Group and related entities.

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