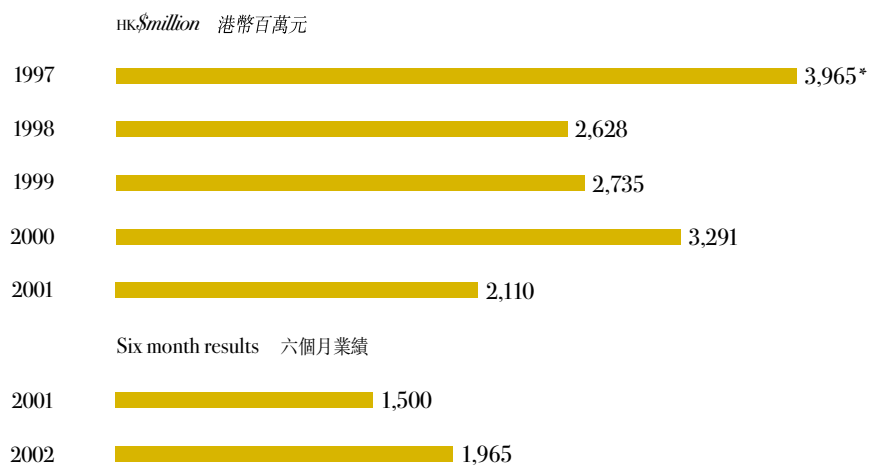


Consolidated Financial Results for the 6 months ended 30 June 2002

綜合財政業績
截至二零零二年六月三十日止六個月

Profit Attributable to Shareholders

股東應佔溢利



* additionally a HK\$3,236 million profit from the sale of Hong Kong Telecom shares was recorded in 1997.

* 此外，在一九九七年出售香港電訊股份錄得額外溢利港幣三十二億三千六百萬元。

The net profit attributable to shareholders for the 6 months ended 2002 was HK\$1,965 million, an increase of 31% compared with HK\$1,500 million achieved for the same period in 2001.

二零零二年首六個月之股東應佔淨溢利為港幣十九億六千五百萬元，較二零零一年同期錄得之港幣十五億元增加31%。

Contribution

The following chart shows the after tax contribution each business made to corporate interest expense of debt raised by CITIC Pacific, overhead expenses and amortisation of goodwill. The percentage is the proportion of contribution amongst the businesses in the table.

溢利貢獻

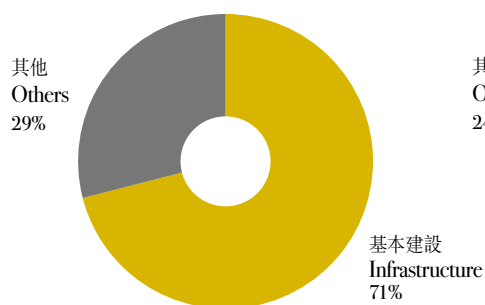
下圖顯示各項業務之稅後溢利貢獻與中信泰富所借債項之企業利息支出、營運開支及商譽攤銷之比例。表內百分率乃按所列業務之溢利貢獻比例計算。

		截至六個月 Six months ended													
		1997		1998		1999		2000		2001		2001		2002	
		HK\$'m	%	HK\$'m	%	HK\$'m	%	HK\$'m	%	HK\$'m	%	HK\$'m	%	HK\$'m	%
基本建設 Infrastructure															
基礎設施	Civil Infrastructure	1,099	20	1,382	34	1,292	31	1,320	32	1,362	42	678	34	632	28
航空	Aviation	702	13	(11)	0	659	16	1,475	36	324	10	423	22	453	20
信息業	Communications	322	6	65	2	51	1	92	2	295	9	165	8	351	15
發電	Power Generation	1,166	22	1,865	46	1,143	28	584	14	419	13	230	12	190	8
其他 Others															
物業	Property	1,587	30	270	6	740	18	422	10	633	19	296	15	488	21
銷售及分銷	Marketing & Distribution	360	7	330	8	230	5	226	5	119	4	119	6	122	5
製造	Manufacturing	2	0	18	0	22	1	29	1	95	3	50	3	61	3
消費信用	Consumer Credit	84	2	167	4	0	0	0	0	0	0	0	0	0	0

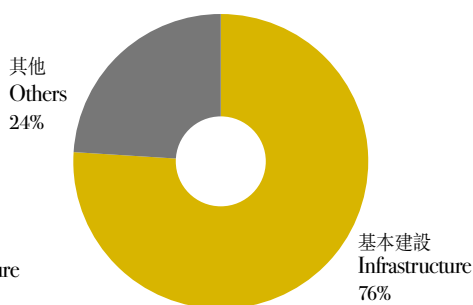
Contribution %

溢利貢獻%

Six months ended 30 June 2002
截至二零零二年六月三十日止六個月



Six months ended 30 June 2001
截至二零零一年六月三十日止六個月



Compared with the contribution for 6 months ended 2001 :

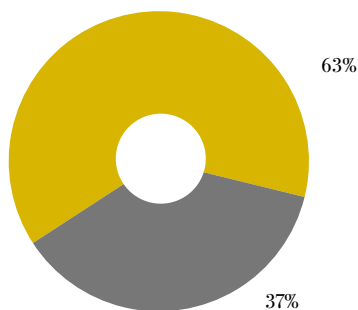
- Civil Infrastructure decreased by 7% mainly due to the disposal of all 50% interest in Chongqing Chang Jiang LIT Bridge to the joint venture partner in December 2001.
- Aviation increased 7% mainly due to increased profit from Cathay Pacific as a result of reduced operating costs including a lower average fuel price offsetting a 2% decrease in revenue, and better results at HACTL.
- Communications increased 113% due to a greater contribution from the Group's major communications businesses.
- Power Generation decreased by 17% mainly due to decreased dividend declared by the operating companies.
- Property sales at both Siena One at Discovery Bay and The Victoria Tower in Kowloon contributed profit in 2002. In the first half of 2001, property sales were insignificant. Property leasing profit increased as a result of the Shanghai properties newly acquired in January 2002.
- Manufacturing profit increased mainly due to increased sales of steel.

與二零零一年首六個月之溢利貢獻比較:

- 基礎設施業務溢利貢獻下降7%，主要由於二零零一年十二月已將於重慶長江李家沱大橋的50%權益出售予合營夥伴。
- 航空業務溢利上升7%，主要由於國泰航空的營運成本下降，當中包括平均燃料價格下調，抵銷了收益減少2%的影響，令國泰航空的盈利有所增長；加上香港空運貨站錄得較好的業績。
- 信息業務溢利增長113%，是由於集團主要信息業務之較大盈利貢獻。
- 發電業務溢利貢獻下降17%，主要由於該等營運公司宣派的股息減少。
- 出售愉景灣海澄湖畔一段及九龍港景峰於二零零二年帶來溢利貢獻。二零零一年上半年之物業銷售則並不龐大。二零零二年一月新購入的上海物業令租務溢利上升。
- 製造業務溢利增加，主要由於鋼鐵銷售上升。

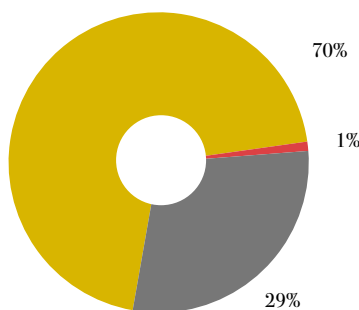
Geographical Distribution

Six months ended 30 June 2002
截至二零零二年六月三十日止六個月



Contribution % 溢利貢獻

As at 30 June 2002
二零零二年六月三十日計算



Assets at Book Value % 賬面資產值

地區分佈



Interest Expense

The Group's interest expense decreased from HK\$382 million to HK\$275 million mainly due to the decrease of the average cost of borrowing from 6.1% to 4.4%.

Amortization and Revaluation

Accounting standards require two major adjustments that are unrelated to the cashflow of our business. Goodwill – the amount paid for buying a business that exceeds the value of its physical and identifiable assets – must be amortised to the profit and loss account over its useful life not exceeding 20 years. In the first half of 2002, HK\$97 million of goodwill was amortised to the profit and loss account a HK\$6 million increase compared to 2001.

In certain defined circumstances accounting standards require listed investments to be revalued to market value at the end of each accounting period. This revaluation caused CITIC Pacific to record an unrealised gain of HK\$46 million in the first half of 2002 compared with an unrealised gain of HK\$19 million in the first half of 2001, a change of HK\$27 million between the two periods.

Taxation

Taxation increased from HK\$155 million in 2001 to HK\$161 million in 2002 mainly due to increase in share of taxation of the associated companies.

Shareholders' Returns

CITIC Pacific's primary objective is to increase shareholder value for which it has used earnings per share as a proxy. The Company expects its businesses to provide returns on investment over their lives that will provide shareholders with an adequate return on equity.

利息支出

本集團的利息支出由港幣三億八千二百萬元下降至港幣二億七千五百萬元，主要原因乃借貸平均成本由6.1%下降至4.4%所致。

攤銷及重估

會計準則規定須作出兩項與集團業務之現金流量無關之重大調整。商譽（就收購業務所付款項超出其實質及可辨認資產之價值）必須於其不超過二十年之可使用年期內在損益賬攤銷。二零零二年上半年，港幣九千七百萬元的商譽已於損益賬內攤銷，較二零零一年增加港幣六百萬元。

在若干情況之下，會計準則亦規定上市投資類別須重估其於每段會計期間結算日之市值。此項重估導致中信泰富於二零零二年上半年錄得未變現溢利港幣四千六百萬元，而二零零一年上半年未變現溢利為港幣一千九百萬元，兩段期間的變動為港幣二千七百萬元。

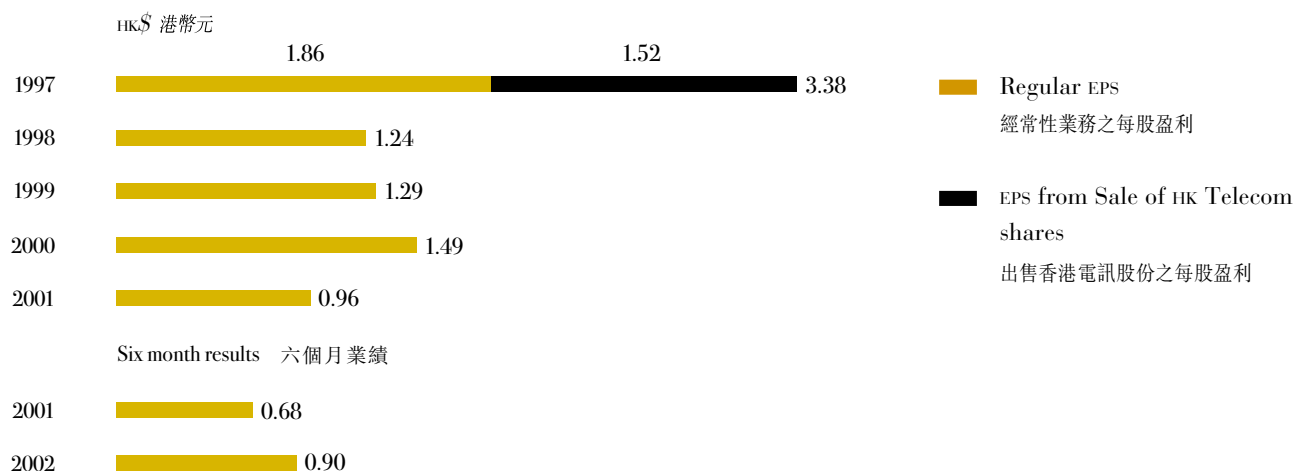
稅項

稅項由二零零一年港幣一億五千五百萬元增加至二零零二年港幣一億六千一百萬元的主要原因乃分佔聯營公司稅項增加所致。

股東回報

中信泰富之主要目標乃增加股東價值，並以每股盈利作為指引。本公司期望其業務於營運期間所提供之投資回報能為股東帶來足夠之股本報酬。

Earnings per Share

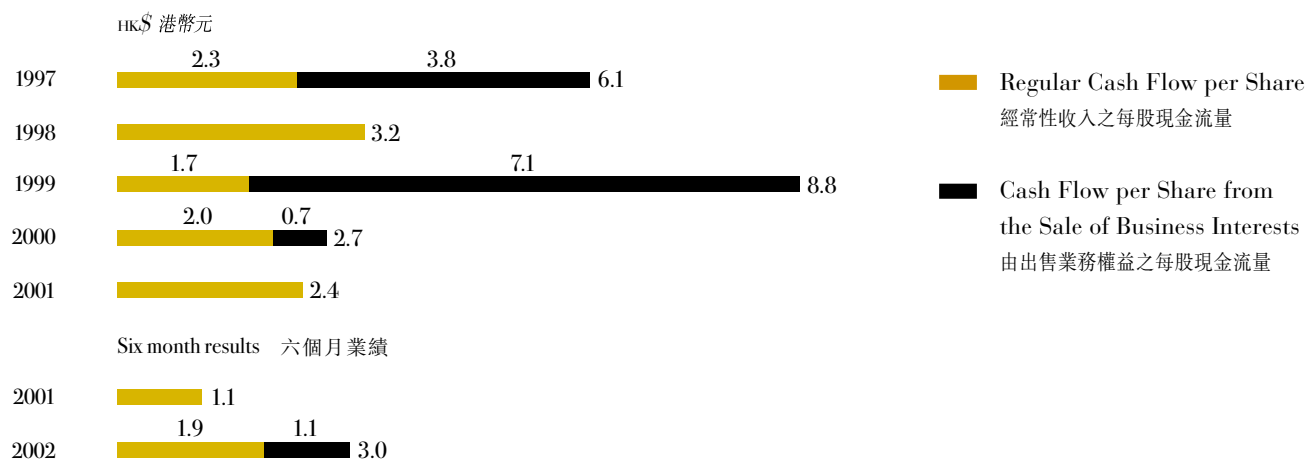


Earnings per share were HK\$0.90 for the 6 months ended 2002, an increase of 31% compared with HK\$0.68 for the same period in 2001.

每股盈利

二零零二年首六個月之每股盈利為港幣0.90元，較二零零一年同期錄得之港幣0.68元增加31%。

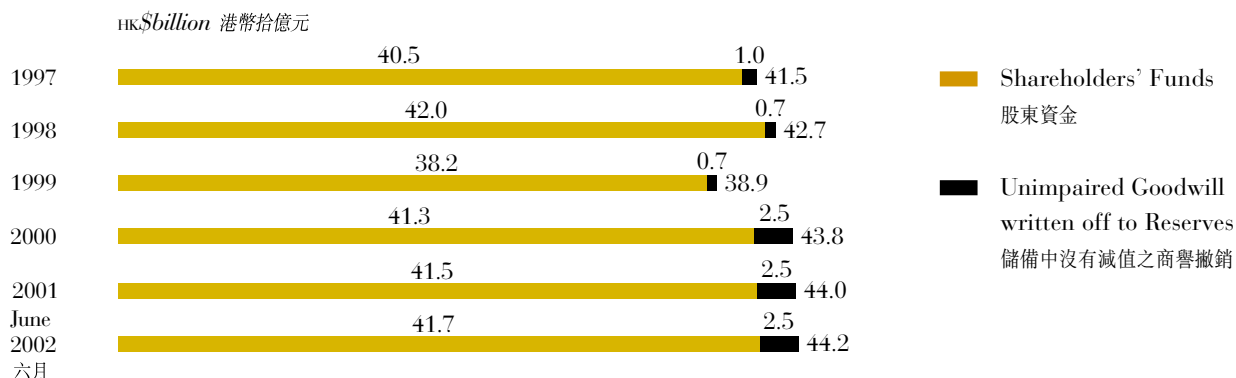
Cash Flow per Share



The cash flow per share was HK\$3.0 for the 6 months ended 2002.

二零零二年首六個月之每股現金流量為港幣3.0元。

Shareholders' Equity



Shareholders' equity defined as shareholders' funds, plus HK\$2.5 billion of unimpaired goodwill written off to reserves for accounting purposes, was HK\$44.2 billion as at 30 June 2002.

股東權益為股東資金加上在入賬時在儲備撇銷之未減值商譽港幣二十五億元之總和，於二零零二年六月三十日為港幣四百四十二億元。

Shareholders' Equity per Share

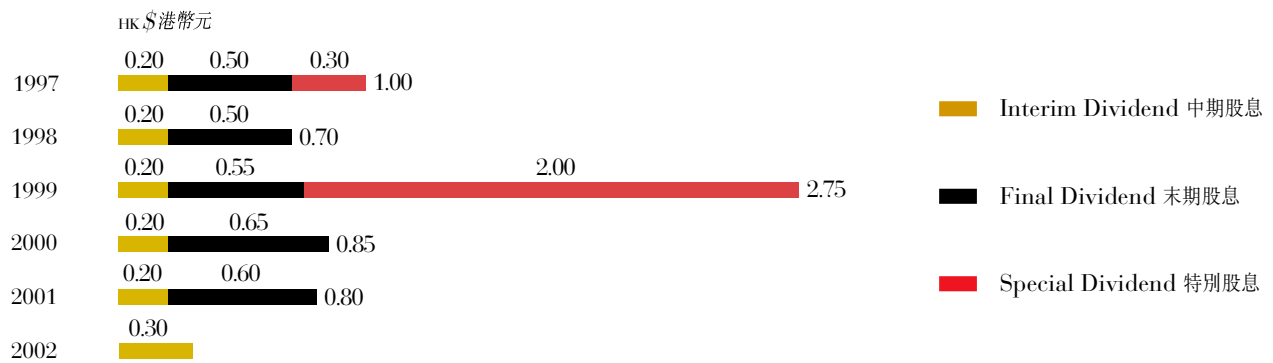


Shareholders' equity per share at 30 June 2002 was HK\$20.2 as compared to HK\$20.1 at 31 December 2001.

二零零二年六月三十日之每股股東權益為港幣20.2元，而二零零一年十二月三十一日則為港幣20.1元。

Dividend per Share

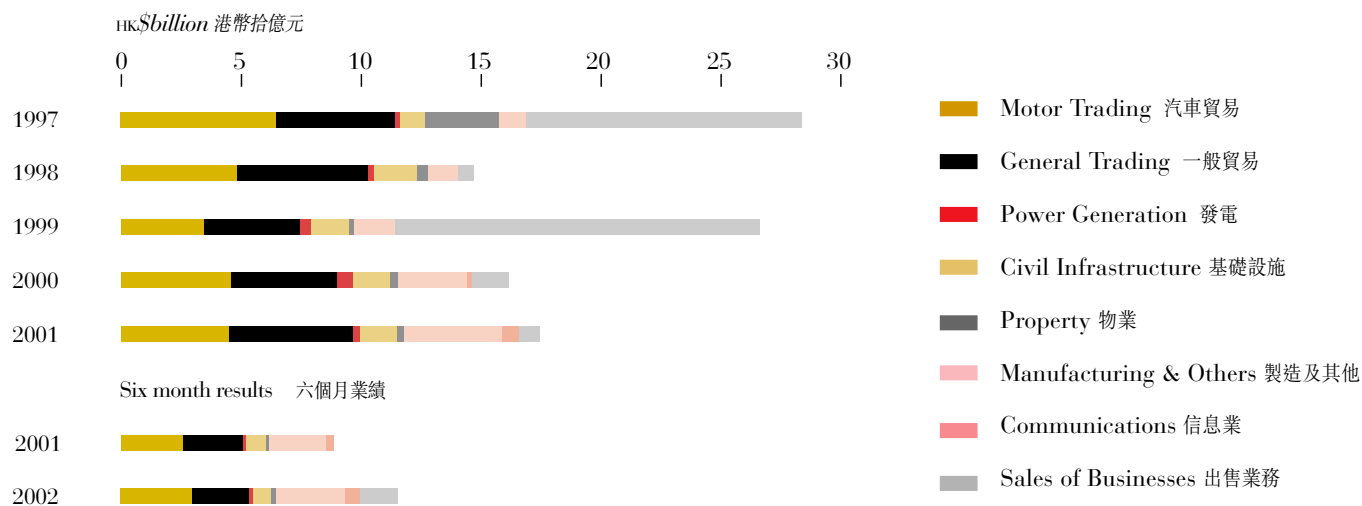
每股股息



It is proposed to pay an interim dividend for 2002 of HK\$0.30 per share on 19 September 2002.

茲建議於二零零二年九月十九日派發二零零二年中期股息每股港幣0.30元。

Turnover



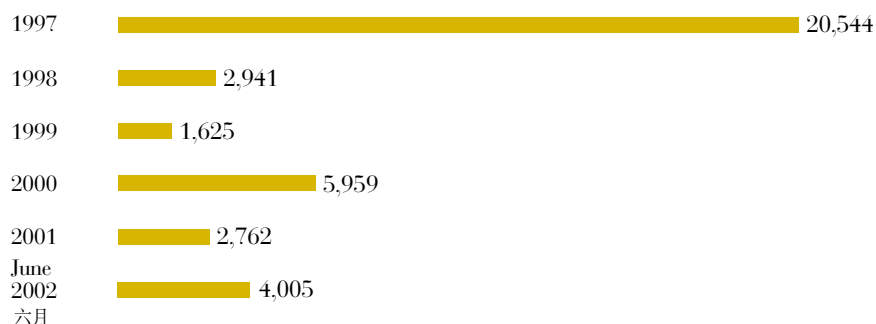
Motor trading turnover increased 16% in first half of the year 2002 compared with the same period of 2001, a decline of 15% in Hong Kong was offset by a 99% growth in the Mainland. The food and cosmetics turnover grew slowly, but the engineering division turnover fell due to a lack of new construction contracts. Non-motor turnover fell 5% in aggregate. Manufacturing turnover increased 17% due to increased sales of steel while communications turnover increased by 5 times due to the growth of business of CITIC Telecom 1616 Group and CPCNet Hong Kong acquired in September 2001. Other turnover in the first half of 2002 included the sale of the 80% interest in China Express No. 1 Backbone Network at a consideration of HK\$1.6 billion.

二零零二年上半年，汽車貿易之營業額較二零零一年同期增加16%，香港營業額的15%跌幅被中國大陸的99%升幅抵銷。食品及化妝品之營業額增長緩慢，但工程部之營業額因缺乏新建造合約而放緩。非汽車營業額合共下降5%。製造之營業額因鋼鐵銷售上升而增加17%，而信息業之營業額則由於中信電訊1616集團的業務增長及於二零零一年九月收購 CPCNet Hong Kong 而飆升5倍。於二零零二年上半年，其他營業額包括以港幣十六億元的代價出售中國奔騰一號骨幹網的80%權益。

Capital Expenditure

資本開支

HK\$million 港幣百萬元



截至六個月
Six months ended

		1997		1998		1999		2000		2001		2002	
		HK\$'m	%	HK\$'m	%	HK\$'m	%	HK\$'m	%	HK\$'m	%	HK\$'m	%
物業	Property	1,728	8	2,170	74	634	39	920	15	584	21	2,834	71
其他	Others	0	0	0	0	43	3	156	3	8	1	660	16
信息業	Communications	0	0	0	0	0	0	4,062	68	1,121	41	127	3
製造	Manufacturing	611	3	218	7	183	11	271	4	206	7	110	3
發電	Power Generation	16,283	79	0	0	164	10	161	3	139	5	102	3
銷售及分銷	Marketing & Distribution	0	0	246	8	168	10	292	5	612	22	88	2
基礎設施	Civil Infrastructure	1,864	9	255	9	427	26	97	2	91	3	84	2
航空	Aviation	58	1	52	2	6	1	0	0	1	0	0	0

During the 6 months ended of 2002, CRIC Pacific bought two properties in Shanghai for HK\$2.7 billion and a 50% interest in CRIC Capital Markets Holdings Ltd. for HK\$510 million. As at 30 June 2002, the Group's contracted capital commitments were HK\$998 million.

截至二零零二年六個月內，中信泰富以港幣二十七億元在上海購入兩項物業，並以港幣五億一千萬元購入中信資本市場控股有限公司的50%權益。於二零零二年六月三十日，本集團已簽約資本承擔為港幣九億九千八百萬元。

Group Liquidity and Capital Resources

General Policies

CITIC Pacific aims to finance its businesses with liabilities appropriate to their cash flows, employing limited or non-recourse project finance when it is available. The financing and cash management activities of the Group are centralized to enhance the utilization of Group financial resources and risk management control.

CITIC Pacific diversifies its funding sources through utilization of both the banking and capital markets. The Company maintains borrowing relationships with over 60 financial institutions based all over the world and its bond is widely held by investors in Asia, Europe and North America.

CITIC Pacific minimizes its currency risks by financing non Hong Kong dollar assets as far as possible with matching debt. For instance, the US\$ cash flow arising from most infrastructure projects in Mainland China are matched against US\$ debt. The continued development in RMB debt and equity markets is very important to CITIC Pacific as the focus of our businesses are increasingly towards Mainland China and more and more projects will be generating RMB cashflow. Whenever possible, RMB financing will be arranged for these investments.

In dealing with derivative products, the Company's policy only permits transactions for hedging purposes, speculative dealings are strictly prohibited. Counterparties' credit risks are also carefully reviewed and, in general, the Company only deals with those financial institutions whose credit ratings are single A or better.

Cash Flow From Operations

Since, by design, most of the Group's debt is raised at the holding company level, the amount of actual cashflow to the Company is an important measure as to the Company's ability to serve its debts. In the first half of 2002, cash contributions to the Company from all businesses in the Group was approximately HK\$3.2 billion. The infrastructure sector contributed approximately HK\$1.9 billion. The property sector contributed cash flow of approximately HK\$930 million. The Marketing & Distribution sector contributed cash to the Company of approximately HK\$320 million during the period.

In addition, the proceeds of HK\$1.6 billion and HK\$740 million were received from the sale of China Express No. 1 Backbone Network and Chongqing Chang Jiang Bridge respectively.

集團流動資金及資本資源

一般政策

中信泰富之融資策略是融資形式須根據有關業務之現金流量的特點，在可能情況下安排有限或無追索權之項目融資。本集團之融資及現金管理運作均集中在總公司層次進行，藉以提升本集團財務資源的運用，以及加強風險管理監控。

中信泰富透過銀行及資本市場分散其集資途徑。集團與全球60餘間金融機構維持借貸關係，而其債券廣為亞洲、歐洲及北美洲的投資者所持有。

中信泰富盡可能以配對幣種債務平衡非港幣資產，從而把外幣風險減至最低。舉例而言，大部份中國大陸基本建設項目現金回報以美元收取，因此，以美元債務作為配對。中信泰富致力增加中國大陸之投資，將有更多以人民幣現金流量為本位的項目，因此國內之人民幣借貸及股票市場的持續發展對本公司非常重要。在可能情況下，將為該等投資安排人民幣融資。

在處理衍生工具方面，本公司之政策僅容許作對沖風險，絕對嚴禁進行投機買賣。交易對手之信貸風險亦會審慎分析。一般而言，本公司只與信貸評級獲A級或以上之金融機構交易。

業務之現金流量

由於本集團大部份債務在控股公司層次安排，故母公司的實際現金流量為償債能力之重要衡量標準。於二零零二年上半年，來自本集團旗下所有業務之現金貢獻約為港幣三十二億元。基本建設提供約港幣十九億元，而物業帶來現金貢獻逾港幣九億三千萬元。期內，來自銷售及分銷之現金貢獻約為港幣三億二千萬元。

此外，出售中國奔騰一號骨幹網及重慶長江李家沱大橋所得現金分別為港幣十六億元及港幣七億四千萬。

Group Debt and Liquidity

As of 30 June 2002, the Group's total outstanding debt was HK\$12.1 billion (31 December 2001: HK\$14.6 billion), cash and deposit with banks were HK\$3.2 billion giving a net debt of HK\$8.9 billion compared to HK\$10 billion at 31 December 2001. Net debt divided by total capital was 17%.

The Group policy is to maintain a high degree of financial transparency and control. Save for regulatory constraints (for RMB borrowings in the mainland for example) and operational considerations, all borrowings are centralised at the parent company level which then provides funds to businesses. As of 30 June 2002, the Company's borrowing structure is summarised in the following tables:

集團債項及流動資金

於二零零二年六月三十日，本集團之借貸總額為港幣一百二十一億元（二零零一年十二月三十一日：港幣一百四十六億元），現金及銀行存款額則為港幣三十二億元，淨負債額為港幣八十九億元，（二零零一年十二月三十一日：港幣一百億元）。淨負債額佔資本總額17%。

本集團之財務政策是保持高度透明及控制。除規管限制（如大陸的人民幣借款）及營運考慮因素外，全部借貸均由母公司集中處理，然後為各子公司支配資金。於二零零二年六月三十日，下表概述本公司之借貸結構：

Outstanding Debt Maturity Profile

in HK\$ million	2002	2003	2004	2005	2006	2007 and Beyond 二零零七年 及其後	Total 總計	借貸之到期年限資料 以港幣百萬元計算
						3,510	10,213	母公司 ⁽¹⁾
Parent Company ⁽¹⁾	623	24	3,500	100	2,456	3,510	10,213	母公司 ⁽¹⁾
Subsidiaries	825	355	169	465	43	26	1,883	附屬公司
Total Outstanding Debt	1,448	379	3,669	565	2,499	3,536	12,096	借貸總額

(1) Including a us\$450 million global bond which was issued by a wholly owned special purposes vehicle.

(1) 包括由一家具特別目的之全資附屬公司發行之四億五千萬美元全球債券。

Source of Debt Financing	in HK\$ million 港幣百萬元	Percentage 百分比	融資來源
Bank Loans	7,806	65%	銀行貸款
Private Placement	780	6%	機構投資者私人配售
Bonds	3,510	29%	全球債券
	12,096	100%	

In late August CITIC Pacific signed a HK\$2.5 billion 5.5/7 year syndicated loan facility which further extends the debt maturity profile and lower the Group's overall cost of funds.

As of 30 June 2002, Group's undrawn available facilities totalled HK\$8.1 billion. Approximately HK\$5.3 billion were committed term loans, HK\$1.7 billion were money market lines and the balance were trade facilities. These undrawn available facilities, combined with the strong recurrent cash flow generated from operations, provide ample financial resources and flexibility to the Group to implement its investment strategies.

中信泰富於八月底簽定一筆為數港幣二十五億元為期五年半及七年之銀團貸款，此項融資可進一步延展集團債務之到期結構，並減低整體資金成本。

於二零零二年六月三十日，本集團尚未動用之借貸額總共為港幣八十一億元，其中約港幣五十三億元為獲承諾之長期信貸，港幣十七億元為貨幣市場信貸額，而餘數則為貿易信貸額。憑藉此等未提用之信貸額，加上公司現有業務所提供之強勁現金流量，令本集團擁有極充裕之財務資源，確保實施投資策略時的靈活性。

Employment of Derivative Products

In the normal course of its business, CITIC Pacific employs a combination of financial instruments, including derivative products, to manage its exposure to fluctuations in interest and currency rates.

The Company uses interest rate swaps, forward rate agreements and interest rate option contracts to hedge exposures or to modify the interest rate characteristics of its borrowings. These derivative contracts are linked to specific liabilities and are not for speculative purposes.

As of 30 June 2002, the Company had interest rate swap agreements outstanding with a notional amount of approximately HK\$2 billion. Under these agreements, CITIC Pacific is to exchange either fixed or floating rate interest with its counterparties, without the exchange of the underlying notional amounts. The objective is to stabilise the overall cost of borrowings over time.

As at 30 June 2002, approximately 66% of the Group's total borrowings after swap bear interest at floating rates and the remaining 34% are at fixed rates. The average all-in cost of debt including hedging costs in the first half 2002 was 4.4% compared with 6.1% a year before.

CITIC Pacific enters into cross currency swap contracts to change the denomination of its borrowings as part of its management to limit foreign currency exposures. The Company does not engage in foreign currency speculation. At 30 June 2002, the Company had total cross currency swap contracts outstanding with a notional amount of approximately HK\$1.3 billion.

The denomination of the Group's borrowings after currency swaps and denomination of the cash and deposits with banks at 30 June 2002 were:

使用衍生工具

中信泰富在其日常運作過程中，以不同形式之金融工具（包括衍生工具）調控利率及匯率風險。

本公司利用利率掉期、遠期利率協議及利率期權合約而對沖風險及更改其借貸之利率特點。此等衍生合約均為對沖特定負債之風險，並無投機成份。

本公司於二零零二年六月三十日有約港幣二十億元之利率掉期協議。根據此等協議，中信泰富需與交易對手互換固定或浮動利率，但不涉及本金之交換。此舉在穩定集團整體借貸成本。

於二零零二年六月三十日，在掉期後本集團之借貸總額中約66%為浮動利率借貸，其餘34%則以固定息率計息。二零零二年上半年之平均總借貸成本為4.4%，去年同期則為6.1%。

為減少外幣風險，中信泰富訂立貨幣掉期合約，藉以更改借貸貨幣。本公司政策嚴禁參與外幣投機活動。於二零零二年六月三十日，本公司倘存之貨幣掉期合約總額約為港幣十三億元。

本集團於二零零二年六月三十日經貨幣掉期後各幣種之借貸額及相對現金與銀行存款如下：

		HK\$million Equivalent 港幣百萬元等值					
幣種	Denomination	HK\$ 港幣	US\$ 美元	Renminbi 人民幣	Yen 日圓	Other 其他	Total 總計
借貸額	Debt outstanding	4,201	6,279	1,012	534	70	12,096
現金及存款	Cash and Deposits	466	1,464	1,069	226	13	3,238
淨借貸額	Net Borrowings	3,735	4,815	(57)	308	57	8,858
百分率	Percentage	42%	54%	0%	4%	0%	100%

Financial Guarantees and Pledged Assets

The aggregate outstanding amount of guarantees issued by CITIC Pacific which were not included in consolidated borrowings was approximately HK\$2.2 billion as of 30 June 2002. These are principally, a guarantee to US Exim Bank for Ligang Power Station's export credit facility, a several guarantee to support CITIC Pacific's share of Jinlin Power Station's banking facilities and a several guarantee to an associated company, Treasure Trove Limited, for a HK\$2,400 million syndicated loan facility to finance the CITIC Tower of which CITIC Pacific's share is 62%.

The Group has not provided any other guarantees for associated companies' borrowing facilities or obligations. Festival Walk and Discovery Bay are financed by their shareholders and do not have external borrowings; other associated companies and co-operative joint ventures such as Cathay Pacific, Dragonair, Western Harbour tunnel and power stations have raised debts to finance their operational activities without recourse to their shareholders.

As at 30 June 2002, assets of HK\$209 million (31 December 2001: HK\$164 million) were pledged to secure loan facilities utilised by subsidiaries.

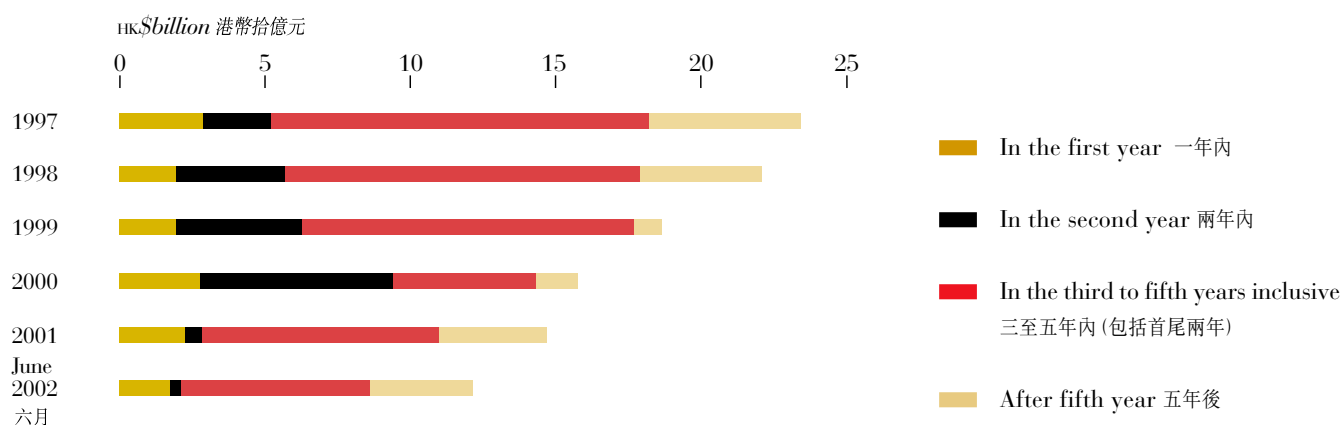
財務擔保及抵押資產

於二零零二年六月三十日，未反映在中信泰富綜合負債之財務擔保合共約港幣二十二億元。主要包括利港電廠向美國進出口銀行提供擔保之出口信貸，中信泰富按其控股比例為吉林發電廠的銀行融資提供個別擔保以及就金額為港幣二十四億元用於發展中信大廈之銀團貸款向聯營公司Treasure Trove Limited提供62%擔保。

中信泰富並未為其他聯營公司之借貸提供擔保。又一城及愉景灣項目全部由股東出資，並無向外借貸；其他聯營公司及合作公司如國泰航空、港龍航空、西區海底隧道及國內電廠均有為本身業務融資，惟該等融資對股東並無任何追索權。

截至二零零二年六月三十日，為數港幣二億九百萬元（二零零一年十二月三十一日：港幣一億六千四百萬元）之資產用作附屬公司信貸抵押。

Total Debt



負債總額

Total debt decreased due to the repayment of bank borrowings.

由於償還銀行借貸導致負債總額減少。

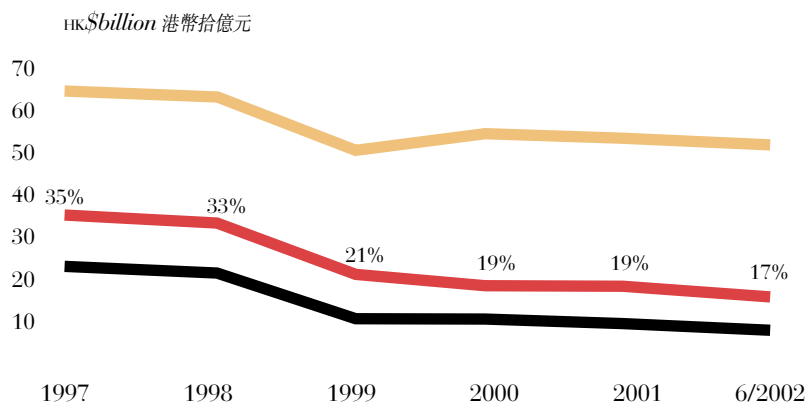
Contingent Liabilities

As at 30 June 2002, the Group's contingent liabilities had not changed significantly from the last year end.

或然負債

截至二零零二年六月三十日，本集團之或然負債與去年終比較並無重大轉變。

Leverage



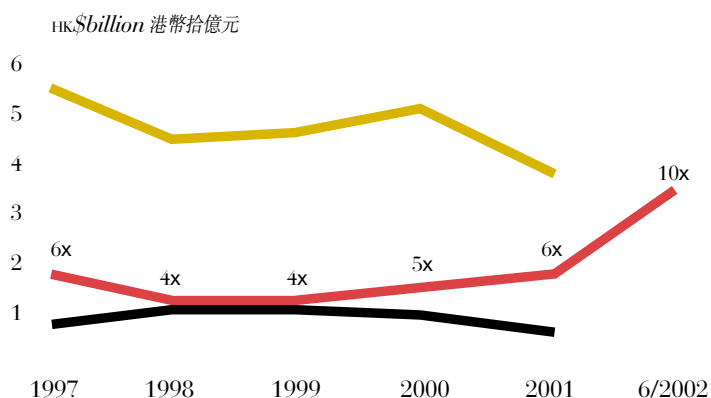
槓桿比率

- Total Capital 資本總額
- Net debt/Total Capital%
淨負債佔資本總額%
- Net Debt 淨負債

Net debt divided by total capital was 17% at 30 June 2002 compared with 19% at the end of 2001.

截至二零零二年六月三十日，淨負債佔資本總額為17%，而二零零一年底則為19%。

Interest Cover

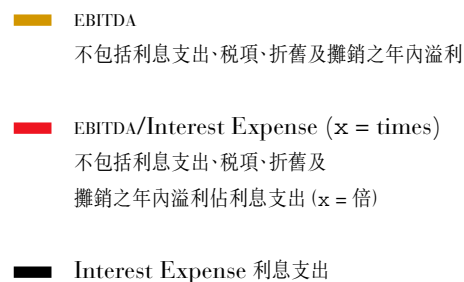


EBITDA divided by interest expense for the 6 months ended 30 June 2002 was 10.4 compared to 6.4 in 2001, mainly due to the increase in profit and a decrease in interest expense from HK\$382 million in 2001 to HK\$275 million in the first half of 2002.

Credit Ratings

The Company has been assigned investment grade long term credit rating of Baa2 and BBB – by Moody's Investor Service and Standard & Poor's respectively. The credit outlook for both ratings are stable, reflecting CITIC Pacific's strong financial profile including low leverage, diversified business and strong cashflow.

利息倍數



截至二零零二年六月三十日止六個月，不包括利息支出、稅項、折舊及攤銷之溢利除以利息支出為10.4，而二零零一年則為6.4，主要是溢利有所上升，以及利息支出由二零零一年港幣三億八千二百萬元下降至二零零二年上半年港幣二億七千五百萬元。

信貸評級

穆迪投資及標準普爾給予本公司之長期信貸投資評級分別為Baa2及BBB-。兩項評級均顯示本公司之信貸前景穩定，反映中信泰富之財務狀況健全，包括負債比率低、業務多元化及現金流量強勁等有利條件。