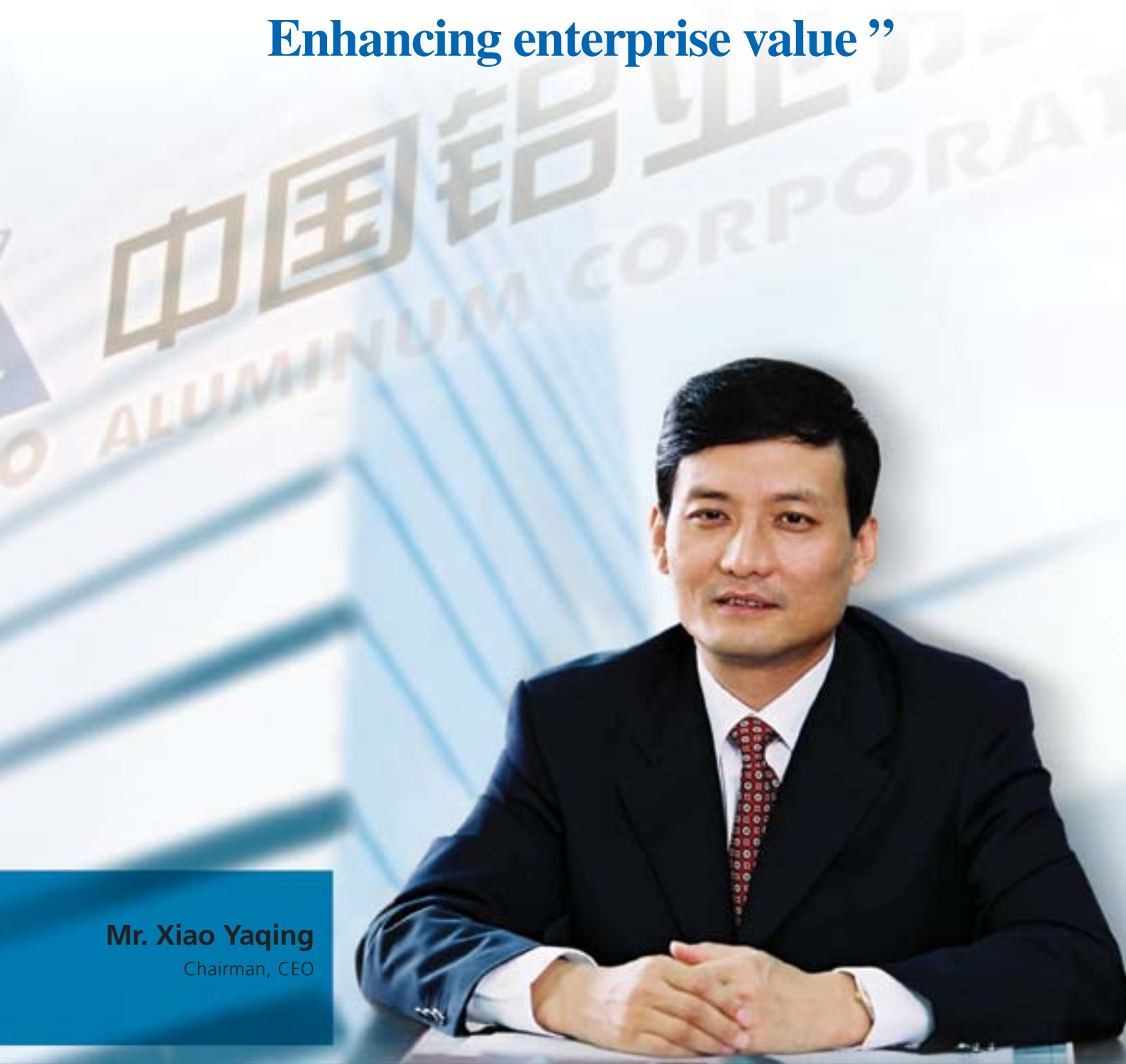


**“Maintaining market dominance
Enhancing enterprise value”**



Mr. Xiao Yaqing
Chairman, CEO

Dear Shareholders,

I am pleased to present the annual report of Aluminum Corporation of China Limited (the "Company") for the financial year ended December 31, 2004 and, on behalf of the Board and all of the employees of the Company, express my gratitude to all our shareholders for their support to the Company.

Financial Results

The consolidated turnover and other revenues of the Group in 2004 amounted to RMB33,021.2 million, representing an increase of 38.6% over the previous year. The consolidated profit for the year was RMB6,223.9 million, representing an increase of 75.2% from the previous year. Consolidated earnings per share reached RMB0.56, representing an increase of 64.7% over the previous year.

The Board of the Company proposed to declare a final dividend of RMB0.176 per share, totaling RMB1,944,778,000 for 2004 based on 11,049,876,153 shares in the total share capital as of March 28, 2005. The proposal to declare and pay this final dividend is to be submitted to shareholders at the Annual General Meeting scheduled on June 9, 2005 for review and approval.

Business Review

2004 was a remarkable year for the Company. Despite critical market challenges and pressure during the year, the Company not only achieved significant increase in business results but also reached the given targets for production, operation and development reforms.

➤ Leveraging favorable opportunities in the product market, the Company optimized production arrangement and product mix to improve production and operation management, with an aim at advancing the schedule in the completion of greenfield projects of alumina. Despite the adverse impacts from frequent power shortages and transportation bottleneck, major products recorded a steady and high yield with increasing adaptability to market. In 2004, the Company produced 6,820,000 tonnes of alumina and 770,000 tonnes of primary aluminum, representing an increase of 12.7% and 1.1% over the previous year respectively.

➤ The Company built and perfected the bauxite resource securing system, and by way of resource planning and the implementation of management methods, conducted investigating, evaluating, and integrating of internal resources. With expanded efforts in investigation of bauxite resources, the Company built a centralized system for resource development, management and ore supply. As a result, the Company managed to expand the scope of resources control, and duly adjusted the bauxite supply structure toward more reasonable source allocation. In 2004, the Company obtained an additional 120,000,000 tonnes of bauxite reserve, and added 4 new joint venture mines.

➤ To speed up its overseas development strategy, the Company proactively explored resources in Brazil, Australia and Vietnam where the Company is going to embark on certain projects upon completion of preliminary work.

- In May 2004, the Company entered into a non-binding framework agreement with Companhia Vale do Rio Doce of Brazil for establishment of a joint venture in Brazil. Subject to the satisfaction of certain prerequisites under the agreement, the joint venture will commence the feasibility study of establishing a new refinery, ABC Alumina Refinery, for alumina production in Brazil. Phase I of the project is expected to produce 1,800,000 tonnes of alumina per annum with an estimated total investment of US\$1,000 million. Currently, the parties thereto have essentially agreed on significant business arrangements and started the feasibility study. The project is expected to commence construction in 2005 and put into operation in 2008.

- The Chinese joint parties led by the Company successfully submitted a letter of registration to Queensland government in November 2004 for the bidding of the Aurukun project in Australia.
 - The Company is taking the lead to promote the Dak Nong project in Vietnam and is responsible for preparing the preliminary feasibility study report which is expected to be completed in a foreseeable period of time.
- In line with the PRC's macroeconomic control policies and market demand, the Company sharpened its core competitive edges by focusing on core businesses to speed up its development. With increased investment in newly-established projects, expansion and technological renovation during 2004, the Company's production capacity of alumina and primary aluminum amounted to 6,470,000 tonnes and 830,000 tonnes, representing an increase of 9% and 12% respectively over the previous year. The Company proactively captured market opportunities in merger and acquisition of aluminium projects at low cost.
- In January 2005, the Company entered into an agreement with Lanzhou Aluminum Plant concerning acquisition of shares in Lanzhou Aluminum Corporation Limited (the "Lanzhou Aluminum") for a consideration of RMB767,305,000. The Company holds a 28% interest (151,851,442 shares) in the total share capital in Lanzhou Aluminum, thus becoming its largest shareholder. Therefore, the Company's production capacity of primary aluminum is expected to increase by 160,000 tonnes.
 - In January 2004, the Company completed its H Shares placement, raising approximately RMB3.25 billion to finance its development goals.
- The Company continued to advance the construction of its technological research and development system. Smooth progress of the National Engineering and Technology Research Center for aluminum smelting, backed by Zhengzhou Research Institute, enhanced the research and development capability and facilities of the Company. The research and development projects focusing on energy saving and consumption reduction, output and quality enhancement as well as long-term development achieved the following new progress:
- completion of the implementation and industrialization of the production technology for the enhancement of alumina product quality;
 - industrialization of the technology for the enhancement of the life span of smelting pots and technology development of reinforced electrical currents; and
 - the significant breakthrough in development of anti-flotation technology for China's medium and low grade diasporite bauxite.
- The Company stressed the importance of intellectual property right protection in 2004, the Company's applications for 39 patents of invention and 17 patents of new practical model were all granted protection approvals.
- With implementation of the second three-year cost reduction plan, the Company promoted the management method of rationalization in production, and optimized technical and economic performance by way of energy saving, consumption reduction and waste elimination. The Company also carried out a system combining sampling and polling inspections to increase effective utilization ratio of equipments.

The Company set up a special panel to supervise business flows and control business risks focusing on construction of internal procedure control in accordance with the Section 404 of US Sarbanes-Oxley Act. The work towards an all-around improvement in management expertise is in progress.

The Company has established complete systems for occupational health and safety, environment protection and quality management which have been certified by the State's authorized accreditation institutions.

Product Market Reviews

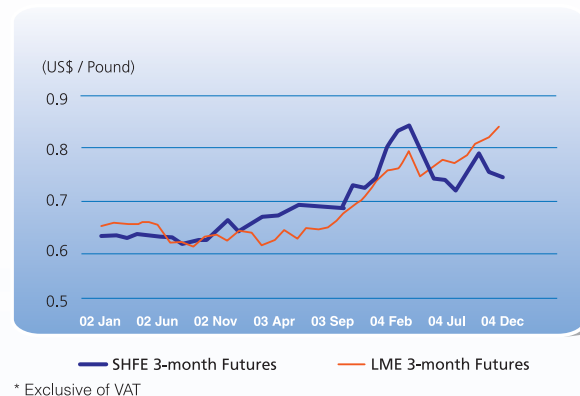
In 2004, the strong growth in global economy significantly stimulated the consumption of metal, together with the improved structure of metal supply and demand leading to the continuous increase in metal prices. On the other hand, along with China's continuous fast-growing economy, aluminum products are playing an increasingly important role in the national economy.

Primary Aluminum Market

Driven by the booming global economy and the weak US dollar, the global consumption of primary aluminum is surging at the highest rate in the recent 20 years, resulting in the further increase of metal prices. For 2004, the average three-month primary aluminum futures price on the London Metals Exchange (the "LME") was US\$1,723 per tonne (which had surged to US\$2,000 per tonne, hitting a new high in 9 years), representing an increase of 20.3% over the previous year, where China still acted as an active support to market. In 2004, the domestic aluminum market experienced noticeable price fluctuations. During the first half year, aluminum prices continued to increase as driven by the international market. The three-month aluminum futures price on Shanghai Futures Exchange (the "SHFE") increased up to RMB19,300 per tonne, being the highest in the past decade. However, domestic aluminum prices recorded considerable fluctuations during the second half year due to the influence of the PRC's macroeconomic control. The annual average three-month futures price on SHFE in 2004 was RMB16,417 per tonne, representing an increase of 13.1% over the previous year.

The global aluminum output for 2004 recorded a moderate growth due to reduced aluminum production in North America. Total domestic primary aluminum output amounted to 6,670,000 tonnes, representing an increase of 20.0% over the previous year. China maintained an increasing consumption of primary aluminum in different industries to various extents. The total domestic primary aluminum consumption was approximately 6 million tonnes in 2004, representing an increase of 15.4% over last year.

International and Domestic Aluminum Price Trend*



Alumina Market

In 2004, due to the increasing production of primary aluminum in China, there was still an apparent difference between global demand and supply of alumina, causing alumina prices to remain at a high price. The price of alumina imported into China from international markets increased up to US\$530 per tonne. The annual average price was US\$348 per tonne, representing an increase of 42% from the previous year. In 2004, with the supply shortfall of domestic alumina amounting to nearly 50%, domestic alumina prices remained high and recorded the highest RMB5,300 per tonne. The annual average spot price of domestic alumina in 2004 was RMB4,053 per tonne, representing an increase of 43.9% from the previous year.

During the year, due to fewer production of global alumina projects and the continued rapid growth of global alumina consumption, the global alumina remained at a slight shortage situation. In 2004, the global alumina production volume reached approximately 57,840,000 tonnes, and the consumption volume reached approximately 58,120,000 tonnes. In China, both domestic output and demand of alumina products recorded continuous steady increase: the annual output of alumina products amounted to approximately 7,040,000 tonnes, representing an increase of approximately 15.2% over the previous year; while the demand for alumina was approximately 13,800,000 tonnes, representing an increase of 16.1% over the previous year. In 2004, China imported 5,870,000 tonnes of alumina, representing an increase of 4.6% over the previous year.

Future Development and Prospects of Businesses

In 2004, China's GDP growth rate reached 9.5%. China's economy is expected to continue its strong growth in 2005, with increasingly important contribution from industrial growth to the national economy. Also, the relationship between aluminum and the national economy is expected to become even stronger. The recovery of the global economy will further boost aluminum consumption and continue to support the high prices of aluminum and alumina. The PRC macroeconomic control is fostering a promising outlook for the development of the domestic aluminum industry step by step, also providing an opportune time for the Company's growth.

International and Domestic Alumina Price Trend*



From the Company's perspective, the market situation will continue to be critical in 2005, and production operations continue to face many challenges, mainly including:

- an increase in production cost resulting from the lasting increase in prices of raw materials and power;
- continuing power shortages and transportation bottlenecks could cause difficulties in production and operation;
- cancellation of tax refund for aluminium export out of PRC will decrease aluminium export from the PRC and result in intensified competition in the domestic aluminium market.



For this reason, the Company will take effective measures based on in-depth studies and analysis of the state's policies and the market environment. In 2005, the Company will continue to carry out various innovations to strengthen the management and advance technological progress, together with the Company's rapid growth and all-round success in various tasks, this will lay a solid foundation for the Company to become a first-class world enterprise. The Company's major targets in 2005 are as follows:

- In addition to securing its advantageous position in the PRC, the Company will speed up construction of alumina and primary aluminum projects, put more efforts in exploitation of bauxite resources to increase its resource and market shares, and further expand financing channels to sharpen its core competitive edge.
- The Company will place great emphasis on the importance of strategy and decision management by identifying differences from the world leading enterprises. In order to bring management performance to new heights, the Company will consolidate the bases of development in production and operation, marketing, financial control, quality management, risk control and staff caliber.
- The Company will further reinforce production and operation based on its optimized on-site management, streamline work flows and improve the sampling system of equipment inspection. Also it will prepare and carry out operating plans and management contingency proposals, with emphasis on environmental protection and production safety.

- Elaborating the crucial role of marketing in corporate operation, the Company will scrutinize market movements and strengthen its capabilities in market forecast, swift reaction and scientific decision making to lay out practicable measures. On the other hand, it will continue to refine its long-standing and steady sales channels and strengthen its sales networks. With flexible sales strategies and dealing modes, the Company aims at effective operation with a global presence by way of effective interaction between the domestic and overseas markets.
- As for the financial budget management, the Company will improve its budget analysis system to follow up, analyze and monitor the whole process of budget implementation. Meanwhile, the Company will set up a corporate cost management mode and carry out cost objective management to promote application of information technology in financial management.

The Company is fully committed to reaching and fulfilling the targets set for 2005, aiming to upgrade corporate value and profitability so as to maximize the return to investors.

Xiao Yaqing

Chairman, Chief Executive Officer

March 28, 2005

