

# Major Businesses

CITIC Pacific has unrivalled experience and expertise in operating businesses in China both on the mainland and in Hong Kong. With the rapid development of the Chinese economy, CITIC Pacific is increasingly focusing its business activities on the mainland of China. Our major businesses are special steel manufacturing and iron ore mining which supplies the raw material needed in the making of special steel, and property development in mainland China.

## Special Steel and Iron Ore Mining

**Special Steel** CITIC Pacific Special Steel, which operates through three steel groups in mainland China with total production capacity of over seven million tonnes annually, is a leader in the manufacturing of special steel used in bearings and gears among others. Its customer coverage reaches Eastern, Central and Northern China.

**Jiangyin Xingcheng Special Steel** is a leader in China specializing in the making of high-grade special steel used in bearings, gears, springs and high-pressurized piping steel. Its new line, in cooperation with Sumitomo Metals of Japan, has the most advanced technology in the industry.

**Xin Yegang** is located in Central China, it has a long history dating back to 1908. Its seamless steel tubes, one of its major products, continues to receive strong demand and remains very profitable.

**Shijiazhuang Steel Mill** became a member of CP Special Steel in 2006. Built in 1957, it is now a manufacturer of special steel with 2.2 million tonnes in production capacity. Its products are mainly supplied to the auto component industry.

**Iron Ore Mining** CITIC Pacific owns the mining rights to one billion tonnes of magnetite iron ore with options to another five billion tonnes in the Pilbara region of Western Australia. The one billion tonnes of ore is capable of producing 12 million tonnes of product annually to supply mainland China and CITIC Pacific's steel groups in particular.

## Property

CITIC Pacific's property team has extensive experience in building and managing medium and large scale residential and commercial projects including Shanghai's CITIC Square and The New Westgate Garden, and Hong Kong's CITIC Tower.

In the past few years, the Group has been active in investing in properties in mainland China. Currently CITIC Pacific has a large quality land bank in Shanghai, major secondary cities in the Yangtze Delta area and Hainan Island, totaling over three million square metres of gross floor area for development.