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中信國際金融控股有限公司

CITIC INTERNATIONAL FINANCIAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 183)

PROPOSAL FOR PRIVATISATION

CITIC International Financial Holdings Limited (the “Company”) has received a formal proposal from Gloryshare Investments Limited (wholly-owned by CITIC Group), our controlling shareholder, regarding the proposed privatisation of the Company through a scheme of arrangement under section 166 of the Companies Ordinance of Hong Kong. Banco Bilbao Vizcaya Argentaria, S.A., one of our substantial shareholders, is acting in concert with CITIC Group and, in compliance with its regulatory requirements will publish information regarding its involvement in the privatisation proposal and, in the event that the privatisation is successful, the potential increase in its stake in the Company from approximately 15% to approximately 30%. A copy of Banco Bilbao Vizcaya Argentaria, S.A.’s announcement, in English, is available at <http://inversores.bbva.com/TLBB/tlbb/jsp/rii/home/index.jsp>.

As at 2 June 2008, (1) the authorised share capital of the Company is HK\$8,000,000,000 divided into 8,000,000,000 ordinary shares of HK\$1.00 each, of which 5,758,406,916 shares are issued and fully paid; (2) outstanding options to subscribe for a total of 35,778,000 ordinary shares of the Company were granted to eligible persons under the share option scheme adopted by the Company on 16 May 2003; and (3) there were in issue 0.25 per cent guaranteed convertible bonds due 2008 issued by a wholly-owned subsidiary of the Company, and guaranteed by the Company, in the principal amount of US\$180,000,000 (of which US\$1,000,000 is outstanding) which entitled the bondholders to convert all or a portion of the convertible bonds into ordinary shares of the Company at an initial conversion price of HK\$4.269 per share, subject to adjustment. Other than as disclosed in this announcement, there are no relevant securities issued by the Company.

Associates of the Company are reminded to disclose their dealings in any securities of the Company.

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Hong Kong Code on Takeovers and Mergers and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive of the Securities and Futures Commission in its dealings enquires. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive of the Securities and Futures Commission with relevant information as to those dealings, including identities of clients, as part of that co-operation.

At the request of the Company, trading in the shares of the Company on The Stock Exchange of Hong Kong Limited has been suspended with effect from 9:41 a.m. on 3 June 2008 and will remain suspended until further notice pending the release of an announcement regarding details of the proposed privatisation.

By Order of the Board
CITIC International Financial Holdings Limited
Kyna Y. C. Wong
Company Secretary

Hong Kong, 3 June 2008

As at the date of this announcement, the Chairman of the Company is Mr. Kong Dan; the Vice Chairman of the Company is Mr. Chang Zhenming; the executive directors of the Company are Mr. Dou Jianzhong, Mrs. Chan Hui Dor Lam Doreen, Mr. Lo Wing Yat Kelvin, Mr. Roger Clark Spyer and Mr. Zhao Shengbiao; the non-executive directors of the Company are Mr. Jose Barreiro, Mr. Chen Xiaoxian, Mr. Fan Yifei, Mr. Feng Xiaozeng, Mr. Manuel Galatas, Mr. Ju Weimin, Mr. Liu Jifu and Mr. Wang Dongming; and the independent non-executive directors of the Company are Mr. Rafael Gil-Tienda, Mr. Lam Kwong Siu and Mr. Tsang Yiu Keung Paul.

Each of the directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to their best knowledge, opinions expressed in the announcement have been arrived at after due and careful consideration and there are no facts not contained in the document, the omission of which would make any statement in this announcement misleading.