



# 中国铝业股份有限公司

## ALUMINUM CORPORATION OF CHINA LIMITED\*

(A joint stock limited company Incorporated in the People's Republic of China with limited liability)

(Stock Code: 2600)

### ANNOUNCEMENT

### CONNECTED TRANSACTION - PREPAYMENT OF RENTAL

In view of the recent increases in rent of office premises in Beijing, the Company at the request of China Aluminium Development has agreed to make a prepayment of the annual rent and property management fees of the Premises, of which the Company is the tenant, for the remaining two years of the tenancy. The total prepayment amounts to RMB145,314,782 and will be paid to China Aluminium Development before 15 October 2006. China Aluminium Development is the landlord of the Premises and is a connected person of the Company.

Reference is made to the announcement of Aluminum Corporation of China Limited (the “**Company**”) dated 30 March 2005 relating to the renting of the office premises at 12th to 16th floors and 18th to 31 floors (a total of 19 floors) (the “**Premises**”) of No. 62 Xizhimen Bei Street Hai Dian District, Beijing City, the PRC, by China Aluminium Development Company Limited (“**China Aluminium Development**”) as the landlord to the Company as the tenant.

The board of directors (the “**Directors**”, and the “**Board**”) of the Company announces that at the request of China Aluminium Development, the Company has agreed to prepay to China Aluminium Development the annual rent and property management fees of the Premises for the remaining two years of the tenancy of the Premises from 15 October 2006 to 15 October 2008. The annual rent and property management fees of the Premises are RMB61,648,696 and RMB11,008,695, respectively. The tenancy of the Premises is for a term of three years commencing from 15 October 2005 to 15 October 2008. The Company has paid the rent for the first year from 15 October 2005 to 15 October 2006 upon entering into the tenancy agreement with China Aluminium Development in March 2005. The aggregate amount of the prepayment in the sum of RMB145,314,782 will be made by the Company to China Aluminium Development before 15 October 2006.

Due to the recent increase in rent of office premises in Beijing, China Aluminium Development has approached the Company for prepayment of the annual rent of the Premises. The Board, including the independent non-executive Directors, having considered the market rent of comparable office premises in Beijing, is of the view that the request of China Aluminium Development is not unreasonable and in order to secure the amount of annual rent and property management fees not be increased for the remaining term of the tenancy, the Board has agreed to prepay the annual rent and property management fees of the Premises for the remaining two years to 15 October 2008. The Board, including the independent non-executive Directors, is of the view that the prepayment is reasonable and in the interests of the shareholders of the Company as a whole. A supplemental agreement, which contains an undertaking by China Aluminium Development not to request for any increase in rent for the remaining term of the tenancy, will be entered into between China Aluminium Development and the Company to vary the terms and conditions of the tenancy agreement of the Premises.

China Aluminium Development is a wholly-owned subsidiary of Aluminum Corporation of China, the controlling shareholder (as defined in the Listing Rules) of the Company. Accordingly, China Aluminium Development is a connected person of the Company. The making of the total amount of the prepayment does not exceed 2.5% of any of the percentage ratios under the Listing Rules and is not required to be approved by the independent shareholders of the Company under the Listing Rules. China Aluminium Development is engaged in the business of operation and development of real estate property, property management, interior and exterior decoration, sale of construction material and non-ferrous metal products, and investment in enterprises.

The Company and its subsidiaries are engaged in the principal business of producing alumina and primary aluminum in China. The Company's primary activities include refining bauxite into alumina and smelting alumina to produce aluminum.

As at the date hereof, the Board comprises Mr. Xiao Yaqing, Mr. Luo Jianchuan, Mr. Chen Jihua (Executive Directors), Mr. Shi Chungui and Mr. Joseph C. Muscari (Non-executive Directors) and Mr. Poon Yiu Kin, Samuel, Mr. Wang Dianzuo and Mr. Kang Yi (Independent Non-executive Directors).

By Order of the Board of Directors of  
**Aluminum Corporation of China Limited**  
**Liu Qiang**  
Company Secretary

5 September 2006  
Beijing, the PRC

\* For identification only