

Chongqing Iron & Steel Company Limited

The Company mainly produces and sells medium-gauge steel plates, steel sections, wire rods, steel billets, etc. The Company also engages in the sale of non-steel by-products produced in the course of its iron and steel production process. The company is one of the largest producers of medium-gauge steel plates in the PRC. The Company's steel plates for shipbuilding, pressure vessel plates and steel plates for boilers are well known for their superb quality and have received a number of quality awards and quality certificates issued by a number of domestic and international professional organizations.

Major products of the Company in 2004 and their applications are set out below:

Α. Medium-gauge steel plates

Plates for shipbuilding:

Mainly used in the construction of the skeleton of ships.

Pressure vessel plates:

Mainly used in the manufacturing of pressure vessels such as reaction vessels, heat exchanging vessels, separating vessels and storage vessels.

Plates for boilers:

Mainly used in the manufacturing of cylinders and shell covers for medium and low pressure boilers.

Normal carbon structural plates:

Widely used in the machinery, construction and transportation industries.

A variety of low-alloy steel plates and others:

Widely used in machine engineering, heavy vehicle manufacturing, construction of bridges, mining and heat-resistant equipment.

Medium-gauge plates accounted for approximately 44.34% of the sales of the Company in 2004.



MAJOR PRODUCTS (CONTINUED)

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Steel sections B.

Widely used in the machinery, construction, shipbuilding, mining and transportation industries.

Steel sections accounted for approximately 22.31% of the sales of the Company in 2004.

C. Wire rods

Mainly used in the construction and wire rod products industry.

Wire rod products accounted for approximately 12.12% of the sales of the Company in 2004.

D. Steel billets

Mainly sold to other steel producers whom does not deem as competitors of the Company and exported continuous casting steel billets.

Steel billets accounted for approximately 15.34% of the total sales of Company in 2004.

E. Non-steel by-products

The non-steel by-products produced in the course of iron and steel production process mainly include coking coal, coking by-products such as industrial naphthalene, ammonium sulphate, crude benzene etc., blast furnace grain slag and the provision of utilities such as water and electricity.

Non-steel products accounted for approximately 5.89% of the total sales of the Company in 2004.

