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Chongqing Iron & Steel Company Limited **重慶鋼鐵股份有限公司**

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(在中華人民共和國註冊成立的股份有限公司)

(Stock Code: 1053)

OVERSEAS REGULATORY ANNOUNCEMENT

Announcement on Estimated Profit Decrease for the Year 2009

Chongqing Iron & Steel Company Limited and all members of its board of directors confirm the truthfulness, accuracy and completeness of the information contained herein and that there are no misrepresentations or misleading statements contained in or material omissions from this announcement.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

I. EXPECTED RESULTS OF THE PERIOD

1. Period to which the expected results apply: 1 January 2009 to 31 December 2009.
2. Expected results:

Based on the preliminary estimation made by the finance department of Chongqing Iron & Steel Company Limited (the "Company") and calculated under the PRC accounting standards, the net profit of the Company for the year 2009 is expected to decrease by over 80% as compared to the same period last year. Specific information is subject to the audited results and will be disclosed in the 2009 annual report of the Company.

3. The expected results have not been audited by certified public accountants.

II. RESULTS FOR THE CORRESPONDING PERIOD LAST YEAR

1. Calculated under the PRC accounting standards, net profit attributable to equity shareholders of the Company: RMB598,298,000;
2. Calculated under the PRC accounting standards, earnings per share: RMB0.35.

III. MAJOR REASONS FOR THE PROFIT DECREASE

The decrease was attributable to the decrease in product price, increase in the cost of fuel and raw materials and the slight decrease in sales.

IV. OTHER RELATED EXPLANATIONS

The detailed information of the results of the Company in 2009 will be disclosed in the 2009 annual report of the Company. Shareholders of the Company and potential investors are advised to exercise caution when dealing in shares of the Company.

By order of the Board
Chongqing Iron & Steel Company Limited
You Xiao An
Secretary to the Board

Chongqing, the PRC, 27 January 2010

As at the date of this announcement, the Directors of the Company are: Mr. Dong Lin (Non-executive Director), Mr. Yuan Jin Fu (Non-executive Director), Mr. Chen Shan (Executive Director), Mr. Chen Hong (Executive Director), Mr. Sun Yi Jie (Executive Director), Mr. Li Ren Sheng (Executive Director), Mr. Liu Xing (Independent Non-executive Director), Mr. Zhang Guo Lin (Independent Non-executive Director) and Mr. Liu Tian Ni (Independent Non-executive Director).