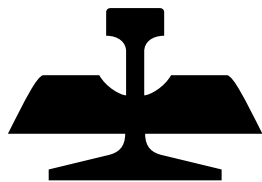


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鞍鋼股份有限公司

ANGANG STEEL COMPANY LIMITED*

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

(Stock Code: 347)

ANNOUNCEMENT

Profit Warning

Information contained in this announcement is released simultaneously in Shenzhen pursuant to the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange and in Hong Kong pursuant to the disclosure obligations under Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board wishes to inform the shareholders of the Company and potential investors that the unaudited net profit attributable to the shareholders of the Company and its earnings per share (basic) for the three months ended 31 March 2011 are expected to decrease significantly as compared with those for the three months ended 31 March 2010.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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The board of directors (the “**Board**”) of the Angang Steel Company Limited* (鞍鋼股份有限公司) (the “**Company**”) wishes to inform the shareholders of the Company and potential investors that the unaudited net profit attributable to the shareholders of the Company and its earnings per share (basic) for the three months ended 31 March 2011 are expected to decrease significantly as compared with those for the three months ended 31 March 2010. According to the unaudited management accounts (prepared in accordance with the PRC accounting rules and regulations), (i) the net profit attributable to the shareholders of the Company decreased from approximately RMB1,148 million for the three months ended 31 March 2010 to approximately RMB71 million for the three months ended 31 March 2011, representing a decrease of approximately 93.82%; and (ii) the earnings per share (basic) decreased from approximately RMB0.159 per share the three months ended 31 March 2010 to approximately RMB0.010 per share for the for the three months ended 31 March 2011. Such decreases were primarily due to the significant increase in the prices of raw materials and fuels.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board

Fu Jihui

Executive Director and Secretary to the Board

Anshan City, Liaoning Province, the PRC

14 April 2011

As at the date of this announcement, the Board comprises the following directors:

Executive Directors:

Zhang Xiaogang

Yang Hua

Chen Ming

Yu Wanyuan

Fu Jihui

Independent Non-Executive Directors:

Li Shijun

Ma Guoqiang

Kwong Chi Kit, Victor

* *For identification purposes only*