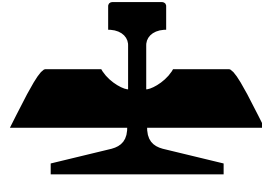


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

This announcement is made 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 nine months ended 30 September 2011 are expected to decrease significantly as compared with those for the same period in 2010.

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

This announcement is made 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 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 nine months ended 30 September 2011 are expected to decrease significantly as compared with those for the same period in 2010. According to the unaudited management accounts (prepared in accordance with the accounting standards for business enterprises in the PRC), (i) the net profit attributable to the shareholders of the Company decreased from approximately RMB2,572 million for the nine months ended 30 September 2010 to approximately RMB239 million for the nine months ended 30 September 2011, representing a decrease of approximately 90.71%; and (ii) the earnings per share (basic) decreased from approximately RMB0.355 per share for the nine months ended 30 September 2010 to approximately RMB0.033 per share for the nine months ended 30 September 2011. Such decreases were primarily due to the significant increase in the prices of raw materials and fuels which substantially exceeds the increase in the price of steel products of the Company.

However, according to the unaudited management accounts (prepared in accordance with the accounting standards for business enterprises in the PRC), (i) the net profit attributable to the shareholders of the Company increased from approximately RMB(-178) million for the three-month period from 1 July 2010 to ended 30 September 2010 to approximately RMB19 million for the same period in 2011; and (ii) the earnings per share (basic) increased from approximately RMB(-0.025) per share for the three-month period from 1 July 2010 to ended 30 September 2010 to approximately RMB0.003 per share for the same period in 2011.

The quarterly report containing detailed financial information of the Company and its subsidiary for the nine months ending 30 September 2011 (prepared in accordance with the accounting standards for business enterprises in the PRC) will be announced by the Company in due course.

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 October 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*