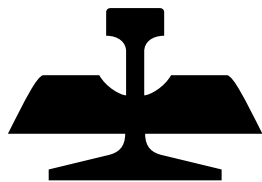


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鞍鋼股份有限公司

ANGANG STEEL COMPANY LIMITED*

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

(Stock Code: 347)

ANNOUNCEMENT

Estimated Loss for the Year Ended 31 December 2011

This announcement is published 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 Company announces that it estimates to record an approximately RMB2,151 million net loss attributable to its shareholders for the year ended 31 December 2011.

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

This announcement is published 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.

Angang Steel Company Limited* (鞍鋼股份有限公司) (the “**Company**”) hereby announces it estimates to record an approximately RMB2,151 million net loss attributable to its shareholders for the year ending 31 December 2011. Details of and reasons for such expected loss are set out below.

1. Estimated loss

	For the year ended	
	31 December 2011	31 December 2010
	<i>(RMB)</i>	<i>(RMB)</i>
	<i>(Estimated)</i>	<i>(Audited)</i>
Net profit attributable to the shareholders of the Company	net loss: approximately 2,151 million	2,039 million
Earning per share (basic)	approximately -0.297	0.282

2. Reason for the expected loss

The estimated loss of the Company for the year ended 31 December 2011 was primarily due to (i) the increase in the prices of the raw materials and fuels exceeded the increase in the prices of steel products; and (ii) certain furnaces suspended production for certain period of time for repair and maintenance. In particular, in the fourth quarter of 2011, the prices of steel products decreased substantially while the prices of the raw materials and fuels still maintained at a high level. As a result, the Company recorded a loss in the fourth quarter of 2011 and consequentially, a loss for the whole year of 2011.

The financial information for the year ended 31 December 2011 set out above is solely based on preliminary assessment by the Company in accordance with the unaudited management accounts (prepared in accordance with the PRC Accounting Standards for Business Enterprises) and is not based on the financial information audited or reviewed by the Company’s auditors. There may be differences between such information and the audited financial information. Shareholders of the Company and potential investors should note that detailed information on the Company’s performance for the year ended 31 December 2011 will be disclosed in its announcement of the results for the same period which will be published 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.

30 January 2012

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*