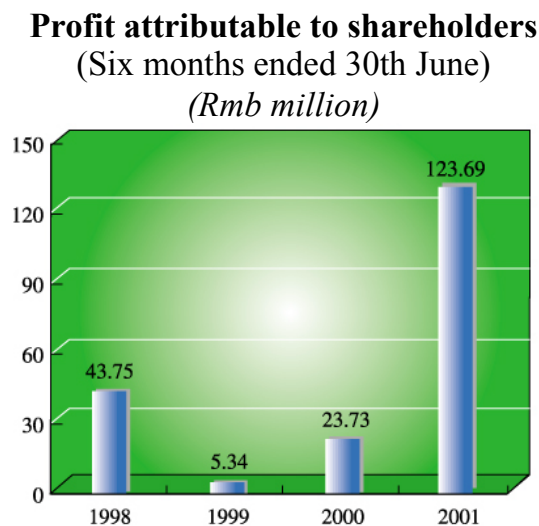
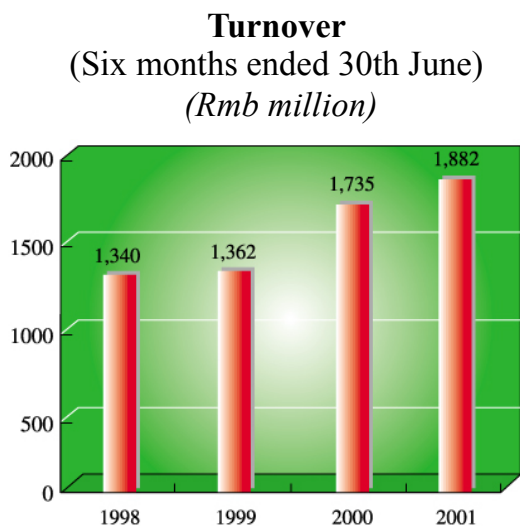


The Board of Directors of Chongqing Iron & Steel Company Limited (the "Company") hereby presents the unaudited interim report of the Company and its subsidiaries (the "Group") for the six months ended 30th June 2001. The Group's consolidated turnover and profit attributable to shareholders for the six months ended 30th June 2001, together with the comparative figures for the three previous years are as follows:



## ORGANISATION

The Company is a joint stock limited liability company established in the People's Republic of China ("PRC") on 12th August 1997 as part of the restructuring ("Restructuring") of a State-owned enterprise known as Chongqing Iron & Steel Company (Group) Limited (the "Holding Company"). Pursuant to the Restructuring, the principal iron and steel business undertakings and one of the subsidiaries, Chongqing Hengda Steel Industrial Co., Ltd., of the Holding Company were taken over by the Company, whereupon the Company issued 650,000,000 State-owned shares of Rmb1 each to the Holding Company.