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**Chongqing Iron & Steel Company Limited**, listed in 1997, is a large scale iron and steel producer in the People's Republic of China (the "PRC") and one of the largest producers of medium-gauge steel plates in the PRC. The principal business activities consist of the manufacture and sale of medium-gauge steel plates, steel sections, wire rods, steel billets and coking and smelting by-products, etc. Over 60% of its products are sold in Chongqing City and mid-west area of the PRC.

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# CORPORATE PROFILE

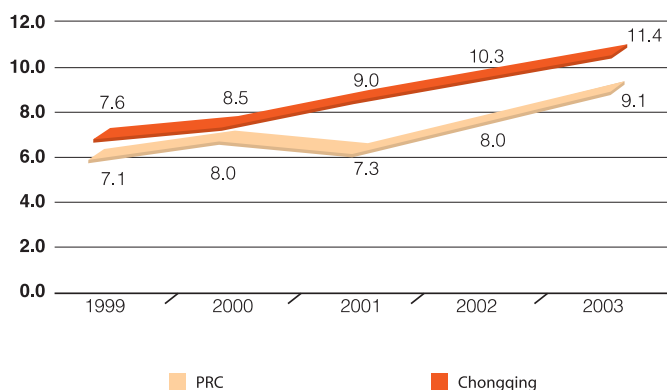
Chongqing Iron & Steel Company Limited (the “Company”) was established in August 1997, and is part of the restructuring schedule of a State-owned enterprise known as Chongqing Iron & Steel Company (Group) Limited (the “Holding Company”). Pursuant to the restructuring, the principal iron and steel business undertakings and one of the subsidiaries, Chongqing Hengda Steel Industrial Co., Ltd. (“Hengda”) 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. The Company’s H shares were listed on The Stock Exchange of Hong Kong Limited ( the “Stock Exchange”) on 17th October 1997. The Company became a foreign investment joint stock limited company on 7th December 1998 pursuant to the approval of the Ministry of Foreign Trade and Economic Co-operation of the People’s Republic of China.

In December 2002, the Company acquired all assets and liabilities of Hengda. At the same time, the Company disposed of its entire interests in Hengda to the Holding Company. Following the disposal of Hengda, the Company does not have any subsidiary (Please refer to the 2002 Annual Report of the Company for the details of the asset restructuring.).

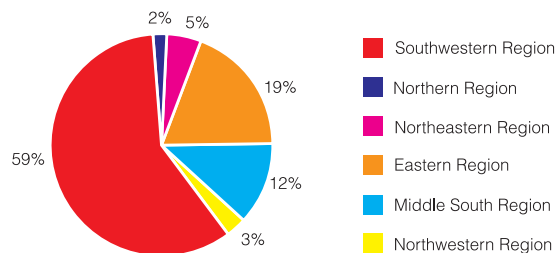
The Company is a large scale iron and steel producer in the People’s Republic of China (the “PRC”) and is one of the largest producers of medium-gauge steel plates in the PRC. The principal business activities consist of the manufacture and sale of medium-gauge steel plates, steel sections, wire rods, steel billets and coking and smelting by-products, etc. Over 60% of its products are sold in Chongqing City and mid-west area of the PRC. The Company adopted advanced technology and skills in the production of high quality products through integrated production process of coking, sintering, iron smelting, steel smelting and rolling of soft steel. Steel products such as steel plates for ship building, pressure vessel plates and steel plates for boilers have received a number of quality awards and quality certificates issued by a number of domestic and international professional organisations. The products with the brand “Sanfeng” are very famous among products of the same category in the PRC.

The Company is situated in Chongqing, a city under direct supervision of the State and an economic centre along the middle upper course of the Yangtze River. The strategic development of the Western region and the infrastructure construction work in the Three Gorges Area of the Yangtze River will result in faster economic growth of Chongqing and mid-west area of the PRC, the Company will benefit from the economic growth of the region and this will certainly foster further development of the Company.

**Growth in GDP (%)**  
**Percentage Growth of PRC and Chongqing**



**The Sales Distribution**  
**Regions of Steel Products in 2003**





# Distribution of the Company Sales Branches

