

(Unaudited)	For the six months ended 30 June		
	2005 RMB'000	2004 RMB'000	Change %
Turnover	424,416	377,879	12%
Gross Profit	86,000	82,847	4%
Profit Attributable to Shareholders	63,356	62,903	1%
Gross Profit Margin	20%	22%	(2)%
Net Profit Margin	15%	17%	(2)%

The board of directors of China Special Steel Holdings Company Limited (“the Company”) is pleased to announce that the unaudited consolidated turnover of the Company and its subsidiaries (hereinafter collectively referred as “the Group”) for the first half of 2005 (“the Relevant Period”) was RMB424.4 million, representing an increase of 12% as compared to that of the corresponding period of 2004. Unaudited profit attributable to shareholders of the Company was RMB63.4 million, representing an increase of 1% when compared to that of the corresponding period of 2004. Unaudited basic earnings per share for the first half of 2005 was RMB0.176. Earnings per share was based on the weighted average of 360 million shares in issue in the first half of 2005. The directors are pleased to declare interim dividend of HK\$0.03 per share, totalling HK\$15 million. The unaudited condensed combined/consolidated interim financial statements for the six months ended 30 June 2005 have been reviewed by the Company’s Audit Committee.