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# **Chongqing Iron & Steel Company Limited** **重慶鋼鐵股份有限公司**

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*  
*(在中華人民共和國註冊成立的股份有限公司)*

(Stock Code: 1053)

## **ANNOUNCEMENT** **POSITIVE PROFIT ALERT**

This announcement is made by the board of directors (the “**Board**”) of Chongqing Iron & Steel Company Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

### **I. PROJECTED RESULTS FOR THE PERIOD**

#### **1. Projected period**

From 1 January 2014 to 31 December 2014.

#### **2. Projected results**

Based on a preliminary estimate by the finance department of the Company, the Company is expected to record turnaround in annual operating results in 2014 as compared with the same period last year, with an operating profit of approximately RMB50,000,000.

#### **3. Relevant data of the projected results were not audited by certified public accountants.**

## **II. RESULTS FOR THE CORRESPONDING PERIOD IN 2013**

1. Net profit attributable to the Company's shareholders for 2013 was RMB-2,499,018,000.
2. Earnings per share of the Company for 2013: RMB-1.252.

## **III. MAJOR REASONS OF THE PROJECTED PROFITS FOR THE PERIOD**

Affected by the macroeconomic situation, continuous deterioration of the operation environment in the iron and steel industry and continuous downturn in the market of steel products, the selling prices of the Company's products fell substantially in 2014. At the same time, the operating costs were also higher due to the Company's environmental relocation, which caused the amount of liability increased and the finance costs rose sharply. In this respect, the Company proactively adopted various measures such as reducing consumption and costs, adjusting the product mix and disposing non-core assets. Together with the other income obtained by the Company such as the rewards for relocation, the Company expects to record a net profit for the year of 2014.

## **IV. OTHER MATTERS**

The information contained in this announcement is a preliminary review only. Shareholders of the Company and potential investors are advised to refer to the detailed and accurate financial information in the audited Annual Report 2014 which will be published by the Company.

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

By order of the Board  
**Chongqing Iron & Steel Company Limited**  
**You Xiao An**  
*Secretary to the Board*

Chongqing, the PRC, 23 January 2015

*As at the date of this announcement, the Directors of the Company are: Mr. Zhu Jian Pai (Non-executive Director), Mr. Zhou Hong (Non-executive Director), Mr. Li Ren Sheng (Executive Director), Mr. Zhang Li Quan (Executive Director), Mr. Yao Xiao Hu (Executive Director), Mr. Xu Yi Xiang (Independent Non-executive Director), Mr. Liu Tian Ni (Independent Non-executive Director) and Mr. Xin Qing Quan (Independent Non-executive Director).*