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METALLURGICAL CORPORATION OF CHINA LTD. *

中國冶金科工股份有限公司

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

(Stock Code: 1618)

ANNOUNCEMENT ON EXPECTED LOSS IN 2012 ANNUAL RESULTS

The announcement is made pursuant to provisions on inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) and Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the “**Board**”) of Metallurgical Corporation of China Ltd.* (the “**Company**”) makes this announcement on the annual results for the year ended 31 December 2012 of the Company and its subsidiaries.

I. THE ESTIMATED RESULTS FOR THE PERIOD

1. Period of the estimated results: From 1 January 2012 to 31 December 2012.
2. Estimated results: Based on a preliminary estimate by the finance department of the Company, the Company is expected to record a loss in its annual operating results for the year ended 31 December 2012, with loss attributable to equity holders of the Company of approximately RMB7.2 billion.
3. The estimated results have not been audited by certified public accountants.

II. RESULTS FOR THE CORRESPONDING PERIOD LAST YEAR

1. Profit attributable to equity holders of the Company: RMB4,243.42 million.
2. Basic earnings per share: RMB0.22.

III. MAIN REASONS FOR THE ESTIMATED LOSSES FOR THE CURRENT PERIOD

The Company's traditional engineering and construction business, especially most of the entities engaged in design, scientific research and construction, actively responded to the complex economic dynamics. Notwithstanding issues such as overcapacity of the iron and steel industry and contraction of the metallurgical and construction businesses, these entities recorded satisfactory operating results and stable development in 2012. However, the Company is estimated to record losses for the period as a result of the following factors:

1. Based on the result of a valuation, the Company made a provision for bad debt on receivables of approximately RMB6.9 billion in MCC Huludao Nonferrous Metals Group Co., Ltd. ("**Huludao Nonferrous**"). As the Company has transferred its equity interests in Huludao Nonferrous to China Metallurgical Group Corporation, the controlling shareholder of the Company, on 31 December 2012, Huludao Nonferrous was no longer in the consolidated financial statements of the Company. The excess loss of approximately RMB3.0 billion for the current year and previous years was therefore reversed. The above provision for impairment made by the Company and the reversed excess loss due to the transfer of equity interests will result in a decrease of approximately RMB3.9 billion in the profit attributable to equity holders of the Company in the annual consolidated financial statements of the Company for 2012. For details, please refer to the announcement on substantial provisions for asset impairment separately published by the Company on 30 January 2013.

2. Pursuant to relevant regulations of the PRC Accounting Standards for Business Enterprises, the estimated total costs under the contract of the Western Australia SINO Iron Ore Project of CITIC Pacific undertaken by the Company in excess of the project costs recognized by CITIC Group, being approximately RMB3.1 billion, shall be provided for as estimated losses in the current period. The provision for the estimated loss under the contract will result in a decrease of approximately RMB3.1 billion in the profit attributable to equity holders of the Company in the annual consolidated financial statements of the Company for 2012. For details, please refer to the announcement on the Western Australia SINO Iron Ore Project separately published by the Company on 30 January 2013.
3. Based on a valuation on the fair value of the assets of Cape Lambert Iron Ore Project (“**Cape Lambert Assets**”) of MCC Australia Holding Pty Ltd., a subsidiary of the Company, performed by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer using 30 June 2012 and 31 December 2012 as reference dates respectively, the Company made a provision for asset impairment on the Cape Lambert Assets amounting to approximately RMB2.3 billion for 2012. RMB1.81 billion of the said amount has already been provided for in the first half of 2012 and disclosed in the interim report of 2012, while approximately RMB0.5 billion is to be provided for in the second half of 2012. The provision for impairment will result in a decrease of approximately RMB2.3 billion in the profit attributable to equity holders of the Company in the annual consolidated financial statements of the Company for 2012. For details, please refer to the announcement on substantial provisions for asset impairment separately published by the Company on 30 January 2013.
4. The continuous weakness of the prices in the polysilicon market has resulted in substantial loss of Luoyang China Silicon Hi-tech Corporation, a subsidiary of the Company, for the year of 2012.

The figures above are only based on preliminary calculations. For precise figures, please refer to the audited 2012 financial statements to be disclosed by the Company. Investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Metallurgical Corporation of China Ltd.*
Kang Chengye
Joint Company Secretary

Beijing, the PRC
30 January 2013

As at the date of this announcement, the Board of the Company comprises two executive directors, Mr. Shen Heting and Mr. Guo Wenqing; two non-executive directors, Mr. Jing Tianliang and Mr. Lin Jinzhen; and five independent non-executive directors, Mr. Jiang Longsheng, Mr. Wen Keqin, Mr. Liu Li, Mr. Chen Yongkuan and Mr. Cheung Yukming.

* *For identification purpose only*