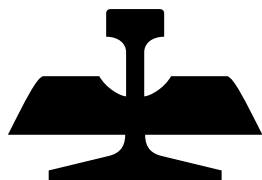


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鞍 鋼 股 份 有 限 公 司
ANGANG STEEL COMPANY LIMITED*

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

(Stock Code: 0347)

**POSITIVE PROFIT ALERT FOR
THE YEAR ENDED 31 DECEMBER 2013**

This announcement is published by the Company simultaneously in Shenzhen pursuant to the Shenzhen Listing Rules and in Hong Kong pursuant to the disclosure obligations under Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board hereby announces that the Group is expecting to record a net profit attributable to the equity holders of the Company of approximately RMB770 million for the year ended 31 December 2013.

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

This announcement is published by Angang Steel Company Limited* (鞍鋼股份有限公司) (the “**Company**”) simultaneously in Shenzhen pursuant to the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange (the “**Shenzhen Listing Rules**”) and in Hong Kong pursuant to the disclosure obligations under Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) hereby announces that the Company (together with its subsidiaries, the “**Group**”) is expecting to record a net profit attributable to the equity holders of the Company of approximately RMB770 million for the year ended 31 December 2013. Details of and the reasons for such estimated profit are set out below.

1. ESTIMATED PROFIT

	For the Year ended 31 December 2013 (RMB) (Estimated)	For the Year ended 31 December 2012 (RMB) ^(Note)	
		Before Adjustment	After Adjustment
Net profit attributable to the equity holders of the Company	approximately 770 million	-4,157 million	-4,025 million
Earning per share (basic)	approximately 0.106	-0.575	-0.556

Note:

Due to the completion of the acquisition of the domestic trade business assets of Angang Group International Trade Corporation* (鞍鋼集團國際經濟貿易公司) by the Company by way of assets exchange during the financial year of 2013, the audited financial information was adjusted in accordance with the relevant requirements under the PRC Accounting Standards for Business Enterprises for merger of enterprises under common control.

2. REASON FOR THE ESTIMATED PROFIT

In 2013, the Company focused its efforts on the target of increasing profitability, and actively “adjusted model, increased production volume, promoted research and development and planned reforms”. It fully explored the potential of the enterprise on each stage of production and operation, continued to improve the product quality, optimized the structure of product varieties, strived to reduce production costs and consumption, and improved the profitability of products through various approaches such as innovating the sales and marketing model, implementing differentiated procurement, improving the logistics management system, increasing scientific research and development and adjusting the structure of varieties. Thereby enabling the Company to achieve the operation target of conversion from losses to profitability under the circumstance of more intensified competition in the steel market.

The financial information for the year ended 31 December 2013 set out above is solely based on preliminary assessment by the Company in accordance with the unaudited management accounts (prepared in accordance with the PRC Accounting Standards for Business Enterprises) and is not based on the financial information audited or reviewed by the Company’s auditors. There may be differences between such information and the audited financial information. Shareholders of the Company and potential investors should note that detailed information on the Company’s performance for the year ended 31 December 2013 will be disclosed in its results announcement for the same period to be published in due course.

As the Group recorded a negative amount for its audited net profit for the two years ended 31 December 2011 and 2012, a delisting risk warning was imposed on the A shares of the Company. Pursuant to the Shenzhen Listing Rules, if the Group records a positive amount for its audited net profit for the year ended 31 December 2013 as confirmed in its audited financial results, the Company will apply to the Shenzhen Stock Exchange for the revocation of the delisting risk warning after the publication of the annual report for the year of 2013.

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

By Order of the Board
ANGANG STEEL COMPANY LIMITED*

Ma Lianyong
Executive Director and Secretary to the Board

Anshan City, Liaoning Province, the PRC
21 January 2014

As at the date of this announcement, the Board comprises the following directors:

Executive Directors:

Zhang Xiaogang
Tang Fuping
Yang Hua
Wang Yidong
Ma Lianyong

Independent Non-executive Directors:

Li Shijun
Chen Fangzheng
Qu Xuanhui
Kwong Chi Kit, Victor

* *For identification purpose only*