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SHOUGANG CONCORD CENTURY HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 103)

ANNOUNCEMENT

Further to the announcement of the Company dated 27 September 2006, the board of Directors announces that on 4 October 2006, the Company agreed with the Placing Agent terminating the Placing Agreement with immediate effect.

The Directors believe that it is in the interest of the Company to terminate the Placing Agreement and do not expect such termination to have any material adverse effect on the business operation and financial position of the Group.

Reference is made to the announcement of the Company dated 27 September 2006 (the "Announcement") in relation to, among other matters, the Placing of 50,000,000 new Shares by the Placing Agent pursuant to the Placing Agreement. Capitalized terms used herein shall have the same meanings as those defined in the Announcement.

On 4 October 2006, the Company and the Placing Agent terminate the obligations of both parties under the Placing Agreement with immediate effect. The termination of the Placing Agreement was agreed in view of the recent movement in the Share price of the Company causing the Placing Price not attainable.

The Directors believe that it is in the interest of the Company to terminate the Placing Agreement and do not expect such termination to have any material adverse effect on the business operation and financial position of the Group.

The termination of the Placing Agreement does not affect the terms and conditions of the Bekaert Subscription Agreement and the Co-operation Agreements as disclosed in the Announcement. As the Company will not proceed with the Placing, the changes of the shareholding structure of the Company as a result of the Bekaert Subscription are as follows:–

Shareholders	At the date of this announcement and immediately before completion of the Bekaert Subscription		Immediately after completion of the Bekaert Subscription	
	No. of Shares	Approximate Percentage %	No. of Shares	Approximate Percentage %
Shougang Holding (Hong Kong) Limited	443,709,179 (Note)	43.24	443,709,179	34.77
Bekaert	–	–	250,000,000	19.59
Public	582,357,377	56.76	582,357,377	45.64

Note: The number of shares represents the shareholding in the Company held by Shougang Holding (Hong Kong) Limited and its controlled corporations (as defined under the Securities and Futures Ordinance (the "SFO")) as recorded in the register as required under the SFO.

This announcement is made pursuant to the general disclosure obligation of the Company under Rule 13.09 of the Listing Rules.

By Order of the Board
Shougang Concord Century Holdings Limited
Tang Cornor Kwok Kau
Deputy Managing Director

Hong Kong, 4 October 2006

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

Mr. Cao Zhong (Chairman), Mr. Li Shaofeng (Managing Director), Mr. Tong Yihui (Deputy Managing Director), Mr. Leung Shun Sang, Tony, Mr. Tang Cornor Kwok Kau (Deputy Managing Director), Mr. Yip Kin Man, Raymond (Independent Non-executive Director), Mr. Law, Yui Lun (Independent Non-executive Director) and Mr. Chu, Kwok Tsu Gilbert (Independent Non-executive Director).

Please also refer to the published version of this announcement in South China Morning Post and Hong Kong Economic Times.