



**SHOUGANG CONCORD  
INTERNATIONAL  
ENTERPRISES COMPANY LIMITED**  
首長國際企業有限公司

[PRESS RELEASE]

**Shougang Concord International  
Reports 2012 Interim Results**

- ✧ **Weak results amidst a challenging operating environment which may mark the worst earnings cycle in the industry**
- ✧ **Net debt has reduced comparing to end of 2011**
- ✧ **Looking ahead for uptick from stabilizing growth incentives**

[Hong Kong, 29 August 2012] – Chinese heavy plate producer with strategic interests in upstream assets, Shougang Concord International Enterprises Company Limited (“The Group”, HKSE: 697), yesterday announced the unaudited interim results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2012.

Financial summary:

In HK\$ millions except otherwise stated

	Six months ended 30 June		
	<u>2012</u>	<u>2011</u>	Change
<b>Turnover</b>	<b>8,524</b>	10,445	-18%
<b>Net (loss)/profit attributable to shareholders</b>	<b>(619)</b>	214	N/A
EBITDA	<b>165</b>	958	-83%
Free cash flow	<b>217</b>	432	-50%
Basic (loss)/earnings per share (HK cents)	<b>(6.9)</b>	2.6	N/A
Net assets per share (HK\$)	<b>1.05</b>	1.19	-12%

Sales volume summary:

In million tonnes

	<u>2012</u>	<u>2011</u>	Change
<b>Quantity of steel plates sold</b>	<b>1.1</b>	1.2	-5%
<b>Quantity of iron ore sold</b>	<b>1.4</b>	1,3	+12%

Mr. Li Shaofeng, Managing Director of the Group, said, “The current operating environment is extremely challenging from lower demand growth and overproduction, easily the worst earnings cycle in its history. Initiatives in reducing cash outflows and production cost cut have been implemented. Our upstream segment in coking coal showed resiliency and did reasonably well. In the future, we hope for a slow pickup in industry sentiments with stabilizing growth incentives and look to the future with our vertical integration business model.”

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