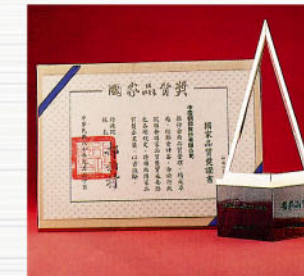


China Steel Corporation (CSC) was established on 3 December 1971 with its first project being the planning of an integrated steel mill. The first phase of construction lasted from September 1974 to December 1977. Second, third and fourth phase expansion projects kicked off in July 1978, July 1984, July 1993 and concluded in June 1982, April 1988 and May 1997, respectively. Upon completion of the Phase IV expansion project, CSC's crude steel production capacity reached 8.054 million tonnes per year. Over years of equipment updating and improvement, the company set its annual crude steel production capacity at 9.55 million tonnes on 15 April 2003. CSC supplies steel plates, bars, rods, hot rolled products, cold rolled products, electrical sheets and electro-galvanized steel sheets.

Year	1982	1983	1984	1985	1986	1987	1988	1989
Million ton Product	1.459	2.781	3.052	3.070	3.277	3.391	4.068	5.072
Year	1990	1991	1992	1993	1994	1995	1996	1997
Million ton Product	5.042	5.164	5.054	5.599	6.007	6.064	6.480	7.557

Privatization in 1995 enabled CSC to spin off its aluminum, marine cargo transportation, trading, security services, information system businesses by establishing subsidiary companies: China Steel Aluminum Corp., China Steel Express Corp., China Steel Global Trading Corp., China Steel Security Corp., and Info-Champ System Corp. with 100% holdings. Other affiliates include Gains Investment Corp., whose main business is hi-tech investments; China Steel Machinery Corp., formed after taking over production facilities of Taiwan Machinery Corp.; and China Prosperity Development Corp., which deals with real estate development and investment in the Kaohsiung Commerce and Trade Park. Furthermore, to broaden its business horizon and explore new scopes CSC also invests in highly potential industries including telecommunications, biotechnology, electronics, electro-optical, rapid transit system, high speed rail, industrial banking, etc.



Company Profile



Year	'97,07-12	1998	1999	2000	2001	2002	2003	2004
Million ton Product	4.515	8.853	9.116	9.492	9.338	10.288	10.188	10.101

Originally privately operated, CSC became a state-run enterprise in July 1977 due to insufficient private investment and the government's increased input on its construction plans. However, as the private sector grew stronger and privatization became a global movement, CSC was resumed and privatized on 12 April 1995.

During the period when state held the company, CSC established its first affiliate, China Steel Structure Co., Ltd. as early as February 1978. Later in February 1985, instructed by the government CSC took over the remelting and rolling facilities of Taiwan Aluminum Corp., entering a new era of business diversification. Since then CSC set up China Steel Chemical Corp., China Hi-ment Corp., China Ecotek Corp., and invested in Tang Eng Iron Works Co., Ltd.

To strengthen its specialization in the steel business, CSC invested and acquired major management positions in the Chung Hung Steel Corp., Dragon Steel Corp., Ornasteel Enterprise Corporation (M) Sdn. Bhd. and Groupsteel Enterprise Corporation (M) Sdn. Bhd. Taking advantage of its expertise and technology CSC not only upgrades operation efficiency in the steel industry but also plays a positive role in the steel market. Two joint ventures in Malaysia, Ornasteel Enterprise Corporation (M) Sdn. Bhd. and Group Steel Corporation (M) Sdn. Bhd., are a part of CSC's global strategy. China Steel Global Trading Corp. is a key player which runs sales centers in the international market such as Japan, Hong Kong, Singapore and Shanghai to maintain closer relations with customers.

"Quality Orientation, Product Diversification, Cost Leadership, Global Investment" are CSC's directions of future development. The company aims to consolidate its steel business as well as expand its business scope in hopes of building up a strong international industrial group with steel manufacturing as its core business, while also incorporating industrial materials, electronics, trading, transportation, engineering, financing, real estate development, services and cutting-edge technologies. With collaboration and synergy it is committed to reinforcing the structure of the domestic steel industry and enhancing overall competitiveness.