



中國冶金科工股份有限公司
METALLURGICAL CORPORATION OF CHINA LTD.*

2012年度業績發佈會

ANNUAL RESULTS ANNOUNCEMENT



Disclaimer

- This presentation does not constitute an offer or invitation to purchase or subscribe for any shares of Metallurgical Corporation of China Ltd. (“MCC”) to investors
- This presentation contains forward-looking statements, these forward-looking statements are subject to risks and uncertainties, and based on the Company and Company’s expectations, assumptions, estimations and forecasts of the industries. Unless required by law, the Company does not undertake to update or revise any forward-looking statements for subsequent circumstances
- The Company believes those expectations implied by forward-looking statement are reasonable, but no reliance should be placed on the fairness, accuracy, or correctness of such information. Actual results may differ from those anticipated in the forward-looking statements
- Reporting Period: January 1st, 2012 to December 31st, 2012

Agenda

I Financial Performance Review

II Segment Analysis

III Outlook

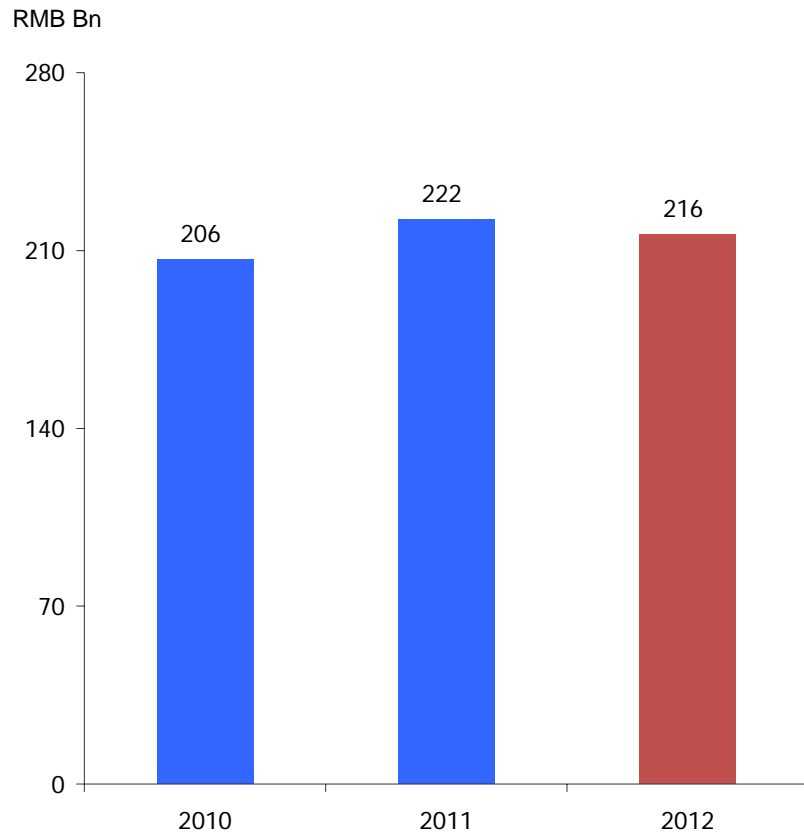
I. Financial Performance Review



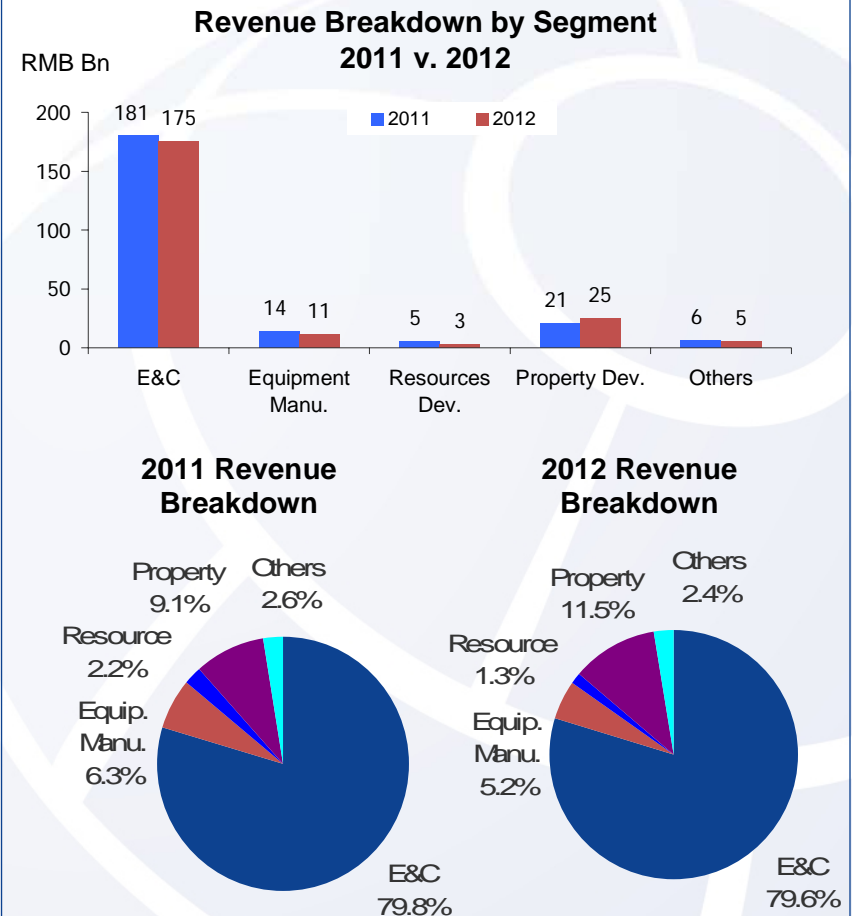
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1. Total Revenue Slight Decreased, but Core E&C and Property Segments' Contribution Rose

Total Revenue

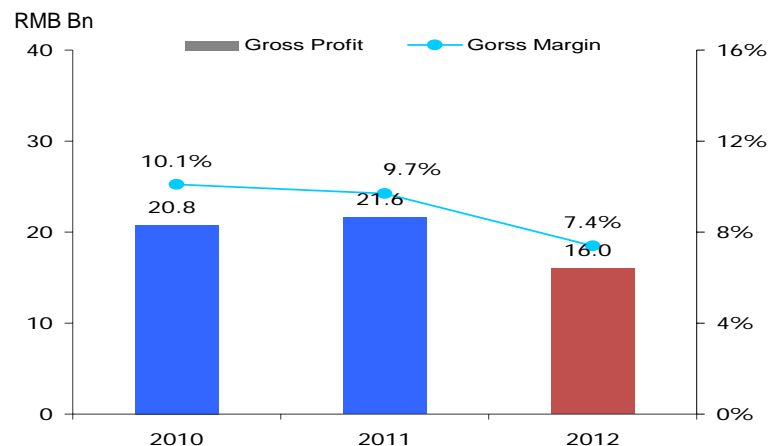


Revenue Breakdown



2. Decrease in Gross Profit and Margin Due to One-off Issues

Gross Profit and Gross Margin



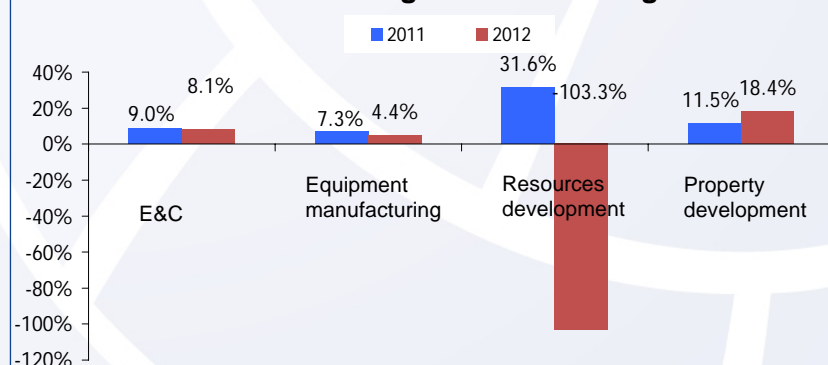
Excluding the decrease in gross margin of Huludao Nonferrous Metals and cost overrun of CITIC Pacific's SINO iron ore mine project, the gross margin of 2012 was 9.35%, with the year-on-year decrease of 0.37 percentage points.

Gross Profit and Gross Margin Breakdown

2011 v. 2012 Segment Gross Profit

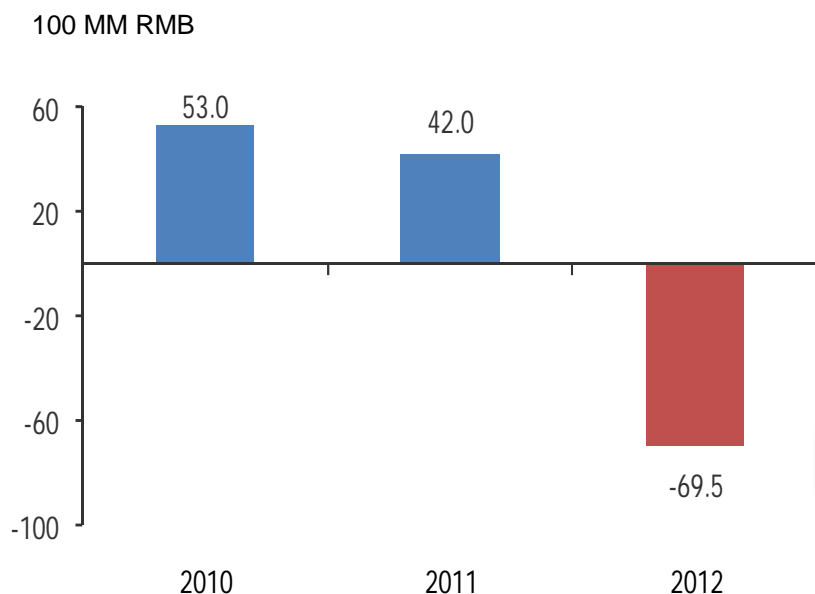


2011 v. 2012 Segment Gross Margin



3. Sharp Year-on-year Decrease in Net Profit Due to Impairment Provision and Expected Contract Losses

Net Profit Attributable to Owners



Impairment Provision Leading to Losses

Huludao Nonferrous

MCC made RMB6.89 Bn bad debt provision for account receivables of Huludao Nonferrous.

Cape Lambert Iron Ore Mine

RMB2.3 Bn impairment provision for exploitation right of Cape Lambert iron ore mine in Western Australia.

Citic Pacific's SINO Iron Ore Mine Project

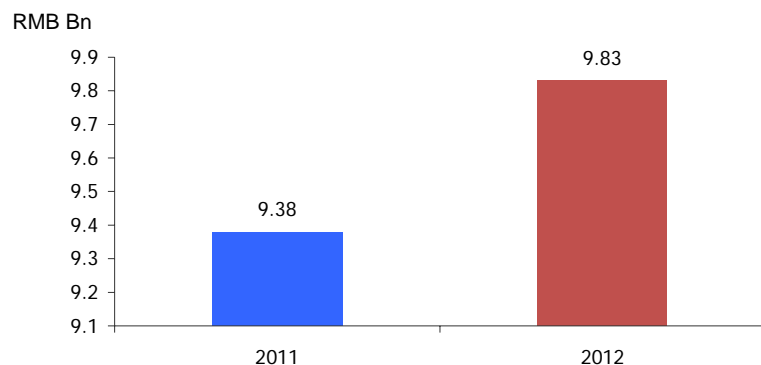
RMB 3.04 Bn provision for expected contract losses of Citic Pacific's SINO iron ore mine project in Western Australia.

4. Steady Development of Traditional E&C Business

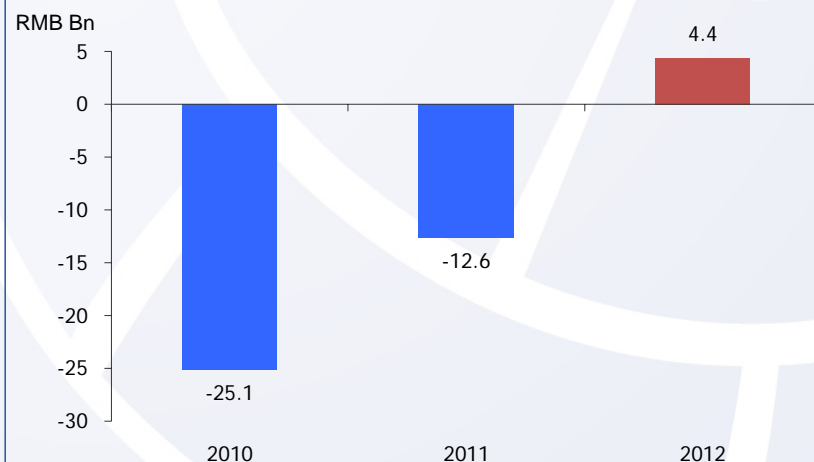
Under the circumstance of excess capacity in steel industry and shrinking metallurgical construction, MCC's traditional E&C business, especially most of design, research and construction enterprises, achieved good results and stable development by actively responding to the complex economic situation. Excluding the losses of polysilicon and Yingkou projects, the gross profit of MCC's traditional E&C enterprises of 2012 was RMB9.83 Bn, with the year-on-year increase of 4.8%.

Meanwhile, MCC's net operating cash flow was RMB4.39 Bn in 2012, putting an end to large negative numbers for 3 consecutive years. The liquidity ratio was better than the previous year.

Operating Profit of Traditional E&C Business



Net Operating Cash Flow



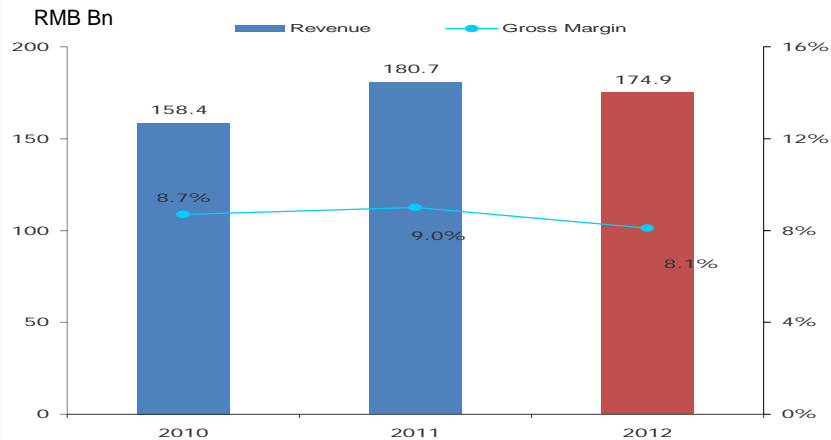
II. Segment Analysis



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1. Engineering & Construction

Revenue and Gross Margin



Awards

In 2012, MCC won 4 China Building Construction Luban Awards, 10 National Quality Silver Awards, 29 Quality Awards for Metallurgical Industry, 100 Excellent Design Awards for Metallurgical Industry and 27 Excellent Exploration Awards for Metallurgical Industry. We also won approval for the building of 4 provincial/ministerial sci-tech innovation platforms.



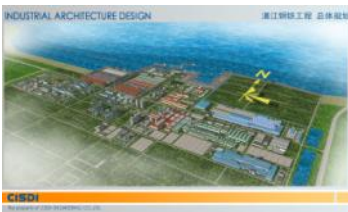
Luban Award



The National Steel-smelting Equipment System Integration E & R Center

Metallurgical E&C

MCC increased excavation force of traditional metallurgical engineering market through innovating marketing mode and following item information closely.



Baosteel Zhanjing I&S Base Project



Formosa Plastic Vietnam Ha Tinh I&S Project

Non-Metallurgical E&C

MCC actively expanded to non-metallurgical E&C projects at home and abroad such as buildings, transportation infrastructure, sports stadium and energy-saving and eco-friendly projects.



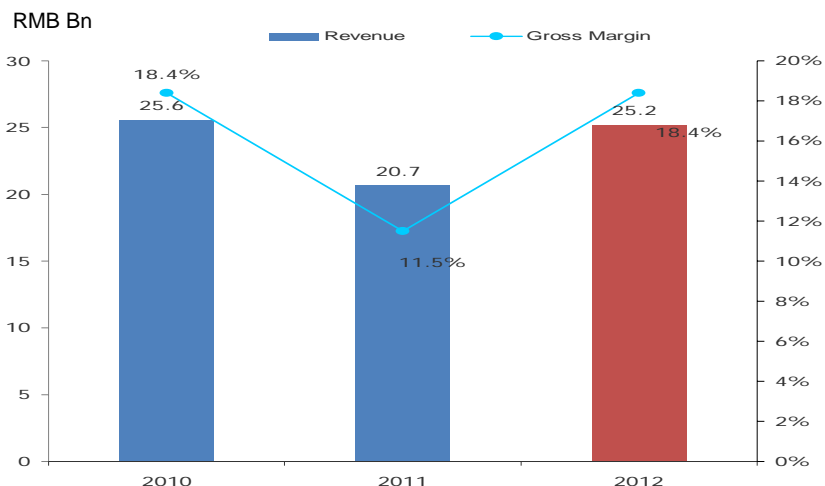
Zhuhai Hengqin Island Project



Singapore Universal Studios Project

2. Property Development

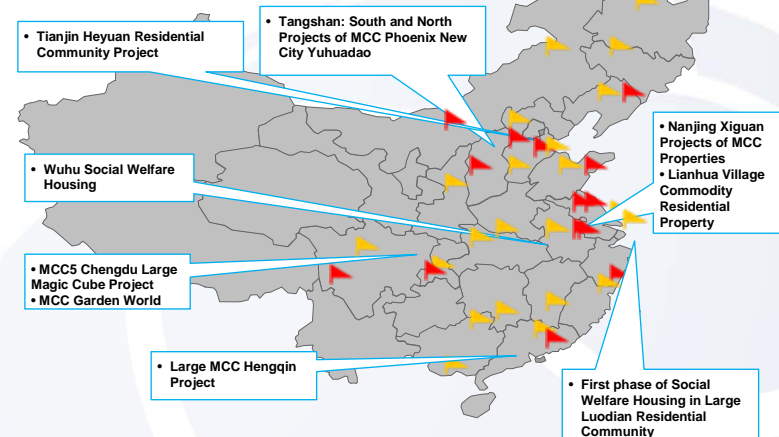
Revenue and Gross Margin



Property Development Projects

▲ Social Welfare housing

▲ Commodity residential Properties



Commodity Residential Property Development

In 2012, MCC had 100 commodity residential property development projects at hand (including common residences, high-end apartments, villas, office buildings/ premises, commercial business buildings). The total construction area is 26.57 million square meters



Jilin "the Land, Pretty as a Picture" High-rise commodity residential property project

Social Welfare Housing Development

In 2012, MCC had 52 social welfare housing projects at hand (including low-rent houses, economically affordable housing, shantytowns transformation and rural dilapidated house transformation). The total construction area is 17.58 million square meters



Social welfare housing project of Jin'an Residential Quarter in Ma'anshan City

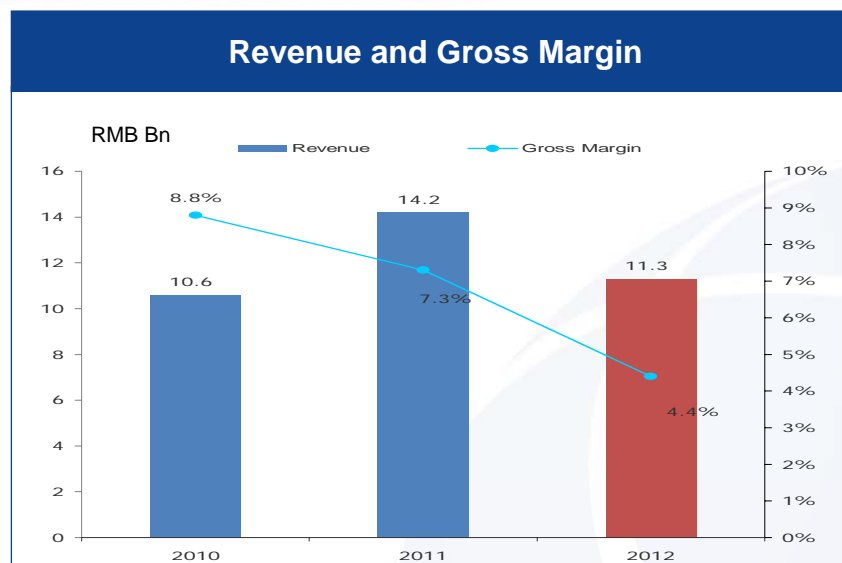
Primary Land Development

In 2012, MCC had 17 primary land development projects at hand. Total covering area is 57.1 million square meters



Primary land development project of Chifeng City

3. Equipment Manufacturing



Metallurgical Equipment

MCC actively expanded equipment manufacturing businesses with proprietary intellectual property rights.



China's largest vacuum oxygen decarburization finery designed by MCC



The first domestic production beam blank continuous casting machine researched and developed by MCC

Steel Structure

MCC's subsidiaries which are engaged in E&C business actively implemented steel structure industry transition policy, expanded non-metallurgy business market constantly, and moved toward high-end steel structure construction fields such as large-scale venues and super high-rise buildings.



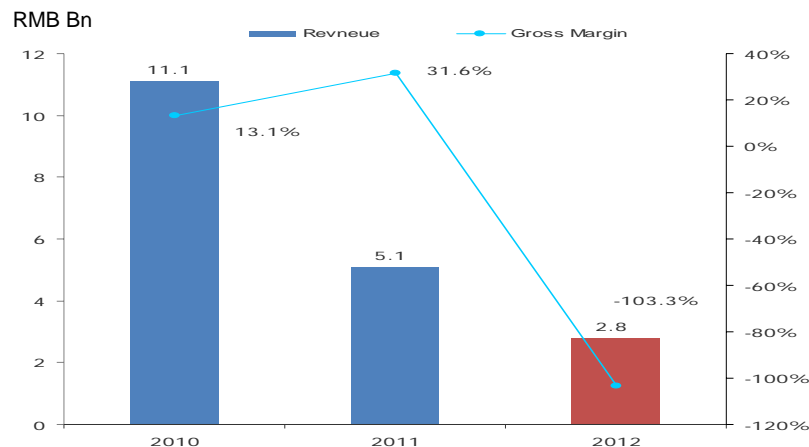
Phoenix Satellite Television International Media Center Project contracted by MCC



The second biggest gas field communication iron tower manufacture finished by MCC

4. Resources Development

Revenue and Gross Margin



Papua New Guinea Rumu Nickel Project

Papua New Guinea Rumu Nickel Project has been put into production in the end of 2012 and entered into production period. In November of 2012, the first batch of trail sale products was sent by ship.



Ruma BSK Smelting Plant (connecting with docks)

Resources Development

MCC categorized overseas resources into three groups: key projects, delayed projects and disposal projects; implemented different policies to different categories.



Metal Smelting

MCC transferred 51.06% stock rights of Huludao Nonferrous Metals and all the bonds to the controlling shareholder China Metallurgical Group on Dec. 31st, 2012 and Feb. 5th, 2013 respectively. After these two transfers, MCC didn't hold any stock rights and bonds of Huludao Nonferrous, and its subsequent losses will not have any influence on MCC.

Polycrystalline Silicon

In 2012, Luoyang Silicon closely monitored market change and adjusted operating strategy swiftly to reduced losses and increase efficiency; Although various measures were adopted, main operational indexes still worsened under the influence of the whole stagnant industry.



Polycrystalline silicon produced by Luoyang Silicon

III. Outlook

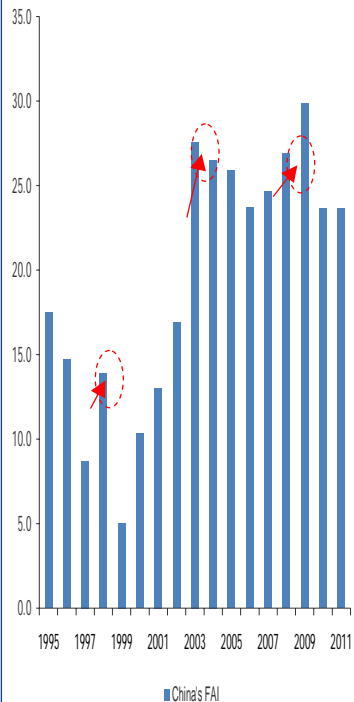


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1. Opportunities for Development

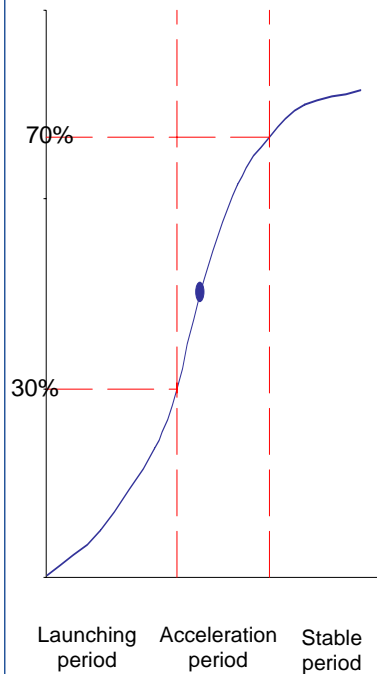
New-Term Government Investment and New-Type Urbanization Planning Drive Economic Development

New-Term Government investment



Data source: Wind Information

Demand of New-Type Urbanization



Data source: GF Securities

MCC's Traditional Businesses Still Have Opportunities for Development

Metallurgical Projects

- Optimize steel types; promote requirements of high-end products
- Energy conservation and emission reduction, technical transformation and urban steel factory
- Eliminate outdated capacity, replace new capacity
- Adjust industry distribution; during the "Twelfth Five Year" Plan, build Zhanjiang and Fangcheng Port fine steel bases

Data source: "Twelfth Five Year" Plan in steel industry

Non-Metallurgical Projects

- Urbanization rate surpasses 50% and shall be further increased
- The market of infrastructure construction is wide
- Annual increase of gross output in construction industry is more than 15%
- Revenue from overseas projects increases over 20%
- Support large scale construction enterprises and boost core competitiveness

Data source: "Twelfth Five Year" Plan in construction industry

The "12th Five-Year Plan"

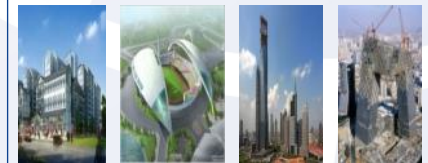
	2005	2010	2015
Comprehensive energy consumption per ton steel reduction (kilogram standard coal)	694	605	<580
New water consumption per ton steel reduction (stere)	8.6	4.1	<4.0
Sulfur dioxide discharge per ton steel reduction (kilogram)	2.83	1.63	<1
Chemical oxygen demand per ton steel reduction (kilogram)	0.25	0.07	0.065
The comprehensive use rate of solid waste increases (%)	90	94	>97
Perception of research and experiment development funds occupying the main business income (%)	0.9	1.1	>1.5

Data source: "Twelfth Five Year" Plan in steel industry

Steel Structure Meets the New Development of Industry

Development target of steel structure during the period of "12th Five-Year Plan": realize that steel structure accounts for 10% of steel output. Steel structure housing construction accounts for 15% of total construction area of house

Ten markets of steel structure: House, office building, market, cinema, sports venue, exhibition center, airport terminal, railway and bus platform and plants



Data source: "Twelfth Five Year" Plan in construction industry

2. Future Outlook

Focus on Main Business

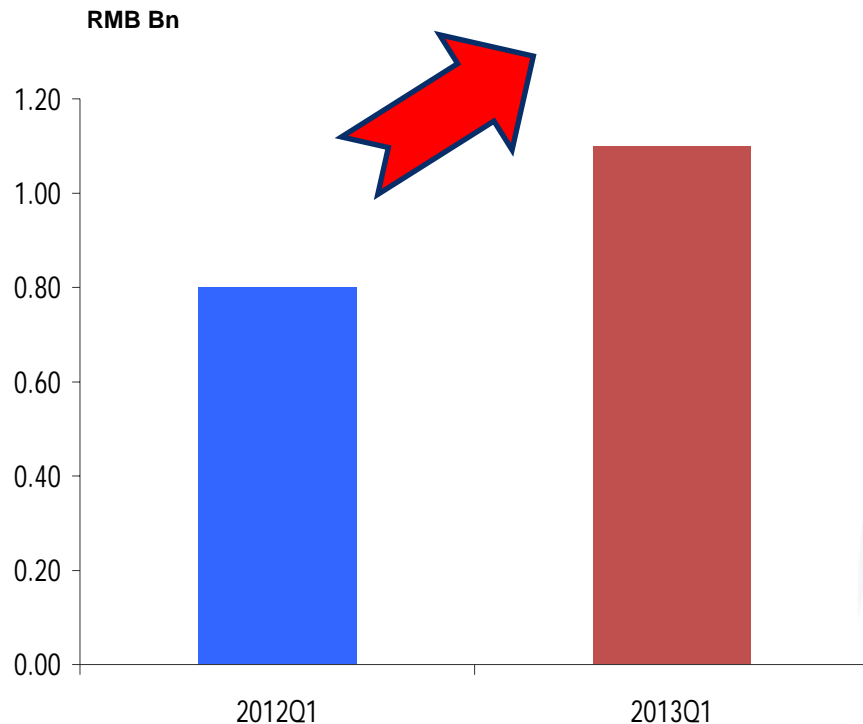
Become Stronger and Better

Diversify Appropriately

Development Steadily

MCC shall: Devote resources to core businesses which have advantages and develop stably; Maintain a fine development momentum of traditional E & C business and property development businesses; Accelerate development steps of strategic emerging industries.

3. Performance Expected to Increase 1Q2013, a Prosperous MCC is Near



In the future, MCC will improve quality and benefits and promote reform and innovation by following the efficient and pragmatic working style. While learning from previous experience and solving legacy issues, we will strengthen management and develop in a scientific way to reinvigorate the Company and build a better MCC.

Q & A

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