

Section V Change of Shares and Shareholders

I. Changes in Share Capital

(I) Table of changes in share capital

1. Table of changes in share capital

	Before the change		Changes in the period (+, -)					After the change	
	Shares	%	Shares issued	Bonus share	Share transferred from reserve	Others	Sub-total	Shares	%
I. Shares subject to conditional sales									
II. Shares not subject to conditional sales									
1.RMB ordinary shares	17,122,048,088	100				-650,323,164	-650,323,164	16,471,724,924	100
2.Domestic listed international investment shares									
3.Overseas listed international investment shares									
4. Others									
III.Total	17,122,048,088	100				-650,323,164	-650,323,164	16,471,724,924	100

2. Explanation of Changes in shares

The Company held the second interim shareholders meeting on September 17, 2012, in which the *Proposal on Repurchase of Shares of the Company in the Mode of Centralized Competitive Price Transaction* was approved. The Company disclosed the *Repurchase Report of Baoshan Iron & Steel Co., Ltd.* (hereinafter referred to as *Repurchase Report*) on September 21, 2012. According to the *Repurchase Report*, the Company will buy back the corporate shares at the price no higher than RMB 5.00 /share, and the total repurchase amount shall be no more than RMB 5 billion. The repurchase deadline will be 12 months after the Share Repurchase Proposal is approved by the Shareholders' general meeting.

The Company has made the first repurchase on September 21, 2012, wrote off 390,000,000 repurchased shares on December 20, 2012 and completed the change of business registration on December 31, 2012 to reduce the total share capital of the Company to 17,122,048,088 shares.

By May 21, 2013, the Company had completed the implementation of the repurchase proposal, and bought back 1,040,323,164 shares. The number of repurchased shares is 650,323,164 shares after write-off of 390,000,000. The Company wrote off 650,323,164 shares on May 23, 2013, and completed the industry and commerce the change of business registration on June 24, 2013 to reduce the total share capital of the Company to 16,471,724,924 shares.

(II) Changes in shares subject to conditional sales

The Company has no shares subject to conditional sales in the reporting period.

(III) Convertible corporate bonds

1. Issuance of convertible bonds

Approved by China Securities Regulatory Commission (CSRC) in the document [2008] 739, the Company issued, on June 20, 2008, RMB 10 billion convertible bonds with attached warrants with par value of RMB 100 per bond and a duration of six years. The coupon rate was 0.80%. On June 30, 2008, the convertible bond with warrants was separated into 100,000,000 corporate bonds (a worth of RMB 10 billion) and 1,600,000,000 stock warrants.

Approved by Shanghai Stock Exchange in the document [2008] 81, a total of RMB 10 billion of corporate bonds after separation were listed in Shanghai Stock Exchange on July 4, 2008. The bond was abbreviated as "08 Baosteel Bond" with the code of "126016". The duration is from July 4, 2008 to June 19, 2014 and they will be repaid in the five trading days after the maturity date (June 19, 2014).

Approved by Shanghai Stock Exchange in the document [2008] 11, a total of 1,600,000,000 stock warrants after separation were listed in Shanghai Stock Exchange on July 4, 2008. The stock warrant was abbreviated as "Baosteel CWB1" with the code "580024". The duration was from July 4, 2008 to July 3, 2010 and the exercising period was the trading days from June 28, 2010 to July 3, 2010, during which the warrants were to cease trading.

As at the market close on July 2, 2010, the exercise schedule for "Baosteel CWB1" was ended with 113,785 stock warrants exercised, resulting in an increase of 48,088 shares of the Company, and a total capital of RMB 567,438.40 raised. The raised capital has been used as stated in the prospectus. On July 7, 2010, the "Baosteel CWB1" stock warrants were delisted in Shanghai Stock Exchange.

Section V Change of Shares and Shareholders

2. Holders and underwriter of the convertible bonds during the reporting period

Number of holders of convertible bonds at the end of the reporting period	7,683	
Underwriter of the Company's Convertible Bonds	Baosteel Group Corporation	
Top ten holders of Baosteel Convertible Bond:		
Holder	Bonds held at the end of the reporting period (RMB)	Percentage (%)
China Pacific Life Insurance Co., Ltd.	1,690,577,000	16.9
New China Insurance Co., Ltd.	1,449,378,000	14.5
Guolian Securities Co., Ltd.	618,189,000	6.2
National Council for Social Security Fund—305 Combo	499,158,000	5.0
New China Life Insurance Co., Ltd.—Wanneng-Deyi financial bond, fund account	384,108,000	3.8
China Petroleum Finance Co., Ltd.	383,936,000	3.8
China Petroleum Finance Co., Ltd.	377,073,000	3.8
China Securities Co., Ltd.	331,468,000	3.3
China Pacific Insurance Co., Ltd.	250,961,000	2.5
China Reinsurance (group) Corporation	200,958,000	2.0

3. Changes of the Convertible Bond Price

Unit: RMB				
Date of Adjustment	Price after Adjustment	Disclosure Date	Disclosure Media	Notes
June 15, 2009	12.16	June 15, 2009	<i>China Securities News, Shanghai Securities News and Securities Times</i> and the official website of Shanghai Stock Exchange (http://www.sse.com.cn)	Dividend distribution
May 24, 2010	11.80	May 24, 2010	<i>China Securities News, Shanghai Securities News and Securities Times</i> and the official website of Shanghai Stock Exchange (http://www.sse.com.cn)	Dividend distribution
Closing price for the convertible bond of the period		The exercise for "Baosteel CWB1" was ended		

II. Issuance of Securities and Listing

(I) Issuance of securities in the previous three years

On December 5, 2013, the wholly-owned overseas subsidiary of the Company- Bao-Trans Enterprises Ltd., successfully issued USD 500 million overseas bonds in the overseas market by means of the innovative trading structure of liquidity support commitment and keepwell agreement issued by the Company in parallel. For this issuance, the three major international credit rating agencies; Standard & Poor's, Moody and Fitch respectively gave Baoshan Iron & Steel Co., Ltd. the long-term corporate credit rating of A-, A3 and A- with "stable" outlook, and rated the USD bonds issued by Bao-Trans Enterprises Ltd. as A-, Baa1 and A- respectively.

The total amount of the USD loans issued this time is USD 500 million, and the bond is issued under par at the price that is 99.199% of the total issuance amount, with a nominal interest rate of 3.75%, a duration of 5 years and interest paid every half a year. The issuance started from December 12, 2013 until December 12, 2018, and the bonds will be listed in the market in the Stock Exchange of Hong Kong Ltd..

(II) Changes of the Company's total shares and share structure

On September 21, 2012, the Company performed the first repurchase. By May 21, 2013, the Company had completed the repurchase program, repurchasing and writing off 1,040,323,164 shares totally. The total capital stock of the Company is 16,471,724,924 shares at the end of this reporting period, and the ratio of the equity of the Company held by Baosteel Group Corporation increased from 76.68% at the end of 2012 to 79.71% at the end of this reporting period.

The asset-liability ratio of the Company at the end of 2013 is 47%, up by 1.3% compared with that in the beginning of the year.

(III) Status of existing employee stocks

During the reporting period, no shares for employees of the Company were in issue.

III. Shareholders

(I) Shareholders and their shares

		Unit: share	
Total number of shareholders at the end of the reporting period	485,002	Total number of shareholders at the end of t 5th trading days before the disclosure date of the annual report	484,877

Top 10 shareholders

Name	Shareholder nature	Shareholding proportion (%)	Total shares	Increase or decrease during the period	Shares subject to conditional sales	Shares pledged or frozen
Baosteel Group Corporation	State-owned	79.71	13,128,825,267	0	0	None
China Merchants Bank Co., Ltd.-Everbright Premedical advantage allocation shares securities investment funds	N/A	0.30	50,119,409	50,119,409	0	None
Huaxin Trust Co., Ltd.	N/A	0.30	49,351,100	49,351,100	0	None
CSOP Asset Management Limited - CSOP Source A50ETF	N/A	0.22	36,850,393	2,111,529	0	None
Morgan Stanley Investment Management Co., Ltd. - Morgan Stanley China A Share Fund	N/A	0.17	28,440,196	16,301,096	0	None
Bank of China Limited - Harvest Hushen 300 trading and open index securities investment funds	N/A	0.16	26,586,542	-14,124,108	0	None
China Life Insurance Co., Ltd.- dividend - individual dividend - 005L - fh002 Hu	N/A	0.16	25,675,561	19,503,261	0	None
Fidelity Investments Management (HK) Ltd. - customer funds	N/A	0.15	23,885,583	21,936,083	0	None
UBS AG (United Bank of Switzerland)	N/A	0.14	23,883,051	-11,562,104	0	None
ICBC - UBS SDIC core enterprise share securities investment funds	N/A	0.14	23,590,000	23,590,000	0	None

Top 10 holders of shares not subject to conditional sales

Name	Number of shares not subject to conditional sales	Type and number of shares
Shanghai Baosteel Group Corporation	13,128,825,267	RMB ordinary share
China Merchants Bank Co., Ltd. - Ever bright Premedical advantage allocation shares securities investment funds	50,119,409	RMB ordinary share
Huaxin Trust Co., Ltd.	49,351,100	RMB ordinary share
CSOP Asset Management Limited - CSOP Source A50ETF	36,850,393	RMB ordinary share
Morgan Stanley Investment Management Co., Ltd. - Morgan Stanley China A Share Fund	28,440,196	RMB ordinary share
Bank of China Limited - Harvest Hushen 300 trading and open index securities investment funds	26,586,542	RMB ordinary share
China Life Insurance Co., Ltd.- dividend - individual dividend - 005L - fh002 Hu	25,675,561	RMB ordinary share
Fidelity Investments Management (HK) Ltd. - customer funds	23,885,583	RMB ordinary share
UBS AG (United Bank of Switzerland)	23,883,051	RMB ordinary share
ICBC - UBS SDIC core enterprise share securities investment funds	23,590,000	RMB ordinary share

Remarks on affiliation, alliance or collusion among the aforementioned shareholders	The fund manager of ICBC - UBS SDIC core enterprise share securities investment funds is the UBS SDIC Fund Management Co., Ltd., and UBS AG holds 49% of the equity of UBS SDIC Fund Management Co., Ltd. The Company is not aware of any connected relationship among other shareholders mentioned above or any parties acting in concert specified in <i>Measures for the Administration of Acquisitions by Listed Companies</i> .
--	---

Section V Change of Shares and Shareholders

IV. Status of Controlling Shareholders and Actual Controllers

(I) Controlling shareholders

Name	Baosteel Group Corporation
Legal representative	Xu Lejiang
Date of incorporation	November 17, 1998
Organization code	132200821
Registered capital	RMB 52.791 billion
Principal businesses and operations	As a governmental authorized investment vehicle and a state-owned holding company, Baosteel Group Corporation mainly deals with state-owned assets within the authorized scope set by the State Council. The Corporation has also been involved in investments in areas of iron & steel manufacturing, metallurgy and mineral products, non-toxic chemicals, electricity, piers, warehousing, transportation, and steel-related business, technological development, technology transfer; technical supporting, and technical management consulting, as well as in areas of import and export businesses approved by the Ministry of Foreign Trade & Economic Cooperation (MOFTEC), domestic and international trading where allowed, and import and export services of products and technology.
Operating results	The total operating revenue of RMB 303.6 billion in 2013 (not audited).
Financial status	The total assets at the end of 2013 is RMB 517.9 billion, with the asset-liability ratio of 47.1% (not audited).
Cash flow and future development strategy	The cash flow is in good conditions. The corporate vision of Baosteel Group Corporation is: to become the leader of iron & steel technology, the driver of green industrial chain and the model for common development of employees and enterprise. Industrial development strategy: Excellence in one industry, with coordinated development in related diversified industries'
Shareholdings of other listed companies at home and abroad in the period	According to the 2013 Third Quarter Report of the listed companies, direct or indirect holdings of over 5% equities by Baosteel Group Corp. were as follows: 53.12% A stock of Bayi Iron & Steel Co., Ltd., 56.02% A stock of *ST Shaoguan Steel Co., Ltd., 14.93% A stock of China Pacific Insurance Co., Ltd, and 15.11% A stock of New China Insurance Co., Ltd.

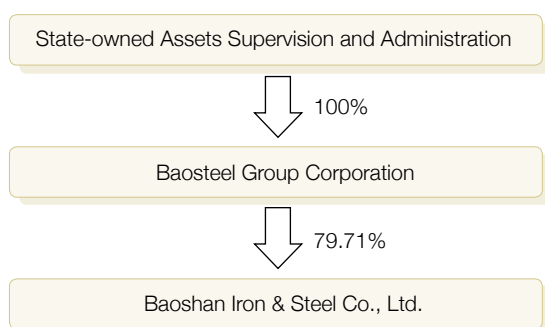
(II) Actual controller

Baosteel's actual controller is the State-owned Assets Supervision and Administration Commission of the State Council (SASAC).

(III) Change in controlling shareholders and actual controllers

The controlling shareholders and actual controller of the Company remained unchanged in the reporting period.

(IV) The enterprise property rights and controlling relationship between the Company and its actual controller



V. Other Corporate Shareholders Holding Over 10% Shares

As at the end of the reporting period, the Company has no other corporate shareholders holding over 10% shares.