

Section VI Change of Common Shares and Shareholders

I. Change in Common Share Capital

(I) Table of changes in common share capital

1. Table of changes in common share capital

Unit: Share

	Before the change				Changes in the period (+, -)		After the change		
	Shares	Ratio (%)	Shares newly issued	Bonus share	Share transferred from reserve	Others	Sub-total	Shares	Ratio%
I. Shares subject to conditional sales	43,238,700	0.263				-17,123,900	-17,123,900	26,114,800	0.159
1. State-owned shares									
2. State-owned legal person shares									
3. Other domestic shares									
Among which: domestic non-state-owned legal person shares									
Domestic natural person shares	43,238,700	0.263				-17,123,900	-17,123,900	26,114,800	0.159
4. Foreign shares									
Among which: foreign legal person shares									
foreign natural person shares									
II. Tradable shares	16,424,278,824	99.737						16,424,278,824	99.841
1.RMB ordinary shares	16,424,278,824	99.737						16,424,278,824	99.841
2.Domestic listed international investment shares									
3.Overseas listed international investment shares									
4. Others									
III. Total of ordinary shares	16,467,517,524	100.000				-17,123,900	-17,123,900	16,450,393,624	100.000

2. Explanation of common share change

Applicable Not applicable

On Mar. 29-30, 2016, the Company convened the 6th Session of the Sixth Board of Directors, and discussed and approved Proposal on Adjustment of Incentive Objects of Restricted Share Plan. The Company repurchased 590,300 restricted shares (not yet reaching the unlocking conditions) of incentive objects quitting restricted A share plan on May 23, 2016 and canceled the shares on May 25, 2016.

The Company convened the 7th session of the 6th board of directors meeting on Apr. 27, 2016 to review and approve the Proposal to repurchase restricted shares initially not up to unlocking conditions. The Company repurchased 14,216,800 shares of restricted stock on Aug. 17, 2016, which had not been up to unlocking conditions and completed its cancellation on Nov. 8, 2016.

On Aug. 29-30, 2016, the Company convened the 11th Session of the Sixth Board of Directors, and discussed and approved Proposal on Adjustment of Incentive Objects of Restricted Share Plan. The Company repurchased 1,592,800 restricted shares (not yet reaching the unlocking conditions) of incentive objects quitting restricted A share plan on Nov. 3, 2016 and canceled the shares on Nov. 8, 2016.

On Sept. 22, 2016, the Company convened the 12th Session of the Sixth Board of Directors, and discussed and approved Proposal on Adjustment of Incentive Objects of Restricted Share Plan. The Company repurchased 724,000 restricted shares (not yet reaching the unlocking conditions) of incentive objects quitting restricted A share plan on Nov. 29, 2016 and canceled the shares on Dec. 2, 2016.

By Dec. 31, 2016, the number of total shares of the Company was 16,450,393,624, including 26,114,800 non-tradable shares and 16,424,278,824 tradable shares.

On Nov. 30, 2016, the Company convened the 14th Session of the Sixth Board of Directors, and discussed and approved Proposal on Adjustment of Incentive Objects of Restricted Share Plan. The Company repurchased 253,400 restricted shares (not yet reaching the unlocking conditions) of incentive objects quitting restricted A share plan on Jan. 26, 2017 and canceled the shares on Feb. 7, 2017.

The Company exchanged stocks and merged the shares of WISCO, and newly issued 5,652,516,701 shares of circulation shares without limited sale condition, which was listed on Feb. 27, 2017. By Feb. 27, 2017, the number of total shares of the Company was 22,102,656,925, including 25,861,400 non-tradable shares and 22,076,795,525 tradable shares.

3. Impact of common stock changes on financial index such as earnings per share and net assets per share of last year and latest term (if any)

Applicable Not applicable

During the reporting period, the Company canceled 17,123,900 shares of restricted stocks, barely causing impacts on financial index such as current earnings per share, net assets per share.

4. Other content deemed by the Company as necessary to or required by the regulatory authority to disclose

Applicable Not applicable

(II) Change of Shares Subject to Conditional Sales

Applicable Not applicable

Unit: Share

Name	Shares at the beginning of year	Shares unlocked in the year	Shares added in the year	Shares at the end of the year	Reason	Unlocking date
Stock incentive object	43,238,700	17,123,900		26,114,800	Stock incentive	
Total	43,238,700	17,123,900		26,114,800	/	/

Note: 1. See Explanation of Change in Common Share for details of unlocking causes in this year.
2. Notes for unlocking date: two years of conditional sale was due and unlocking conditions were satisfied

II. Issuance of Securities and Listing

(I) Issuance of Securities during the Reporting Period

Applicable Not applicable

Unit: 100 million shares, 100 million yuan Currency: RMB

Stock and derivative security	Issue date	Issue price (or interest rate)	Issuance	Listing date	Permitted issuance	Closing date of transaction
Convertible bonds, bonds with warrants and cooperate bonds						
Cooperate bonds(US dollars)	5,December,2013	3.75%	5	12,December,2013	5	12,December,2018
Cooperate bonds(Euros)	13,February,2015	1.63%	5	23,February,2015	5	23,February,2018
Other derivative securities						
Medium-term Notes	26,October,2015	3.68%	20	27,October,2015	20	26,October,2018
Medium-term Notes	22, March, 2016	3.14%	50	23, March,2016	50	22, March, 2019
SCP	14, November,2016	2.63%	30	15, November,2016	30	11, August, 2017
SCP	17, November,2016	2.62%	50	18, November,2016	50	16, May,2017
SCP	24, November,2016	2.66%	50	25, November,2016	50	22, June, 2017
SCP	1, December,2016	2.75%	50	2, December,2016	50	29, July, 2017

(II) Total Common Shares of the Company and Change in Shareholders Structure and Liability Structure

Applicable Not applicable

At the end of the reporting period, the Company's total number of common shares was 16,450,393,624 shares with a decrease of 17,123,900 than the end of 2015; At the end of the reporting period, China Baowu Steel Group Co., Ltd. held 11,523,385,833 shares of the Company stock with a decrease of 1,606,879,434 than the end of 2015, its shareholding proportion declined from 79.734% at the end of 2015 to 70.049% at the end of the reporting period.

At the end of 2016, the Company's asset-liability ratio was 51.0% with a growth of 3.1% than the beginning of the year.

The Company exchanged shares by the merger of WISCO, a newly-issued tradable share was 5,652,516,701 shares without restricted conditions. As of Feb. 27, 2017, the Company's total number of common shares was 22,102,656,925 shares, wherein: China Baowu Steel Group Co., Ltd. held the Company stock of 11,523,385,833 shares with a proportion of 52.14%; Wuhan Iron and Steel (Group) Co. held the Company stock of 2,982,172,472 shares with a proportion of 13.49%.

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(III) Current Employee Stock Ownership

Applicable Not applicable

III. Shareholders and Actual Controllers

(I) Total Shareholders

Total number of common shareholders at the end of the reporting period(people)	293,874
Total number of common shareholders at the end of last trading month before the disclosure date of the annual report(people)	556,722
Total number of preferred shareholders with recovered voting rights at the end of the reporting period(people)	
Total number of preferred shareholders with recovered voting rights at the end of last trading month before the disclosure date of the annual report(people)	

(II) Top 10 shareholders, Top 10 tradable shareholders (or holders of shares not subject to conditional sales) by the end of the reporting period

Unit: Share

Top 10 shareholders

Name (Full Name)	Increase or decrease during the period	Shares at the end of the reporting period	Ratio (%)	Shares subject to conditional sales	pledged or frozen		Shareholder's nature
					Status	Number	
China Baowu Steel Group Corp., Ltd.	-1,606,879,434	11,523,385,833	70.049	0	None	0	State-owned
China National Petroleum Corporation	800,000,000	800,000,000	4.863	0	None	0	State-owned
China Securities Finance Corporation Ltd.	10,835,626	455,648,887	2.770	0	None	0	State-owned
Beijing Chengtong Asset Control and Investment Co., Ltd.	403,439,717	403,439,717	2.452	0	None	0	State-owned
CNIC Corporation Ltd.	403,439,717	403,439,717	2.452	0	None	0	State-owned
Hong Kong Securities Clearing Company Ltd.	141,393,658	165,042,258	1.003	0	None	0	N/A
Central Huijin Investment Ltd.	0	122,230,300	0.743	0	None	0	State-owned
Bank of China Ltd. - Huaxia New Economy Flexible Hybrid Securities Investment	0	30,593,576	0.186	0	None	0	N/A
Fidelity Investments Management(HK) Ltd.—customer capital	8,851,604	29,319,864	0.178	0	None	0	N/A
ICBC Ruixin Fund - Industrial and Commercial Bank of China - capital management for specific customers	28,923,357	28,923,357	0.176	0	None	0	N/A

Unit: Share

Top 10 holders of shares not subject to conditional sales

Name	Number of shares not subject to conditional sales	Type and number of shares	
		Type	Number
China Baowu Steel Group Corp., Ltd.	11,523,385,833	RMB ordinary share	11,523,385,833
China National Petroleum Corporation	800,000,000	RMB ordinary share	800,000,000
China Securities Finance Corporation Ltd.	455,648,887	RMB ordinary share	455,648,887
Beijing Chengtong Asset Control and Investment Co., Ltd.	403,439,717	RMB ordinary share	403,439,717
CNIC Corporation Ltd.	403,439,717	RMB ordinary share	403,439,717
Hong Kong Securities Clearing Company Ltd.	165,042,258	RMB ordinary share	165,042,258
Central Huijin Investment Ltd.	122,230,300	RMB ordinary share	122,230,300
Bank of China Ltd. - Huaxia New Economy Flexible Hybrid Securities Investment	30,593,576	RMB ordinary share	30,593,576
Fidelity Investments Management(HK) Ltd.—customer capital	29,319,864	RMB ordinary share	29,319,864
ICBC Ruixin Fund - Industrial and Commercial Bank of China - capital management for specific customers	28,923,357	RMB ordinary share	28,923,357

Remarks on affiliation, alliance or collusion among the aforementioned shareholders

The Company is not aware of any connected relationship among other shareholders mentioned above or any parties acting in concert specified in Measures for the Administration of Acquisitions by Listed Companies.

Remarks on holders of preferred shares with voting right recovered and quantity of shares held

Top 10 holders of shares subject to conditional sales, and the conditions for sales

√ Applicable □ Not applicable

Unit: Share

No.	Name	Number of shares held	Condition for listing and trading of shares subject to conditional sales		Conditions
			Tradable time	Newly-added tradable shares	
1	Dai Zhihao	362,000			see notes
2	Zhu Junsheng	362,000			see notes
3	Chu Shuangjie	325,800			see notes
4	Zhou Jianfeng	325,800			see notes
5	Sheng Genghong	289,600			see notes
6	Wang Jing	325,800			see notes
7	Zhi Xiwei	325,800			see notes
8	Zhang Pijun	289,600			see notes
9	Yao Linlong	289,600			see notes
10	Xie Qi	289,600			see notes
11	Wang Qiangmin	289,600			see notes
12	Shi Bing	289,600			see notes
13	Zhong Yongqun	289,600			see notes

Notes on affiliation, alliance or collusion among the aforementioned shareholders

All aforementioned shareholders are the incentive objects of first awarding Scheme of A share restricted stock plan. For the conditions, please refer to Baosteel first awarding Scheme of A share restricted stock plan on the website of Shanghai Stock Exchange <http://www.sse.com.cn>

(III) Top 10 shareholders after stock exchange transaction with Wuhan Iron and Steel

Baoshan Iron & Steel Co., Ltd. on Implementation Results and Share Changes of Merger Share Swap Cum Newly-increased Share Listed Announcement (announcement No.: 2017-018) disclosed by the Company on Feb. 22, 2017 include the shareholdings of the Company's top 10 shareholders after the merger share swap, see the table below.

No.	Name	Number of shares(share)	Ratio	Stock nature
1	China Baowu Steel Group Corp., Ltd	11,523,385,833	52.14%	Not subject to conditional sales
2	Wuhan Iron and Steel (Group) Corporation	2,982,172,472	13.49%	Not subject to conditional sales
3	China National Petroleum Corporation	800,000,000	3.62%	Not subject to conditional sales
4	China Securities Finance Corporation Ltd.	633,249,556	2.87%	Not subject to conditional sales
5	Beijing Chengtong Asset Control and Investment Co., Ltd.	541,926,376	2.45%	Not subject to conditional sales
6	CNIC Corporation Ltd.	541,926,376	2.45%	Not subject to conditional sales
7	China Cosco Shipping (Group)	280,000,000	1.27%	Not subject to conditional sales
8	Central Huijin Investment Ltd.	194,224,180	0.88%	Not subject to conditional sales
9	Hong Kong Securities Clearing Company Ltd.	162,943,656	0.74%	Not subject to conditional sales
10	Haitong Securities Co., Ltd. - Zhongrong Guozheng Steel index Securities Investment	57,634,554	0.26%	Not subject to conditional sales

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IV. Controlling shareholders and actual controllers

(I) Controlling shareholders

1. Legal person

Applicable Not applicable

Name	China Baowu Steel Group Corp., Ltd.
Legal representative	Ma guoqiang
Date of incorporation	January 1, 1992
Principal businesses and operations	China Baowu Steel Group Co., Ltd. is an institution of investment authorized by the state and state-owned holding company, mainly operates the state-owned assets within the scope of authorization of the State Council and carries out relevant investment business: steel, metallurgical mineral, chemical industry (excluding hazardous article), electric power, wharf, warehousing, transportation and related steel business, as well as technical development, technical transformation, technical service, technology management consulting business, imports and exports approved by MOFTEC, domestic and foreign trade (except for special provisions) and its services.
Shareholdings of other listed companies at home and abroad in the period	In accordance with the data of the third-quarter report in 2016 of the listed company, the circumstances that China Baowu Steel Group Co., Ltd. Directly or indirectly held more than 5% of other listed companies' equity are as follows: 50.02% of A shares in Bayi Iron & Steel, 53.37% of A shares in Shaogang Songshan, 14.93% of A shares in IPIIC, 15.10% of A shares in NCI.
Others	None

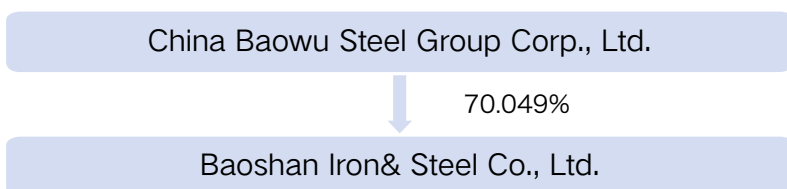
2. Reference and date of change in controlling shareholders in the reporting period

Applicable Not applicable

Controlling shareholder Baosteel Group Corp. and Wuhan Iron and Steel (Group) recapitalized. Baosteel Group Corp. changed its name to China Baowu Steel Group Corp., Ltd and completed Industrial and Commercial Registration on November, 17, 2016.

3. Equity and controlling relationship between the Company and its controlling shareholders

Applicable Not applicable



(II) Actual Controller

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

1. The enterprise property rights and controlling relationship between the Company and its actual controller

Applicable Not applicable

