



 **CSC GROUP**



CSC GROUP

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CSC GROUP

CORPORATE VALUES OF CSC

Teamwork

Entrepreneurial Approach

Down-to-Earthness

Pursuit of Innovation





THE EVOLUTION AND GROWTH OF THE CSC GROUP

Development History

In February 1978, CSC invested in a subsidiary named China Steel Structure Company (CSSC) initially. Since then, CSSC has begun to use CSC's plates to manufacture steel structures for the construction purposes of crucial national infrastructures. Since 1978, CSC has ceased to invest in any subsidiary company for a period of time but focused on engaging in the consecutive expansion projects of the steel mill. Since 1989, CSC's investments have entered a phase with fast growth. In the early stage, CSC's strategy of diversification was mainly focused on creating the value of interrelated synergy in sales, technologies, and manufacturing processes by fully utilizing its existing resources as well as developing new businesses with dominant advantages, which included downstream processing of steel products, by-product processing, aluminum products, engineering services, etc. At this stage, CSC established China Steel Chemical Corporation, China Hi-Ment Corporation (renamed CHC Resources Corporation in June 2006), China Ecotek Corporation, and HIMAG Magnetic Corporation.

In April 1995, CSC was privatized to gain more autonomy and flexibility in developing new businesses. To utilize its existing resources more efficiently through specialization of businesses, CSC invested in Kuei-Yi Industrial Corporation (renamed Dragon Steel Corporation in July 2004) in 1995. Since 1996, CSC has established a series of companies by way of spinning off from in-house businesses, including C.S. Aluminium Corporation, China Steel Express Corporation, China Steel Global Trading Corporation, China Steel Security Corporation, InfoChamp Systems Corporation, China Prosperity Development Corporation, and GAINS Investment Corporation as well as forming strategic alliances with other steel companies. CSC invested in Yieh Loong Enterprise Co., Ltd. (renamed Chung Hung Steel Corporation in July 2004), Ornasteel Enterprise Corporation (M) Sdn. Bhd. and Group Steel Corporation (M) Sdn. Bhd. (in June 2008, the two companies were merged to form CSC Steel Sdn. Bhd.) in 2000, which further strengthened its position in the steel industry. Besides, CSC founded China Steel Machinery Corporation and China Steel Management Consulting Corporation in 2001 and 2003, respectively, through mergers and acquisitions.

In recent years, CSC's investment in overseas steel businesses has shown a concrete result. In May 2009, CSC partnered with Sumitomo Metal Industries, Ltd. to form China Steel Sumikin Vietnam Joint Stock Company in Vietnam, and set up China Steel Corp. India Pvt. Ltd. in India in October 2011. In January 2011, CSC acquired Changzhou Xinzhong Precision Alloy Forging Products Co., Ltd. (renamed Changzhou China Steel Precision Materials Corp., Ltd. in March 2011) in mainland China, and officially entered the realm of the special alloy business.

An aerial photograph of an industrial city, likely a steel mill, with a network of white lines overlaid on a teal background. The city features various industrial buildings, storage tanks, and a prominent skyscraper with a distinctive lattice facade in the foreground. The overall scene is viewed from a high angle, showing the layout of the industrial park and surrounding urban areas.

Scope of Business

Up to now, the scope of the CSC Group's business encompasses 5 major domains: steel, engineering, industrial materials, trading & logistics, and services & investments. The combined annual revenues of the 21 companies in the CSC Group exceeded NT\$400 billion, over 80% of which was derived from its steel business.

Positioning

"The CSC Group, based in Taiwan, centers its development in Asia. Its domain of business covers steels and materials, engineering & services, and mines & resources in the future. It deems energy saving and environmental protection to be its important duties."

Prospects

Looking ahead, the CSC Group will keep focusing on the steel business as its core business while coordinating with the development of other businesses to pursue stable growth and continue pursuing energy saving, environmental protection, and value innovation. Furthermore, the CSC Group will develop more products and services with excellent quality, enhance its international competitiveness, and expand its business to become one of the enterprise groups with global distinction.

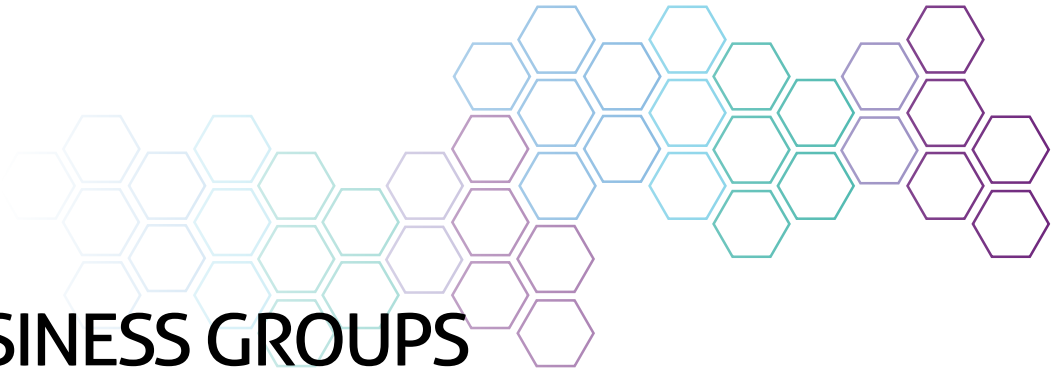


CHRONOLOGY OF THE CSC GROUP'S MAJOR EVENTS

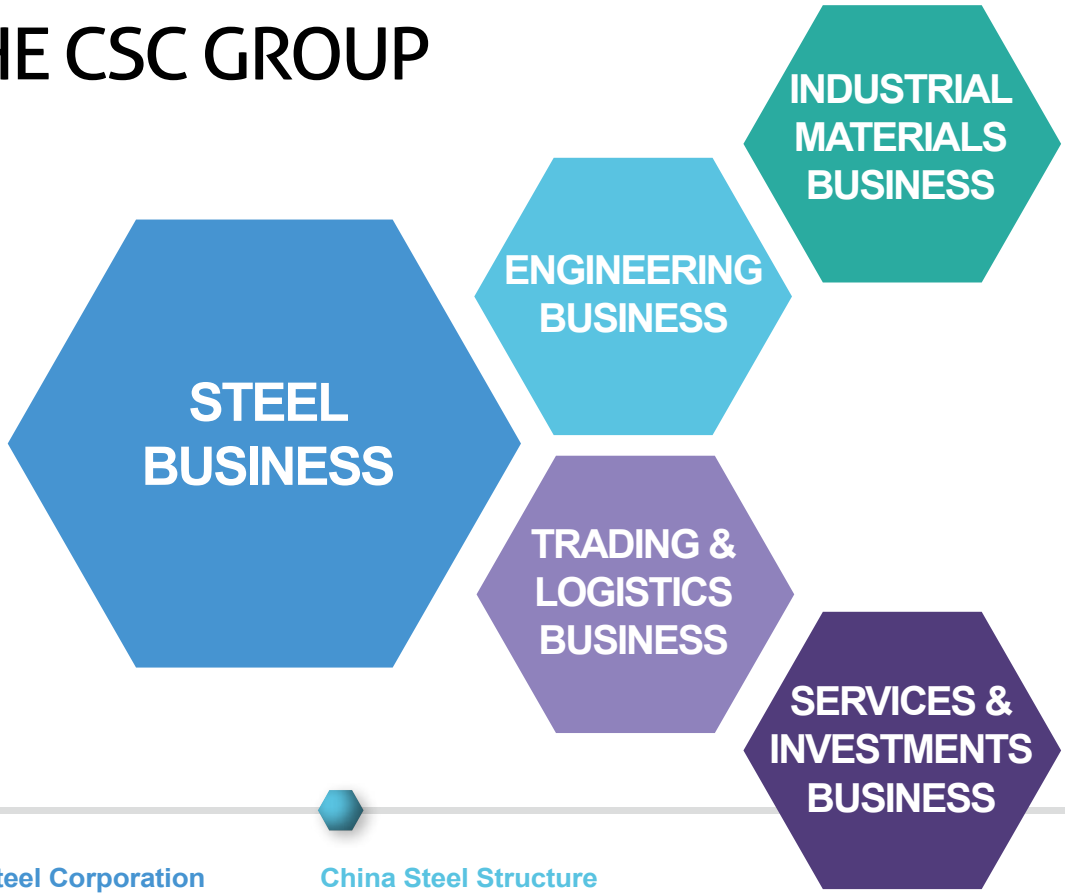
Dec.	3,	1971	CSC is officially registered with its head office located in Taipei.
Sep.	16,	1972	Kaohsiung Plant Site Office of CSC is established.
Sep.	1,	1974	Phase I construction project of CSC commences.
Dec.	26,	1974	CSC stock is listed on the Taiwan Stock Exchange Corporation.
Sep.	15,	1975	Head office of CSC relocates to Kaohsiung and Plant Site Office closes.
Jul.	1,	1977	CSC becomes a state-owned enterprise.
Dec.	16,	1977	Phase I construction project of CSC is completed.
Feb.	24,	1978	China Steel Structure Co., Ltd. is established.
Jul.	1,	1978	Phase II expansion project of CSC commences.
Jun.	30,	1982	Phase II expansion project of CSC is completed.
Jul.	1,	1984	Phase III expansion project of CSC commences.
Apr.	30,	1988	Phase III expansion project of CSC is completed.
Feb.	3,	1989	China Steel Chemical Corporation is established.
May	25,	1991	China Hi-Ment Corporation is established.
Mar.	15,	1993	China Ecotek Corporation is established.
Jul.	15,	1993	Phase IV expansion project of CSC commences.
Apr.	12,	1995	CSC is privatized.
Dec.	27,	1995	CSC invests in Kuei Yi Industrial Co., Ltd.
Jan.	16,	1996	C.S. Aluminium Corporation is established.
Feb.	13,	1996	China Steel Express Corporation is established.
Apr.	2,	1996	China Steel Global Trading Corporation is established.
Apr.	15,	1996	Gains Investment Corporation is established.
Nov.	23,	1996	CSC invests in HIMAG Magnetic Corporation.

May	31,	1997	Phase IV expansion project is completed.
Nov.	27,	1997	China Steel Security Corporation is established.
Jun.	2,	1998	The CSC Group's corporate identity system is formally introduced to the public.
Aug.	18,	1998	China Prosperity Development Corporation is established.
Dec.	10,	1998	ChinaSteel Management Consulting Corporation is established.
Feb.	21,	2000	CSC invests in Yieh Loong Enterprise Co., Ltd.
Apr.	6,	2000	InfoChamp Systems Corporation is established.
Dec.	14,	2000	CSC invests in Ornasteel Enterprise Corporation Sdn Bhd and Group Steel Corporation Sdn. Bhd.
Sep.	20,	2001	China Steel Machinery Corporation is established.
Jul.	14,	2004	Yieh Loong Enterprise Co. Ltd. is officially renamed Chung Hung Steel Corporation.
Jul.	21,	2004	Kuei Yi Industrial Co. Ltd. is officially renamed Dragon Steel Corporation.
Jun.	27,	2006	China Hi-Ment Corp. is officially renamed CHC Resources Corporation.
Nov.	22,	2006	Groundbreaking of the China Steel Building takes place.
Dec.	5,	2006	The CSC Group Education Foundation is founded.
Jun.	13,	2008	Ornasteel Enterprise Corporation Sdn. Bhd. is officially renamed CSC Steel Sdn. Bhd.
Oct.	6,	2008	Dragon Steel Corporation becomes a wholly-owned subsidiary of CSC.
Jun.	9,	2009	China Steel Sumikin Vietnam Joint Stock Co. is established.
Jun.	30,	2010	Dragon Steel Corporation's stage II phase 1 expansion project is completed.
Jan.	6,	2011	CSC invests in Changzhou Xinzhong Precision Alloy Forging Products Co., Ltd.
Mar.	17,	2011	Changzhou Xinzhong Precision Alloy Forging Products Co., Ltd. is officially renamed Changzhou China Steel Precision Materials Corporation, Ltd.
Oct.	20,	2011	China Steel Corporation India Pvt. Ltd. is established.
Mar.	5,	2013	No.6 Blast Furnace of the CSC Group is blown in.





FIVE BUSINESS GROUPS OF THE CSC GROUP



- China Steel Corporation
- Dragon Steel
- Chung Hung Steel
- CSC Steel Sdn. Bhd.
- China Steel Sumikin Vietnam
- China Steel Corporation India

- China Steel Structure
- China Ecotek
- China Steel Machinery
- InfoChamp Systems

- China Steel Chemical
- CHC Resources
- C.S. Aluminium
- HIMAG Magnetic
- China Steel Precision Materials

- China Steel Express
- China Steel Global Trading

- Gains Investment
- China Steel Security
- China Prosperity Development
- ChinaSteel Management Consulting

China Steel Corporation

China Steel Building

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Steel
Business



DEVELOPMENT OF THE COMPANY

China Steel Corporation (CSC) was established in December 1971. Over 40 years ago, CSC's pioneers overcame various daunting challenges and transformed deserted fields into majestic steel plants that formed the foundation for Taiwan's subsequent industrial development and critical driving forces of economic miracles. After the phase I construction project was completed in December 1977 with the annual capacity of 1.5 million metric tons of crude steel, CSC subsequently underwent its phase II expansion (completed in 1982. The capacity of crude steel reached 3.25 million metric tons per year.), phase III expansion (completed in 1988. The capacity of crude steel reached 5.652 million metric tons per year.) and phase IV expansion (completed in 1997. The capacity of crude steel reached 8.054 million metric tons per year.) to become a world-class steel producer.

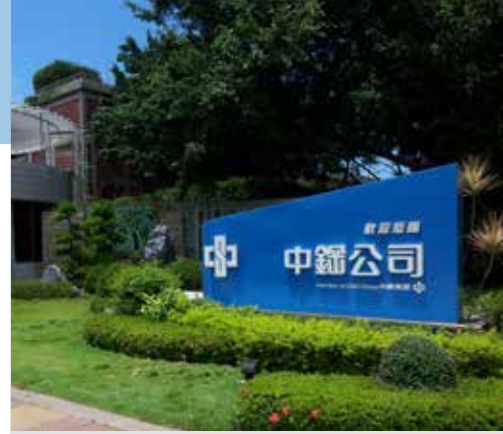
BRIEF INTRODUCTION OF OPERATION

After years of improvements in production lines and operating technologies resulting in capacity boosts, CSC can now produce over 10 million metric tons of crude steel per year and has become the largest steel company in Taiwan. CSC's major products include hot-rolled coils, cold-rolled coils, coated steel products, plates, bars, wire rods, etc., about 65% of which are domestically consumed and 35% exported mostly to mainland China, Japan, and Southeast Asia.

CSC's dedication to employees, society, and the environment has earned numerous awards including the "National Quality Award" from the Executive Yuan (Cabinet) in 1991, the "Distinguished Innovation Accomplishment Award" by the Ministry of Economic Affairs in 2009, Most Admired Company Award, International Trade Award, National Invention Award in 2011, Taiwan Corporate Sustainability Report Award for three consecutive years (2011- 2013), and BSI CSR Award in 2012. In addition, CSC is the first steel enterprise in Taiwan to earn the Climate Action Star Member Recognition by World Steel Association in 2013. All the above accomplishments demonstrate that CSC has long been acknowledged by all circles of industries.

PROSPECTS

Today, CSC is one of the world's leading steel companies and is courageously innovative and strong in execution. The company's vision is "We aspire to be a trustworthy steel company of global distinction that pursues growth, environmental protection, energy saving and value-innovation". CSC actively puts in practice its corporate values of teamwork, entrepreneurial approach, down-to-earthiness and pursuit of innovation. Despite being in a traditional industry, CSC adopts new technologies and management philosophy to cultivate its core steel business, diversify operations, and develop itself into an international industrial group (the CSC Group) that focuses on steel as its core business which also encompasses trade, transportation, engineering, finance, services, real-estate development, and emerging technologies.



An aerial view of the 4 blast furnaces in the plant



Greening inside the plant



No. 3 PLCM (Pickling Cold Rolled Mill)



Electrical steel for motors

Wheel rings



Car bearings

Car body plates

Dragon Steel Corporation

100 Longchang Rd, Longjing, Taichung 40301, Taiwan, R.O.C.

Tel : 886-4-2630-6088

Fax : 886-4-2630-6066

http://www.dragonsteel.com.tw/

Steel
Business



DRAGON STEEL

DEVELOPMENT OF THE COMPANY

Dragon Steel Corporation (DSC), whose original name was Kuei-Yi Industrial Co., Ltd., was established in 1993. In 2004, the corporation was renamed "Dragon Steel Corporation" with a capital increase. To integrate the resources and boost the overall operational performance of the CSC Group, it became a 100% wholly-owned subsidiary of China Steel Corporation after a swap of its stock in 2008.

BRIEF INTRODUCTION OF OPERATION

DSC is the only wholly integrated steel plant with both an electric arc furnace and two blast furnaces in Taiwan. Its main facilities were designed by adopting the latest, highly efficient, and environmentally-friendly designs. The main facilities of the blast furnace production line are two blast furnaces with the annual production capacity of 5,000,000 metric tons, three basic oxygen furnaces and a hot rolling mill with the annual production capacity of 4,000,000 metric tons. The main facilities of the arc furnace production line are a DC arc furnace with the annual production capacity of 1,000,000 metric tons and an H beam mill with the annual production capacity of 600,000 metric tons. The accumulated annual production capacity amounts to over 6,000,000 metric tons of crude steel.

The types of steel which DSC's blast furnaces produce include general carbon steel, structural steel, high-strength low alloy steel, etc. They can be widely applied for the production of high-pressure gas containers, high weathering containers, automobile structures, etc. It can also produce general structural steel with the specifications of the largest hot-rolled thickness and width in the CSC Group; this type of product possesses stability, good thickness, width, and sectional dimension precision. It is also the only subsidiary that has a tension leveling and finishing production line in the CSC Group and can supply hot-rolled steel with high quality, precision, and flatness to the downstream producers.

The electric arc furnace produces narrow steel plates and H beams with high strength, toughness, a low yield ratio, and seismic resistance. The specifications of DSC's H beams are the largest in Taiwan. DSC's narrow steel plates have the advantages of reducing trimming in processing and loss of steel. In addition to the traditional production process of adding all scrap in making steel in the electric arc furnace, molten iron can also be added. Billets for the production of wire rods produced by this method have stable quality, formability, and allowance for customized composition specifications.

PROSPECTS

In the future, DSC will continue to promote the strategy of heightening the values of its products, establish partner relationships by interacting closely with its customers, and develop market opportunities by making full use of industrial alliances. Moreover, DSC will be dedicated to working together with the neighboring corporations in the Taichung Harbor Special Zone about the issue of energy integration to enhance the effectiveness of energy utilization and increase the value of the industrial chain so as to fulfill its corporate social responsibility and to accelerate the upgrade of the steel industry in Taiwan.



An aerial photograph of the factory



Blast furnaces



Continuous shipping unloader



H beams



Billets



Hot rolled coils



Steel plates

Chung Hung Steel Corporation

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Steel
Business



DEVELOPMENT OF THE COMPANY

Chung Hung Steel Corporation (originally named Yieh Loong Enterprise Co., Ltd., was renamed on July 14th, 2004, known as "CHSC" for short) was established in September 1983. For observing the integration of upstream and downstream steel companies in Taiwan, CHSC formed a strategic alliance with CSC at the end of 1999, and officially became a member of the CSC Group in 2000.

BRIEF INTRODUCTION OF OPERATION

CHSC's main carbon products include hot-rolled steel coils, pickled & spheroidized annealed steel coils, cold-rolled full hard steel coils, cold-rolled tempered steel coils, galvanized steel coils, carbon steel pipes (CNS/ JIS/ ASTM), galvanized steel pipes, PE-coated steel pipes, API oil pipelines and API pipes for casing and tubing. The products are widely used to manufacture hardware, building materials, cars, household electric appliances, sport equipment, steel furniture and so on. They are primarily prioritized for domestic sales.

CHSC has had four factories so far, three of which are located in Kaohsiung City, Taiwan. They are the hot-rolled coil factory with the annual capacity of 2.4 million metric tons, the cold-rolled coil factory with the annual capacity of 450,000 metric tons, the steel pipe factory with the annual capacity of 72,000 metric tons, and the new ERW steel pipe factory, established in 2012, located in the Chang Hua Coastal Industrial Park in Lukang, Chang Hua County, Taiwan. With the 2-4 inch and 4-14 inch pipe forming lines, the factory primarily manufactures high value added pipes used in the oil industry for the international oil and gas tubular market.

With a market-oriented, demand-conscious, and flexible view, CHSC always aims to optimize the added values of its products, develop niche products, and stably make profits. To pursue its sustainable development and to enhance its internal management as well as customer services, CHSC has aggressively obtained external certification, such as ISO 9001, ISO 14001, ISO 50001, OHSAS 18001, and TOSHMS. To eliminate the obstacles in international trade, it has also obtained the JIS MARK certificate for all of its products and the SNI (Indonesia), SIRIM (Malaysia), TIS (Thailand), and FPC (Singapore) certificates for its hot-rolled products.

PROSPECTS

In the future, CHSC will upgrade the quality and grades of its products, focus on enhancing customer services, establish good partner relationships with customers, create product differentiation, proactively conserve energy and reduce carbon emissions, and fulfill its corporate social responsibility.



Hot Rolling Mill



Cold Rolling Mill



Pipe and Tube Mill



Hot Rolled Coils



Cold rolled Coils



Pipes

CSC Steel Sdn. Bhd.

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http://www.cscmalaysia.com

Steel Business



CSC STEEL SDN. BHD.

DEVELOPMENT OF THE COMPANY

In December 2000, CSC had acquired its first offshore steel companies, namely CSC Steel Sdn. Bhd. (CSCM, formerly known as Ornasteel Enterprise Corporation (M) Sdn. Bhd.) and Group Steel Corporation (M) Sdn. Bhd. (Group Steel). Since then, both CSCM and Group Steel have been fully operated under the management of CSC. In January 2004, Ornasteel Holdings Berhad was established and acquired CSCM and Group Steel as its wholly-owned subsidiaries in the same year. Subsequently, Ornasteel Holdings Berhad was successfully listed on the Main Market of Bursa Malaysia in December 2004 and renamed CSC Steel Holdings Berhad (CHB) in 2008.

At the helm of its parent company, CSC, the productivity as well as the competitiveness of CSCM in both domestic and international markets has been strengthened with the capital injection in upgrading equipment and expanding production lines, providing technical support, and enhancing its management performance. CSCM has been one of the key players in the Malaysian steel supply chain with the raw material supply of hot rolled coils from CSC as well as from a local Malaysian manufacturer. In recent years, CSCM has actively broadened its market reach to other Asean countries, particularly Indonesia. This move would help the CSC Group to further boost its presence in Southeast Asia.

In addition, CSCM is committed to increasing the values for the shareholders and the community and reducing the impact to the environment so as to achieve its sustainable development.

BRIEF INTRODUCTION OF OPERATION

CSCM has several production lines with a variety of operations, which include push pickling, cold rolling, electrolytic cleaning, annealing, tempering, recoiling, continuous hot dipped galvanizing and continuous color coating.

The main products of CSCM include pickled and oiled steel coils, cold rolled steel coils, galvanized steel coils and color coated steel coils. The annual maximum production capacity is approximately 500,000 metric tons, and the primary market is domestic sales while the export market is mainly in Southeast Asia. In addition, CSCM is actively shaping its brands, namely Realzinc (for galvanized steel products) and Realcolor (for color coated steel products), to expand its market share in the building material industry. By partnering with the chemical suppliers, CSCM is keen on developing new coated steel products.



PROSPECTS

To supply cold rolled and coated steel coils with better quality and grades to domestic customers to upgrade the added value of their products.

To continue exploring the steel markets in Malaysia and Southeast Asia and develop energy substitute products, which is in compliance with the CSC Group's policy.

To continually improve the production processes and reduce energy consumption to minimize the impact to the environment.



Cold Rolled Steel Coils



Galvanized Steel Coils



Color Coated Steel Coils



Reversing Cold Rolling Mill



Hot-dipped Galvanizing

China Steel Sumikin Vietnam Joint Stock Company

My Xuan A2 Industrial Zone, My Xuan Commune,
Tan Thanh District, Ba Ria-Vung Tau Province, Vietnam

Tel : 84-64-393-1168

Fax : 84-64-393-2188

http://www.csvc.com.vn

Steel
Business



CHINA STEEL SUMIKIN VIETNAM

DEVELOPMENT OF THE COMPANY

CSVC is a cold rolling mill jointly invested and set up by China Steel Corp., Nippon Steel & Sumitomo Metal Corp., Sumitomo Corp., Nippon Steel & Sumikin Bussan Corp., Formosa Ha Tinh Steel Corp., Hsin Kuang Steel Co., and Chun Yuan Industry Co. in Vietnam with the annual production capacity of 1.2 million tons and is also China Steel Corporation's largest overseas investment project to date. In particular, CSVC possesses the high-quality raw materials supplied from its parent companies, CSC and NSSMC, and the first-class production equipment to produce the highest grade steel products and to provide steel customers with the best products and services in Vietnam and Southeast Asia with the backup of many experiences and resources from CSC and NSSMC.

CSVC is a multinational corporation and has been not only striving to fulfill its corporate social responsibility to provide great employment opportunities for Vietnamese employees to promote the economic prosperity and development in Vietnam, but also actively implementing environmental protection.

BRIEF INTRODUCTION OF OPERATION

CSVC's products can be divided into four categories:

They are hot rolled pickled & oiled steel, cold rolled steel, galvanized steel, and electrical steel with the annual production capacity of 200,000 tons, 500,000 tons, 300,000 tons, and 200,000 tons, respectively.

CSVC's cold rolled products are the most excellent and high value-added ones in Vietnam. CSVC will partner with established affiliates of the CSC Group in Vietnam as a team to work cooperatively to offer its domestic/foreign clients with full-aspect services and flexible material supplies.

PROSPECTS

According to Bloomberg Markets Magazine, Vietnam ranked the first place of the world's top 15 most promising frontier markets. In particular, because the regional comprehensive economic partnerships (RCEP) will be agreed among ten ASEAN countries and six regions in 2015, this area will become the world's largest business region for free trade. CSVC will take advantages of these favorable circumstances to increase the application and variety of its products in order to create new demands and supply high-quality and high-value cold rolled products to its clients so that they will identify with the CSVC's brand.



A Continuous Galvanizing Production Line



The First Electrical Steel Plant in Southeast Asia



CHINA STEEL CORPORATION INDIA

DEVELOPMENT OF THE COMPANY

China Steel Corporation India Pvt. Ltd.(CSCI) was incorporated on October 20, 2011 and located in Dahej-2 Industrial Area, Bharuch, Gujarat. India is one of the biggest emerging countries in the world. In order to cater to the local demand as well as contribute to the integration of local automobile, home appliance, electrical and power industries, CSC has invested in India by setting up an Annealing & Coating Line in western costal India. The plant location is in Dahej Industrial Area, Gujarat, where there is easy access to both the Delhi and Mumbai markets. CSCI strives to increase its own competitiveness by reducing product costs and developing better products to all customers.

BRIEF INTRODUCTION OF OPERATION

CSCI will have the abilities to produce non-oriented silicon steel (CRNO) from grade 1300 to 400. This steel can be used for all kinds of electrical motors and power transformers. CSCI's capacity is designed at 200,000 metric tons per year. As of May 2013, CSCI has completed more than 50% of construction and is on pace to start production by the end of June 2014. CSCI aims to offer more flexibility by providing short lead-time of 14 days to customers in different industries which have demand for high quality CRNO, and will penetrate into all India, Middle East, and Africa countries by utilizing various distribution channels.

PROSPECTS

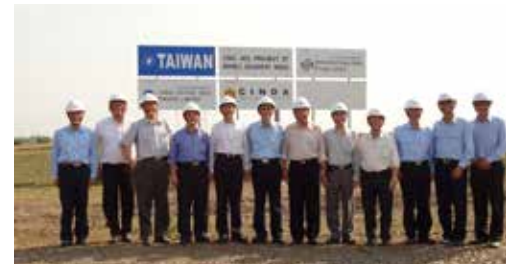
CSCI is aimed at integrating supply chains by developing better efficiency materials and saving more energy for its customers in all industries; it will also develop the Indian market by enriching product portfolios. Phase-2 investment is expected to be launched soon to catch the fast growing demand of the Indian economy.



CSCI factory



CSCI Chairman J.D. Lin (2nd from right) along with ex-Taiwan Ambassador Ong (2nd from left), met Gujarat Chief Minister Mr. Narendra Modi (left) at the MOU signing event in Gandhinagar, Gujarat.



CSC President Sung (6th from right) along with the top management team visited the CSCI Dahej site.



CSC Chairman Tsou (2nd from right in the front row) and CSCI employees in the CSCI Baroda office



China Steel Structure Co.

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Engineering
Business



CHINA STEEL STRUCTURE CO.

DEVELOPMENT OF THE COMPANY

CSSC was founded in 1978 as Taiwan's first specialized steel structure company and has always been the largest one of its kind in Taiwan since its foundation. It has provided steel structures for many outstanding construction projects in Taiwan including Taipei 101, witnessing and making contributions to the country's prosperity and progress. Now CSSC is widely recognized as an assurance of quality and safety, which adds values to buildings; CSSC is the best helper for the promotion of commercial buildings.

Inheriting the upright business philosophy of the CSC Group, CSSC insists on health, safety, and environment protection and pursues customer satisfaction, superior products, progress control, and corporate sustainability. Its splendid job records stretch from Taiwan to foreign countries, and it has overcome the challenges of many highly difficult international projects. Its business scale has ranked number one in the industry in Taiwan.

BRIEF INTRODUCTION OF OPERATION

CSSC has established three world-class fully integrated production sites separately located in Kaohsiung, Guantian (in Taiwan), and Kunshan (in China), supplying premium quality steel structures to customers at reasonable prices within the shortest production time. It has provided products and services for high-rise buildings, long-span architecture, semi-conductor or TFT-LCD plants, blast furnaces, steel mills, power plants, domed storage tanks, material conveyors, pipe racks, drillship derricks, bridges, railway stations and maintenance depots, environmental engineering projects, etc.

PROSPECTS

CSSC will continue to improve its know-how and management. It positions itself as a steel structure service provider who offers comprehensive total solutions tailored to its customers' needs and develops a win-win partnership with them.



Taipei 101 building



Drillship derrick (exported to Norway)



Plant building for TSMC



Hsin-fa bridge



In November 2012, CSSC and its subsidiary, United Steel Engineering & Construction Corporation, won the golden medal of Taiwan's 12th Public Construction Golden Quality Award for innovative engineering methods applied to Wu-yang Widening Project on National Freeway No. 1.



AMC Tower, Myanmar

China Ecotek Corporation

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Engineering
Business



DEVELOPMENT OF THE COMPANY

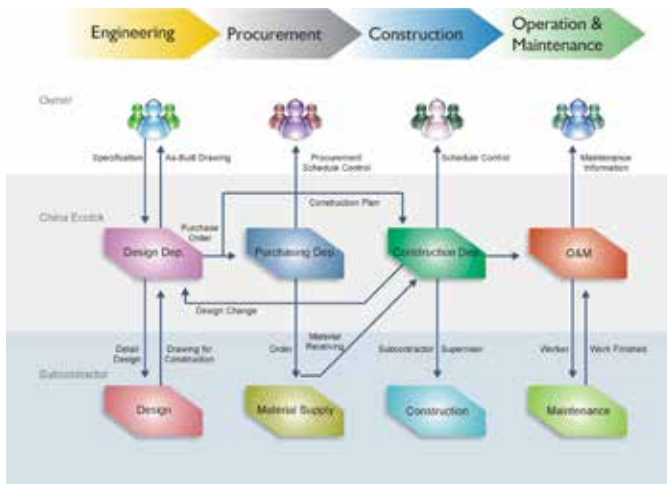
China Ecotek Corp. (CEC), established in March 1993, held the mission of developing and implementing national eco technology to promote both the growth of the CSC Group and contracts with public engineering projects. Having been devoted to cultivating its quality and enforcing its technology, CEC is currently an EPC professional in environmental, mechanical & electrical engineering, providing clients comprehensive services including system design, procurement, construction to commissioning, operation, as well as maintenance.

BRIEF INTRODUCTION OF OPERATION

CEC's main business covers engineering projects of water treatment, air pollution control, conveyor systems, metallurgy, incineration plants, co-generation plants, power plants, and turnkey biotech & pharmaceutical plants. In addition, it is capable of operating plants and providing mechanical and electrical maintenance. Regarding overseas businesses, CEC has set foot in China and Southeast Asia for further businesses.

PROSPECTS

With the principle of "Stepping out of the CSC Group & Going Global", CEC is undergoing a stable transformation to achieve sustainable growth. On the basis of its existing core engineering businesses, CEC's long-term goals are to enhance EPC capabilities and create customer value by establishing a robust engineering lifecycle management system. In addition, CEC employs its professionalism in engineering to expand businesses in material and mechanical equipment trading and to carry on the responsibility to protect our earth through cooperating with CSC to develop air, water, and waste-related environmental protection techniques.



Engineering lifecycle management(ELM)



Refuse incineration plant engineering



Advanced water purification engineering



Air pollution control engineering



Mechanical and electrical equipment installation and maintenance



Biopharmaceutical plant engineering

InfoChamp Systems Corporation

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Engineering
Business



InfoChamp

DEVELOPMENT OF THE COMPANY

InfoChamp Systems Corporation (ICSC), a wholly-owned subsidiary of CSC, was established on April 6, 2000. It has operating locations in Kaoshiung, Taichung, and Wuhan. Consultants and experts are mainly from the Information System Department and Electrical Engineering Department in CSC. ICSC not only inherits the fine traditions and the essence of management from CSC, but it also gets the certification of CMMI level 4 on its own.

Philosophy-To help companies in various industries enhance their competitiveness successfully by introducing the overall information system.

Vision-The most reliable total solution provider, helping enterprises make the maximum simplification of their management modes and achieve the optimum effectiveness through information technology.

BRIEF INTRODUCTION OF OPERATION

ICSC integrates information experts and advanced software technologies to provide the technical supports and information services of all dimensional solutions. The provided solutions include integration and sharing of inner resources, cross-platform integration of ERP and Automatic Controlling, and development of coordination platforms of SCM and CRM and up-to-date information for managers.

Service Teams and Products

Enterprise information systems and IT platform integration services:

Enterprise resource planning, E-commerce, information integration, software and hardware agents, Cloud platform services, server room and network planning, IT consulting, and project management services (CMMI).

Automatic Control System Services:

ICSC provides workable and intelligent solutions including process equipment automatic control, process computer overall software packages, logistics and transportation applications, and product quality control detection and monitoring systems, etc.

Customer Cases:

Currently, customers come from a variety of manufacturing industries as well as those in the trade, shipping, mass rapid transit, venture capital investment, security industries, etc. in mainland China, Malaysia, Vietnam, India, the U.S., etc.

PROSPECTS

In addition to the steel industry and its well-known reputation among customers in the Greater China area, ICSC has established professional teams specialized in developing comprehensive solutions for new high tech/manufacturing industries, breaking new grounds and becoming the most reliable total solution provider.



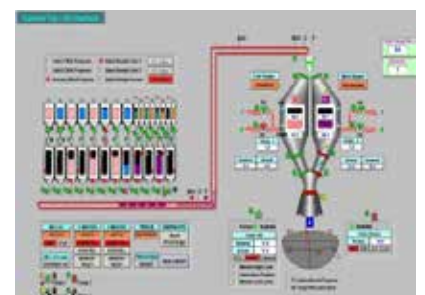
CMMI Level-4 certification



Integrated enterprise application solution



A logistic automatic system



A blast furnace automatic control system

China Steel Machinery Corporation

3 Tai-Chi Road, Hsiao Kang, Kaohsiung 81246,
Taiwan, R.O.C.

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Engineering
Business

CSMC CHINA STEEL MACHINERY

DEVELOPMENT OF THE COMPANY

China Steel Machinery Corporation (CSMC) was founded by China Steel Corporation (CSC) on September 20th, 2001 through the takeover of state-owned Taiwan Machinery Manufacturing Corporation's assets and businesses. CSMC has a current capital of N.T.\$1,118 million. CSMC was originally 100% invested by CSC, and to fully develop the synergy of the CSC Group's engineering business unit, CSC exchanged CSMC's stock for China Ecotek Corporation's (CEC's) stock on April 1st, 2008. After the exchange, CSC and CEC hold 74% and 26% of CSMC's stock, respectively.

CSMC focuses on technology development, and is now moving towards EPC technology integration. As the CSC Group focuses on the global market and sets up new mills overseas, CSMC's professional project management team contributes to the expansion efforts by providing excellent manufacturing, erection, commissioning, and maintenance services. CSMC has also established three overseas subsidiaries, CSMC (Shanghai) Global Trading Co., Ltd., China Steel Machinery Vietnam Co., Ltd. and China Steel Machinery Corporation India Pvt. Ltd.

BRIEF INTRODUCTION OF OPERATION

CSMC holds outstanding records of manufacturing iron- and steelmaking equipment, rolling stock, wind turbine towers, vertical automatic coil storage systems (VACSS), off-shore oil rig equipment, material handling equipment, petrochemical and power plant equipment, armored vehicles for the Ministry of National Defense, casting products and a lot of other equipment. To cater to consistent business growth and demand for core products, CSMC has established several additional shops, such as the crane shop in Yen-Chao and wind turbine tower shop in Peng-nam. In addition, CSMC has its own specialized hydraulic cylinder center and bogie fabrication center. In recent years, CSC has transferred technical know-how and provided designing support to CSMC to expand into the engineering and design integration business in the international market.

PROSPECTS

CSMC follows the CSC Group's internalization and diversification business strategies and is positioned as a design and manufacturing center for the CSC Group. Not only does CSMC maintain a business model of providing high quality products at low costs, but its strategies also include integrating engineering and design abilities, offering EPC/turnkey services, forming alliances with major equipment manufacturers, and competing for global engineering projects. CSMC aims to establish its brand value, provide exceptional products and services, and become a major supplier of heavy machinery equipment in the global market.



Manufacture and erection of DSC's continuous ship unloading equipment



Manufacture of wind turbine tower sections



Manufacture and erection of the Crown mounted compensator



Manufacture and erection of DSC's blast furnace



Manufacture and erection of DSC's hot strip mill equipment



Manufacture and erection of CSC's and DSC's continuous casters

China Steel Chemical Corporation

25F, 88, Chenggong 2nd Rd., Qianzhen, Kaohsiung 80661,
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Tel : 886-7-338-3515
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Industrial
Materials
Business



CHINA STEEL CHEMICAL CORPORATION

DEVELOPMENT OF THE COMPANY

China Steel Chemical Corporation (CSCC), founded in 1989 and listed on the Taiwan Stock Exchange in 1998, is built on the coal chemical industry to the multi-purpose specialty chemicals. With relentless research, development, and innovation, CSCC has expanded its businesses to the fields of fine carbon materials.

The Company's fine coke plant was completed in 1991, the coal tar distillation plant in 1992, and the light oil plant in 1993. Its raw materials are all from by-products of China Steel Corporation. CSCC was awarded certificates of ISO 9002, ISO 14001, OHSAS 18001, CNLA, the Industrial Sustainable Excellence Award, and Outstanding SMEs Award.

CSCC is dedicated to fulfilling its corporate social responsibility for the benefits of customers, employees, and the environment. Moreover, the Company upholds the management philosophy of "Customer Driven, Honesty Based, Quality First, and Close Collaboration" to create a win-win situation for customers.

BRIEF INTRODUCTION OF OPERATION

CSCC is the only company in Taiwan specializing in coal chemicals. Coal tar and light oil are distilled into soft pitch, creosote oil, refined naphthalene, benzene and toluene as chemicals with higher added values. Among them, soft pitch can be used as the raw materials for aluminum smelter electrodes, lithium battery anodes, and special anti-rust materials. Creosote oil can be used to produce carbon black, an indispensable additive in making high-quality tires. Refined naphthalene can be used to synthesize dyes and pigment intermediates in the dyeing and finishing industry. Benzene is an important raw material for consumer goods and chemical industries, ultimately applied to computers, consumer electronics, automobiles, and agriculture. Toluene is mostly used as a solvent.

Most of CSCC's products are domestically consumed but some are exported to Australia, Germany, China, Korea, Japan, India, Pakistan and Southeast Asian countries with well-recognized product quality.

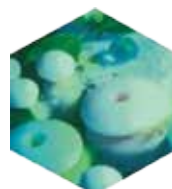
PROSPECTS

In order to achieve the development diversification for the promotion of industrial competitiveness, the Company is devoted to the establishment of a production system for novel fine carbon materials. The soft pitch produced in-house is used as the raw material for the production of mesocarbon microbeads as the anodes of lithium batteries, which are used for the storage of power in smart phones, tablet computers, electric scooters, and electric cars, extensively utilized in the green energy industry.

CSCC is based on the existing coal chemical industry and strives for the development of the fine carbon materials. It is anticipated to become a pioneer in the coal chemistry and carbon materials, with energy conservation and environmental protection as the vision of its corporate development.



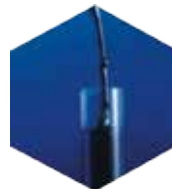
Plant of CSCC



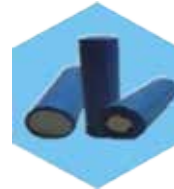
Refined naphthalene



Creosote oil



Soft pitch



Lithium battery
anode material



Benzene, Toluene



Graphite material

CHC Resources Corporation

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Fax : 886-7-336-8433
http : //www.chc.com.tw

Industrial
Materials
Business



CHC RESOURCES

DEVELOPMENT OF THE COMPANY

CHC Resources Corporation (CHC) is a joint venture established by China Steel Corporation, Taiwan Cement, Asia Cement, etc. Our stock was listed on the Taiwan Stock Exchange in November 1999. In the earlier phase, CHC was devoted to developing innovation and value heightening of the by-products from iron- and steelmaking processes. Then CHC expanded its field of business to soil and groundwater pollution remediation and other resource recycling with its abilities in eco-technology. CHC's vision is to be the leader in the resource and the green building material industries. CHC's operating concepts are credence, esteem, and sustainability.

BRIEF INTRODUCTION OF OPERATION

1. Production and sales of granulated blast furnace slag (GBFS) powder and GBFS cement

CHC is the largest producer of GBFS powder in Taiwan. Its products and their applications are described as follows:

GBFS powder products & GBFS cement products : They are used as building materials for engineering projects such as harbor structures, underground structures, civil and water conservation construction, skyscraper construction, and so on; they can also partially replace the use of traditional cement with proportional additive adjustments by requests.

The Geological Improvement Series (patent HSC301) : They can be used for soft soil improvement or as CLSM pipeline backfill materials via various on-site engineering methods to solve the problem of foundation stability during excavation.

2. Steelmaking by-product reutilization

The following are major products and their applications:

Basic oxygen furnace slag (BOFS) aggregate : Aggregate for asphalt concrete, civil and backfill materials, and landfill covering materials.

Air-cooled basic furnace slag (BFS) aggregate : Gradation of road base materials, concrete aggregate and cement raw materials.

Sludge : Cement raw materials.

Used refractory : Raw materials for refractory, flux agents for steelmaking, and slag bucket materials.

Crude zinc oxide : Raw materials for zinc metallurgy and zinc chemical production.

3. Hazardous industrial waste treatment and soil & groundwater pollution remediation

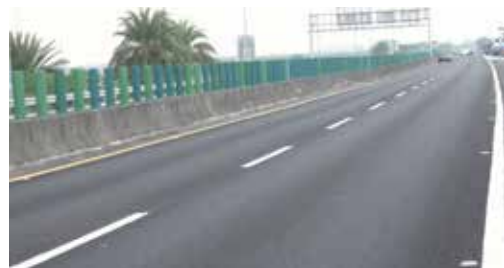
CHC was certified with the "Class-A Waste Treatment and Handling Permit" in 1993 and is capable of providing the domestic industry with technical services of solidification of hazardous industrial waste. With the aforementioned advantages, CHC expanded its business by offering environmental and ecological sustainability services to cover the remediation of unidentified sites, soil, and groundwater.

PROSPECTS

CHC pursues continuous development and sustainable growth by implementing steady strategies and establishes the corporate culture of integrity as well as pragmatic and efficient management. Hence, its achievements are recognized by investors, customers, and stakeholders. CHC also received the 20th National Quality Award in 2010. In the future, CHC will uphold the sustainable concept of 4Rs (Reduce, Recycle, Recovery, and Reuse) and the spirit of "Professional Technology and Proper Service" to expand its scope of environmental protection services, and will continuously promote the value of resources and create its differentiation advantages in order to pursue its sustainability and fulfillment of environmental protection.



The slag powder grinding plant in Kaohsiung



The Nanjhou section of Formosa Freeway, an example of the application in BOFS aggregate for asphalt concrete



Remediation of Er-ren River, a polluted site



The 20th National Quality Award

C.S. Aluminium Corporation

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Fa x : 886-7-872-1852

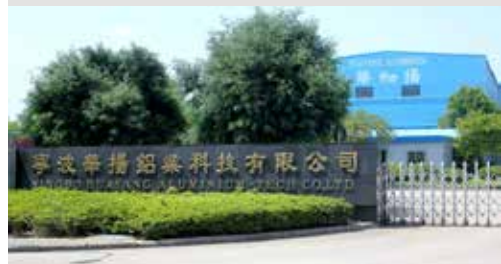
http://www.csalu.com.tw

Industrial
Materials
Business



DEVELOPMENT OF THE COMPANY

C.S. Aluminium Corporation (CSAC), established in 1996, was originally the Aluminium Production Division of CSC after it took over Taiwan Aluminium Corporation. The annual production capacity after the completion of its Phase I Expansion Project was 122,000 metric tons, and it reached 167,000 metric tons in 2012. To explore markets, CSAC established Ninbo Huayang Aluminium-Tech Co., Ltd in Fenghua, Zhejiang, China in 2002, and production was initiated in 2005. In response to the rise of the emerging markets and the demand for green aluminium materials, CSAC initiated its Phase II Expansion Project with the total investment of N.T.\$14.6 billion in 2011. With the newly-added HR1+4 and CAL production line, CSAC can upgrade the quality of its existing products and significantly shorten delivery. Furthermore, it will possess the capability of developing products with high added value and performance and enter a new milestone.



Ninbo Huayang Aluminium-Tech Co., Ltd.

BRIEF INTRODUCTION OF OPERATION

CSAC is the largest manufacturer of rolled aluminium products in Taiwan. Its major products include aluminium plates, sheets, coils, foil, bars, wire rods, drops, zinc alloy ingots, etc. In response to the trend of green development in the aluminium market for light, thin, short, and small materials with increased efficiency in energy consumption, CSAC is actively developing such aluminium alloy materials as well as foil materials for lithium batteries. These products can be widely used in producing transportation vehicles, machine molds, cans, lids, pull tabs, outer shells and spare parts of 3C products, automotive sheet metal, finstock, and various types of aluminium foil to meet the needs of the customers in the canning, electronic, electric, packaging, shipbuilding, automobile, and transportation industries in reducing production costs and increasing energy efficiency.



Coils



① Hoods ② bonnets ③ fenders

PROSPECTS

CSAC is an excellent enterprise which has been granted certification in product safety, quality, environmental protection, occupational safety and health, and energy consumption. It has been very effective in promoting energy conservation, occupational training, total productive management, corporate social responsibility, etc. In the future, it will continue to enhance its core competitiveness in quality, delivery, costs, and services as well as R&D for green products. Furthermore, it will nurture and retain talents and expand sales channels and markets to enhance and continue to create its competitive advantages; it will simultaneously promote the campaign for green life, innovate measures for energy conservation, establish a safe and healthy working environment, and fulfill its corporate social responsibility for its sustainable development.



Condenser casings

Outer casings of laptop computers



Packaging caps

Himag Magnetic Corporation

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Tel : 886-8-778-0222
Fax : 886-8-778-0227
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Industrial
Materials
Business



HIMAG MAGNETIC

DEVELOPMENT OF THE COMPANY

Himag, established in January 1991, became a member of the CSC Group after China Steel Corporation's direct investment in 1996. Himag applied high-purity iron oxide, reclaimed from the waste acid regeneration plant in the steel mill of CSC, to formulate it into soft ferrite powder for the commercialization of low loss soft ferrite powder in 1994, soft ferrite powder with high permeability in 1999, the specific soft ferrite powder for high BS, and high-end soft ferrite powder with high frequency and wide temperature. Furthermore, Himag actively promotes CSC's high-purity iron oxide by selling it to distributors in Taiwan, China, India, and Europe. In addition, Himag has developed and manufactured various specialty chemicals and ECO-products such as De-Ammonia catalysts and SCR catalysts since 2006. Those products are widely provided not only to the subsidiaries of the CSC Group but also to customers outside the CSC Group in order to make more profits.

BRIEF INTRODUCTION OF OPERATION

Himag, founded under the strategic positioning of the CSC Group as an industrial materials supplier, endeavors in the development, production, and sales of industrial magnetic for electronic application and chemical oils for steel application. The corporation operates in a decent, vitalizing, and sincere manner to supply the materials of soft ferrite such as high-purity iron oxide reclaimed from the waste of steel mills, soft ferrite powders with high-permeability and low-loss, garnets for the communication industry, electromagnetic absorbers for RFID/NFC application as well as catalysts for ECO-equipment.

PROSPECTS

Himag responds positively to trends of the industry to make rapid adjustment in business of iron oxide powder and soft ferrite powder, expands the business of other application for magnetic materials used for communications, lighting and appliances, and develops high-end hard ferrite application; Himag will work together with CSC's R&D Department to develop hard ferrite powder and magnets with high quality, such as polar anisotropic ferrite magnets and plastic magnets for DC brushless motors which save energy, and the soft ferrite powder applied in higher frequency, such as wireless communications, radars, microwave materials and cell phone electromagnetic wave absorbing materials, specific chemicals with higher grades, and ECO catalysts in order to optimize its products.



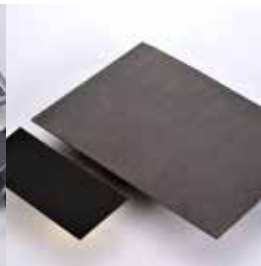
Iron oxide powder
Soft ferrite powder



Magnetic materials



3C products



Electromagnetic absorbers



Garnets



De-Ammonia catalysts



SCR catalysts



SNCR



Polar anisotropic ferrite magnets



Anisotropic rubber magnets



CHANGZHOU CHINA STEEL PRECISION MATERIALS

DEVELOPMENT OF THE COMPANY

China Steel Corporation (CSC) bought 70% stake from Changzhou Xinzhong Precision Alloy Forging Products Co., Ltd on January 6th, 2011 and renamed it Changzhou China Steel Precision Materials Corporation (CSPM) on March 17th, 2011. The main objectives are to establish a new business and a production base of specialty alloys for the CSC Group, to provide specialty alloys with qualified quality to the steel industry on both sides of the Taiwan Strait, to help upgrade the industry, and to make use of the market advantage of mainland China as the world's manufacturing center for worldwide sales.

BRIEF INTRODUCTION OF OPERATION

CSPM uses advanced equipment such as the vacuum arc remelting furnace, vacuum induction melting furnace, inert gas protecting electroslag remelting furnace to produce high purity alloy ingots of titanium alloys and nickel-based alloys, tool and die steel, etc. The ingots are very low in impurity contents and characterized with fine and well-distributed microstructures. In collaboration with the CSC Group's rolling and heat treatment equipment, CSPM is capable of providing high quality products, such as straight bars, wire coils, plates, cold rolled sheets, hot rolled sheets, and seamless tubes.

The products of titanium alloys include GR1-5, GR7, GR9, GR12, and GR23 in shapes of thick plates, cold-rolled coils, wire coils, seamless tubes, and welded tubes. Products are of large weight per coil, high dimensional accuracy, good formability and can be widely used to produce chemical equipment, seawater desalination equipment, walls and roofs of buildings, biomedical equipment, and electronic products.

The products of nickel alloys include the 200, 400, 500, 600, 700, 800 series in shapes of thick plates, hot-rolled coils, wire coils, and seamless tubes. Products are of high purity, low inclusion contents, high yield, and can be widely applied in power generation, chemical, and oil exploring industries.

The products of tool and die steel include H13 hot work die steel, D2 cold work die steel, and P20 plastic die steel, with good homogeneity, high stability in dimension, and easiness for mirror machining, and can be widely used to make metal hot forging molds and plastic molds for optoelectronic parts.

PROSPECTS

CSPM has been awarded "High-tech Product Certificate", "Innovative and Advanced Enterprise", "High-tech Enterprise Certificate", and "Laboratory Accreditation Certificate". The future development of CSPM will be based on the corporate culture of "scientific spirit, innovation, outstanding growth, and customer-orientation," and CSPM will strive to be a trustworthy specialty alloy enterprise with global distinction.



Vacuum arc remelting furnace

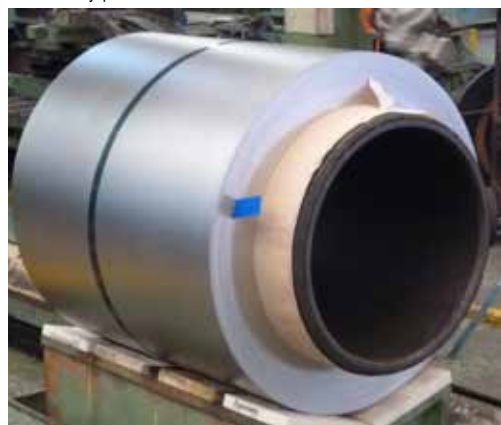
Inert gas protecting electroslag remelting furnace



Titanium seamless tubes



Nickel alloy plates



Titanium cold-rolled coils



Pure titanium plates used in the chemical industry



Titanium wire coils

China Steel Express Corporation

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Trading &
Logistics
Business



China Steel Express

HISTORY AND DEVELOPMENT

China Steel Express Corporation (CSE) was established as a shipping company in 1996. As a wholly-owned subsidiary of CSC with a paid-in capital of NT 4.2 billion, CSE's core business is to operate and manage self-owned and chartered vessels, carrying cargos such as iron ore, coal, grains, and steel products under short- & long-term contracts. Its missions are to ensure a smooth supply of raw materials for steelmaking, reduce transportation costs, provide sufficient ship capacity, and accomplish the CSC Group's objectives of growth and diversification.

To protect the earth & the oceans, CSE not only strictly obeys all internal regulations but also follows MARPOL developed by IMO to adopt concrete activities to implement energy saving, reduce carbon emissions and the greenhouse effect, and prevent air pollution caused by all vessels. In addition, the application of the "Energy Efficiency Design Index" (EEDI) in new shipbuilding projects has been implemented to build ECO ships. The "Ship Energy Efficiency Management Plan" (SEEMP) has also been implemented on all vessels to ensure the most energy-efficient operation. The "Environmental Accounting System" was introduced to assess the performance of environmental investments. CSE has worked together with institutions to develop new energy saving solutions and has placed new shipbuilding orders to qualified shipyards that are capable of building ECO ships.

BUSINESS PROFILE

20 CSE-owned vessels are described as follows:

- (1) Fourteen cape-sized vessels, including
 - a) Three 205,000-DWT bulk vessels, currently the largest ones in Taiwan and three 202,500-DWT bulk carriers;
 - b) Four 176,000-DWT bulk carriers;
 - c) Four 155,000-DWT bulk carriers;
- (2) One 76,000-DWT panamax bulk carrier;
- (3) Two 28,000-DWT multi-purpose handy size carriers;
- (4) One 18,900-DWT self-unloading vessel carrying limestone;
- (5) Two 10,000-DWT small handy size carriers for carrying steel products.

Currently, eight new vessels are under construction and will be delivered between 2013 to 2016. They are four 209,000-DWT, two 35,000-DWT, and two 12,000-DWT carriers.

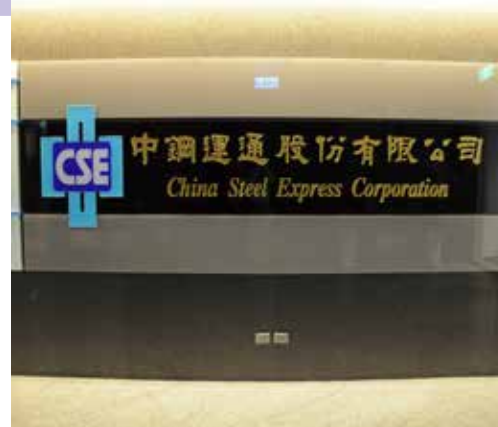
Once completed in 2016, the scale of the CSE fleet will reach 3.65 million DWT.

In 2004 and 2005, CSE ranked #1 in the "Excellent Operating Performance of Public and Private Enterprises" assessed by CCIS. In the last 17 years, the accumulative after-tax profits of CSE were NT\$45.9 billion, which was 10 times more than its capital. In 2008, the revenues reached as much as NT\$36.8 billion, with 65% of the gross profits contributed by non-CSC-Group business.

FUTURE PROSPECTS

In the past few years, CSE has undergone severe fluctuation of market demands and prices. However, it still seized the best timing to build and charter vessels. This successful practice resulted in low operating costs and sizeable profits for the CSC Group. In the future, CSE will persist in line with its professional shipping knowledge and follow previous successful experience to build new vessels upon suitable opportunities.

By 2016, the total dead weight of the CSE fleet will reach 3.65 million tons; with the strong base, CSE will endeavor to generate more profits for the CSC Group continually.



'China Steel Challenge' was delivered on September 13, 2013.



'China Steel Innovator' was delivered on January 6, 2012.



The Statue of the CSE Baby, signifying innocence, integrity, and brightness

China Steel Global Trading Corporation

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Trading &
Logistics
Business



China Steel Global Trading

DEVELOPMENT OF THE COMPANY

China Steel Global Trading Corporation (CSGT), a wholly-owned subsidiary of CSC, was established in 1996 with the current capital of NT\$ 1.788 billion. As the core unit of the CSC's logistic businesses, CSGT plays a significant role in supplying industrial materials to group members for meeting the Internationalization and diversification strategies of the CSC Group.

To implement the CSC Group's policies and to expand overseas sales channels, CSGT has been actively setting up 8 overseas trading subsidiaries and 12 coil centers across Asia, the Americas, and Europe in recent years. By reinforcing overseas sales channels, CSGT offers local customers prompt services, expands the supply chain, and enhances added values to the products of the CSC Group.

BRIEF INTRODUCTION OF OPERATION

CSGT provides trading and distribution services for the CSC Group. Not only is CSGT the sole export agent for steel and aluminum products of the CSC Group (such as CSC, Dragon Steel, Chung Hung Steel, CSV, CSC and C.S. Aluminium, and N.H. Aluminum, etc.), but CSGT also successfully develops the markets of other industrial materials and equipment, such as stainless steel, chemical engineering materials, fire-resistant materials, alloyed iron, rollers, machine equipment, etc.

To integrate the resources of the CSC Group effectively, expand international markets diligently, and achieve international integration synergy, CSGT is capable of capturing the latest information of global finance, industries and market trends and targets customer movements through years of international trading experience. CSGT plays the role as the Group's international pioneer by strengthening multinational trade and overseas investments and wishes to reach the CSC Group's long-term goal of internationalization.

PROSPECTS

By accumulating experiences derived from international trading, CSGT has in-depth understanding towards multinational financing, industries, as well as market movements. Through strengthening international trade and overseas investments, CSGT has formed a well-constructed network by providing customers prompt and intact services via its supply chain. CSGT is actively cooperating and allying with multinational enterprises in different regions, devoting itself to promoting the CSC Group in every regional market. CSGT will continue to reinforce its staff's knowledge in international trade and language training to elevate their international perspectives and cross-cultural understanding as well as to refine their international operational and managerial capabilities. By achieving world-class professional core competency, CSGT wishes to fulfill its ultimate obligation – to serve as the core for the CSC Group regarding international business and dedicates itself to the internationalization of the CSC Group.



CSGT (Shanghai) Co., Ltd.



CSGT (Singapore) Pte. Ltd.



CSGT Metals Vietnam Joint Stock Company



ARDEMAGNI SPA

GAINS Investment Corporation

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Services &
Investments
Business



GAINS INVESTMENT

COMPANY PROFILE

GAINS Investment Corporation (GIC), with the current capital of NT\$5.593 billion, was established in April 1996. The scope of GIC's business includes direct investment, financial investment, and investment consulting management. Thanks to its complete scope of investment capabilities, GIC is the right-hand man of the CSC Group in seeking potential new business opportunities through its existing investment portfolios.

GIC has managed assets exceeding NT\$10 billion with investment areas spreading over the United States, Japan, Singapore, and the Greater China region, covering industries of materials, optoelectronics, semiconductors, biotechnology, green energy, etc.

BRIEF INTRODUCTION OF OPERATION

1. Direct Investment:

- To increase the value of CSC's steel products and match the goal of upgrading the CSC Group's industrial value chain by investing in potential companies.
- To search for superior investments from industries with fast growth potential.
- To assist and promote those superior portfolio companies to become the CSC Group's subsidiaries, such as the cases of Betacera Inc. and Thintech Materials Technology Co., Ltd.

2. Financial Investment:

- To gain from investing in financial markets with the expertise to assist the CSC Group in steering among financial and investment operation.

3. Investment Management:

- To raise and manage venture capital for making more profits.

PROSPECTS

GIC has always been seeking and developing investment targets with growth prospects actively. Along with the development of the CSC Group, GIC will invest smartly to create values and be an excellent professional investment company.



GIC's subsidiary :
Taicang ThinTech Materials Co., Ltd. (China) – a subsidiary of ThinTech Materials Technology Co., Ltd.



GIC's subsidiary :
Suzhou Betacera Technology Co., Ltd. (China) – a subsidiary of Betacera Inc.

China Steel Security Corporation

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Services &
Investments
Business



CHINA STEEL SECURITY

DEVELOPMENT OF THE COMPANY

China Steel Security Corporation (CSS), founded in November 1997 and wholly owned by CSC, principally engages in stationed security, system security, central monitoring engineering, image recognition, and other security-related businesses. Because of the security law restriction, it can only run security-related businesses. In April 1999, CSS founded Steel Castle Technology Corp, which engages primarily in fire inspection and reporting, fire engineering design and construction, industrial safety and training, and technical manpower services. In January 2012, CSS founded China Steel Building Management and Maintenance Company.

BRIEF INTRODUCTION OF OPERATION

Leveraging CSC's experience in factory-stationed security over the years, CSS develops electronic security systems and central monitoring engineering, and has solid capabilities in managing people and vehicle traffic, logistic access, and in preventing or handling such security incidents as factory theft, disasters, vandalism, and protests. CSS is the only professional security company in the country that has integrated industrial safety, fire engineering, and security surveillance. Since its inception, CSS's stationed security territory has now extended north to Hsinchu and south to Pintung and also comprises three overseas offices. CSS is the largest stationed security company in the Hsinchu and Tainan Science Parks. Customers of CSS include major technology companies, regional medical institutions, traditional manufacturing, maritime, banking, warehouse management, construction industries, etc. CSS has security experience in various industries and has established six overseas offices for its system security business, winning excellent feedback for its service quality. In 2005, CSS was the first professional security company in the country to pass and obtain OHSAS 18001 Occupational Health & Safety Advisory Services certificates.

PROSPECTS

CSS related enterprises will center on "security " to continually enhance its professional capabilities and uphold the company vision of protecting wholeheartedly, pursuing excellence, combining human resources with technology, and providing professional services with integrity to satisfy its customers' demands. Therefore, CSS will continually enhance its professional capabilities and service quality and actively expand new business territories for its sustainability.



Security guards



Digital central-monitoring systems



A 24-hour security and central monitoring center

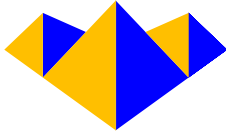


Daily maintenance of the firefighting equipment

China Prosperity Development Corporation

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Services &
Investments
Business



CHINA PROSPERITY DEVELOPMENT

DEVELOPMENT OF THE COMPANY

China Prosperity Development Corporation (CPDC) was founded in August 1998 as a reinvestment company wholly owned by China Steel Corporation (CSC). After its establishment, it actively engaged in the conversion of the industrial land in Qianzhen District as well as in the associated development and investor recruitment. The industrial land was successfully converted into a commercial zone; two big shopping malls were constructed; furthermore, the investment was also expanded into the commercial real estate business and reinvestment in other businesses, such as Shangyang Creative Investment and Asia Pacific Telecom, to boost the operational capacity of the CSC Group. In the meantime, CPDC further assisted the CSC Group by providing consulting services related to land resources and shopping mall development.

BRIEF INTRODUCTION OF OPERATION

CPDC mainly engages in the investment and development of land, commercial real estate and recreation businesses. Land and commercial real estate development includes the three big supermarkets, namely, the IKEA Branch in Kaohsiung, Carrefour Hypermarket – Chenggong Store, and RT-Mart – Fengshan Store, and the purchase of the U2 Commercial Building in Osaka, Japan. Recreation businesses include reinvestment in Chateau Beach Resort in Kenting, Pingtung, Kaohsiung Arena & Shopping Mall, and amba Taipei Ximending.

PROSPECTS

CPDC will integrate the resources of the CSC Group to actively seek land and estate with development potential so as to lay a solid foundation of real estate resources for the Group. It will expand its commercial building and recreation businesses as well as engage in residential construction or development of other commercial real estate products in a timely manner in order to profit from its investment and development.



IKEA Branch in Kaohsiung



RT-Mart – Fengshan Store



Carrefour Hypermarket – Chenggong Store



Kaohsiung Arena & Shopping Mall



U2 Commercial Building in Osaka, Japan



amba Taipei Ximending

ChinaSteel Management Consulting Corporation (CMC)

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Services & Investments Business



CHINASTEEL MANAGEMENT CONSULTING

BRIEF INTRODUCTION OF OPERATION

ChinaSteel Management Consulting Corporation (CMC), founded in December 1998, primarily engages in business diagnosis, optimization counseling, system establishment, project management, technical support, and personnel training. CMC is one of CSC's subsidiaries with the capital of NT\$10 million.

Adhering to CSC's principles of practicality and honest operation philosophy, CMC integrates the engineering technologies with operation management experiences of the CSC Group and forms working teams composed of excellent technical and managerial incumbent employees of CSC to offer management and technical consultation as well as education and training services to its clients. Besides, CMC also provides personnel training, human resources development and personnel dispatch services for the companies within the CSC Group.

PROSPECTS

By providing various counseling, personnel training, and value-added services to its clients, CMC will develop excellent human resources and upgrade the performance of the CSC Group. Furthermore, CMC will pass on the knowledge and skills of CSC to create a good learning environment for the steel industry in Taiwan to establish its high-quality operation management functions.



On July 23, 2012, CMC welcomed the training and learning group from China National Nuclear Corporation, which was organized by Corporate Synergy Development Center of Taiwan to visit CSC.



In September 2005, CMC organized the training course, "The Regulations Governing Contract Signing and Understanding Business Contract Terms" for the companies in the CSC Group and downstream manufacturers.



CSC GROUP

Services &
Investments
Business

GLOBAL DEPLOYMENT OF THE CSC GROUP

The CSC Group's overseas business investments center on the "New Asia Project". Under the project, its overseas investment targets with top priorities are mainland China, India, and other emerging developing countries in Southeast Asia, which have high growth in steel demand. The purpose of the strategy is aimed to expand the CSC Group's steel business domains, fortify overseas sales channels, and increase market shares.

In addition to the overseas steel plants in Vietnam and earlier in Malaysia, the CSC Group has recently merged Changzhou Xinzhong Precision Alloy Forging Products Co., Ltd. in mainland China and invested in the Phase-I electrical steel production line of CSC India Pvt. Ltd. In the future, it will continue to invest with first priority in developing Asian countries with relatively higher growth of steel demands. The types and capacities of the production bases will be determined on the basis of the overall deployment and cross-support capabilities among its production and sales bases as well as the specific steel demands in those countries and the competitive advantages that it owns in various markets.

As for the planning of overseas distribution channels, it will continue to establish overseas sales offices and coil centers in order to have a full grasp of the market trends and satisfy the customers' requests. Currently, there are sales offices in Osaka, Hong Kong, Shanghai, Singapore, Ho Chi Minh City, and coil centers in mainland China, Vietnam, Thailand, Malaysia, Indonesia, and Italy.



Production Bases of the CSC Group in Taiwan and Overseas

- ① CSC (Kaohsiung, Taiwan, R.O.C.)
- ② CHS (Kaohsiung, Taiwan, R.O.C.)
- ③ DSC (Taichung, Taiwan, R.O.C.)
- ④ CSCM (Malacca, Malaysia)
- ⑤ CSVC (Ba Ria-Vung Tau, Vietnam)
- ⑥ CSCI (Gujarat, India)

CSC Liaison Offices

- ① CSC Osaka Office
- ② CSC Singapore Office
- ③ CSC India Office (New Delhi)
- ④ CSC Taipei Liaison Office



Overseas Trading Subsidiaries/ Representative Offices of CSGT

- 1 CSGT Headquarters Kaohsiung
- 2 CSGT Japan
- 3 CSGT Shanghai
- 4 CSGT Hong Kong
- 5 CSGT Singapore
- 6 CSGT Bangkok
- 7 CSGT Jakarta
- 8 CSGT Vietnam
- 9 CSGT Mexico

Coil centers invested by CSC, CSGT, local steel companies and downstream customers of CSC

Mainland China

- 1 QingDao China Steel Precision Metal Co., Ltd.
- 2 Changshu Baoshunchang Steel Processing Co., Ltd.
- 3 Xiamen Chunyuan Precision Mechatronic Co., Ltd.
- 4 Maruichi Metal Product (Foshan) Co., Ltd.
- 5 PCMI Metal Products (Chong Qing) Co., Ltd.

Vietnam

- 6 Hanoi Steel Center Co.,Ltd. (Hanoi & Danang)
- 7 CSGT Metals Vietnam Joint Stock Company

Thailand

- 8 NSSB Coil Center (Thailand) Ltd.
- 9 Thai Sumilox Company Limited
- 10 TSK Steel Co., Ltd.

Malaysia

- 11 Tatt Giap Steel Centre Sdn Bhd

Indonesia

- 12 PT MICS Steel Indonesia

Italy

- 13 ARDEMAGNI SPA





CSC GROUP

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