



International Trade Remedies Branch

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EXPORTER QUESTIONNAIRE - CHINA

PRODUCT CONCERNED: ZINC COATED (GALVANISED) STEEL
AND ALUMINIUM ZINC COATED STEEL
FROM THE PEOPLE'S REPUBLIC OF
CHINA, THE REPUBLIC OF KOREA AND
TAIWAN

INVESTIGATION PERIOD: 1 JULY 2011 TO 30 JUNE 2012

RESPONSE DUE BY: 27 OCTOBER 2012

ADDRESS FOR RESPONSE: International Trade Remedies Branch
Australian Customs and Border
Protection Service
5 Constitution Avenue
Canberra act 2601
Australia
Attention: Director Operations 2

CASE MANAGER: Ms Christie Sawczuk
TELEPHONE: +61-2-6275-5965
FAX: +61-2-6275-6990
EMAIL: itrops2@customs.gov.au

Please note that a non-confidential version of the reply to this questionnaire must also be provided.

SECTION A - COMPANY STRUCTURE AND OPERATIONS

This section requests information relating to company details and financial reports.

A-1 IDENTITY AND COMMUNICATION

Please nominate a person within your company who can be contacted for the purposes of this investigation:

Head office:

Name: Mr. ZHANG Hongyang
Position in the company: Legal consultant of IETC
Address: No.945 Heping Street, Qingshan, Wuhan, P.R.China
Telephone: +86 27 86892313
Facsimile number: +86 27 86564662
E-mail address of contact person: zhy602317@sohu.com

Factory:

Address: Ms. CHEN Jing
Telephone: +86 27 86892313
Facsimile number: +86 27 86891755
E-mail address of contact person: dtj197642@163.com

A-2 REPRESENTATIVE OF THE COMPANY FOR THE PURPOSE OF INVESTIGATION

If you wish to appoint a representative to assist you in this investigation, provide the following details:

Name: Mr. Andrew Percival
Organisation: Corrs Chambers Westgarth
Position: Special Counsel
Address: GPO Box 9925, Sydney NSW 2001
Telephone: (02) 9210 6228
Facsimile/Telex number: (02) 9210 6611
E-mail address of contact person: Andrew.Percival@corrs.com.au

Note that in nominating a representative, Customs and Border Protection will assume that confidential material relating to your company in this investigation may be freely released to, or discussed with, that representative.

A-3 COMPANY INFORMATION

1. What is the legal name of your business? What kind of entity is it (e.g. company, partnership, sole trader)? Please provide details of any other business names that you use to export and/or sell goods.

Answer:

The legal name of the company is Wuhan Iron and Steel Company Limited (hereinafter referred to as “WISCO”). WISCO is a public listed company listed on the Shanghai Stock Exchange. This company has no other business names used for business.

2. Who are the owners and/or principal shareholders? Provide details of shareholding percentages for joint owners and/or principal shareholders. (List all shareholders able to cast, or control the casting of, 5% or more of the maximum amount of votes that could be cast at a general meeting of your company).

Answer:

Wuhan Iron and Steel (Group) is the parent company of WISCO. It owns 65.32% of the shares in WISCO. Other shareholders are legal entities and individuals. There is no other shareholder who owns 5% or more of the shares of WISCO.

3. If your company is a subsidiary of another company list the principal shareholders of that company.

Answer:

The sole shareholder of Wuhan Iron and Steel (Group) is [Confidential].

[Name of shareholder of Wuhan Iron and Steel (Group) omitted. That information is not susceptible to a meaningful confidential summary and it is commercially sensitive. Disclosure could adversely affect WISCO's and Wuhan Iron and Steel (Group)'s interests.]

4. If your parent company is a subsidiary of another company, list the principal shareholders of that company.

Answer:

Not applicable.

5. Provide a diagram showing all associated or affiliated companies and your company's place within that corporate structure.

Answer:

Please refer to Exhibit A-3.5 for the affiliation structure.

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company's commercial activities and consists of sensitive business information, the disclosure of which would harm the Company's market and competitive position.]

6. Are any management fees/corporate allocations charged to your company by your parent or related company?

Answer:

There are no such management fees charged by the parent company or by a related company.

7. Describe the nature of your company's business. Explain whether you are a producer or manufacturer, distributor, trading company, etc.

Answer:

WISCO is one of the biggest producers of steel products in China, including the GUC. It is also responsible for all sales of self-produced products on domestic market. For exports, all business is handled by its related company, [Confidential].

8. If your business does not perform all of the following functions in relation to GUC, then please provide names and addresses of the companies which perform each function:

- produce or manufacture
- sell in the domestic market
- export to Australia, and
- export to countries other than Australia.

Answer:

- **produce or manufacture----[Confidential]**
- **sell in the domestic market----[Confidential]**
- **export to Australia, and----[Confidential]**
- **export to countries other than Australia.---- [Confidential]**

9. Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.

Answer:

Please refer to Exhibit A-3.9 for the internal organisation chart of WISCO.

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company's commercial activities and consists of sensitive business information, the disclosure of which would harm the Company's market and competitive position.]

10. Provide a list of your business' Board of Directors, Managing Director (or CEO) and Senior Executives.

Answer:

Please refer to Exhibit A-3.10 for the list of Board of Directors, Managing Director and Senior Executives.

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company's commercial activities and consists of sensitive business information, the disclosure of which would harm the Company's market and competitive position.]

11. Provide a copy of your most recent annual report together with any relevant brochures or pamphlets on your business activities.

Answer:

Please refer to **Exhibit A-3.11** for the annual report of 2011 and a brochure of products produced by WISCO including the GUC.

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company's commercial activities, including information about pricing, and consists of sensitive business information, the disclosure of which would harm the Company's market and competitive position.]

12. Are any of your company's operations in a Special Economic Area, Economic and Technical Development Zone, Bonded Zone, Export Processing Zone, High Technology Industrial Development Zone, the Western Regions, or any other similarly designated area?

Answer:

No.

13. If your answer to question A-3.12 above is 'yes':

- advise if any benefits (e.g. grants, reduced liabilities on commercial interest rates, etc) from the GOC (including central, provincial, municipal, county or any other level of government) accrue to your company because of being located in such an area;
- please explain the nature of the operations, identify the specific zone(s) [or other area(s)] and provide a brief overview of all of the benefits of operating within the specified zone(s) or area(s).

Answer:

Not applicable.

14. Provide details of all transactions between your company and all related parties. For example:

- Suppling/selling completed or partially completed products.
- Suppling/selling raw materials.
- Performing management functions (including any financial functions).
- Processing (including toll processing) of any raw materials, intermediary or completed products.
- Trading in products/materials supplied by related parties.

Answer:

Please refer to the disclosure of related transactions in **Exhibit A-3.11** for annual report of 2011.

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A-4 GENERAL ACCOUNTING/ADMINISTRATION INFORMATION

1. Indicate your accounting period.

Answer:

The financial accounting period is the Gregorian calendar year, i.e., from January 1 to December 31.

2. Indicate the address where the financial records are held.

Answer:

**The financial records are held at the registration address of WISCO as follows:
No. 3 Yangang Road, Qingshan, Wuhan, P.R.C.**

3. Provide the following financial documents for the two most recently completed financial years plus all subsequent monthly, quarterly or half yearly statements:

- chart of accounts;
- audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);
- internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods under investigation.
-
- These documents should relate to:
- the division or section/s of your business responsible for the production and sale of the goods under investigation, and
- the company overall.

Answer:

**Exhibit A-4.3-1 for chart of accounts;
Exhibit A-4.3-2 for audited consolidated and unconsolidated financial statements of 2010 and 2011;
Exhibit A-4.3-3 for unaudited financial statements of January to June 2012.**

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company's commercial activities, including information about pricing, and consists of sensitive business information, the disclosure of which would harm the Company's market and competitive position.]

4. If you are not required to have the accounts audited, provide the unaudited financial statements for the two most recently completed financial years, together with your relevant taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

Answer:

All the accounts have been audited for the last two years. This question is not applicable.

5. Do your accounting practices differ in any way from the generally accepted accounting principles in your country? If so, provide details.

Answer:

Financial accounting practices and policies used by WISCO are in compliance with “GAAP” practices of China.

6. Describe:

The significant accounting policies that govern your system of accounting, in particular:

- the method of valuation for raw material, work-in-process, and finished goods inventories (e.g. last in first out –LIFO, first in first out- FIFO, weighted average);
- costing methods, including the method (e.g. by tonnes, units, revenue, direct costs etc) of allocating costs shared with other goods or processes (such as front office cost, infrastructure cost etc);
- valuation methods for damaged or sub-standard goods generated at the various stages of production;
- valuation methods for scrap, by products, or joint products;
- valuation and revaluation methods for fixed assets;
- average useful life for each class of production equipment and depreciation method and rate used for each;
- treatment of foreign exchange gains and losses arising from transactions;
- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;
- inclusion of general expenses and/or interest;
- provisions for bad or doubtful debts, and treatment thereof in your accounts;
- expenses for idle equipment and/or plant shut-downs;
- costs of plant closure;
- restructuring costs;
- by-products and scrap materials resulting from your company’s production process; and
- effects of inflation on financial statement information.

Answer:

Please refer to the notes of the audit report regarding accounting policy of WISCO for details.

7. In the event that any of the accounting methods used by your company have changed over the last two years provide an explanation of the changes, the date of change, and the reasons for it.

Answer:

The accounting methods used by WISCO have not changed over the last two years.

A-5 INCOME STATEMENT

Complete the spreadsheet entitled '**Income statement**' within the Exporter questionnaire - *Galvanised Steel – CHINA – accompanying spreadsheet* provided alongside this questionnaire.

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

Explain how costs have been allocated between all products and the GUC within these calculations.

This information will be used to verify the completeness of cost data that you provide in Section G. If, because of your company's structure, the allocations would not be helpful in this process, please explain why this is the case.

Note: if your financial information does not permit you to present information in accordance with this table please present the information in a form that closely matches the table.

Answer:

Please refer to the spreadsheet entitled "Income Statement" as Exhibit A-5. The allocation method between all products and the GUC is specified under the table.

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company's commercial activities, including information about pricing, and consists of sensitive business information, the disclosure of which would harm the Company's market and competitive position.]

A-6 SALES

Complete the spreadsheet entitled '**Turnover**' within the *Galvanised steel - Exporter Questionnaire – CHINA – accompanying spreadsheet* provided alongside this questionnaire.

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

In completing the sheet, use the currency in which your accounts are kept.

This information will be used to verify the cost allocations to the GUC in Section G.

Also, you should be prepared to demonstrate that sales data shown for the goods is a complete record by linking total sales of these goods to relevant financial statements.

Answer:

Please refer to the spreadsheet entitled “Turnover” as **Exhibit A-6**.

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company’s commercial activities, including information about pricing, and consists of sensitive business information, the disclosure of which would harm the Company’s market and competitive position. Accordingly, this information has been provided in an indexed form.]

SECTION B - SALES TO AUSTRALIA (EXPORT PRICE)

This section requests information concerning your export practices and prices to Australia. You should include costs incurred beyond ex-factory.

Export prices are usually assessed at FOB point, but Customs and Border Protection may also compare prices at another level (e.g. ex factory).

*You should report prices of **all GUC shipped to Australia during the investigation period.***

The invoice date will normally be taken to be the date of sale. If you consider:

- *the sale date is not the invoice date (see 'date of sale' column explanation in question B4 below) and;*
- *an alternative date should be used when comparing export and domestic prices*

*you **must** provide information in section D on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the investigation period.*

Answer:

Please note, WISCO does not export its products by itself directly. All exports are carried out through its related company, IETC. Please refer to the separate response of IETC for this section.

B-1 For each customer in Australia to whom you shipped goods in the investigation period list:

- name;
- address;
- contact name and phone/fax number where known; and
- trade level (for example: distributor, wholesaler, retailer, end user, original equipment).

B-2 For each customer identified in B1 please provide the following information.

- (a) Describe how the goods are sent to each customer in Australia, including a diagram if required.
- (b) Identify each party in the distribution chain and describe the functions performed by them. Where commissions are paid indicate whether it is a pre or post exportation expense having regard to the date of sale.
- (c) Explain who retains ownership of the goods at each stage of the distribution chain. In the case of delivered duty paid (DDP) sales, explain who retains ownership when the goods enter Australia.
- (d) Describe any agency or distributor agreements or other contracts entered into in relation to the Australian market (supply copy of the agreement if possible).

- (e) Explain in detail the process by which you negotiate price, receive orders, deliver, invoice and receive payment. If export prices are based on price lists supply copies of those lists.
- (f) State whether your firm is related to any of its Australian customers. Give details of any financial or other arrangements (e.g. free goods, rebates, or promotional subsidies) with the customers in Australia (including parties representing either your firm or the customers).
- (g) Details of the forward orders of the GUC (include quantities, values and scheduled shipping dates).

B-3 Do your export selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

B-4 Complete the spreadsheet entitled '**Australian sales**' within the *Galvanised steel - Exporter Questionnaire – CHINA – accompanying spreadsheet* provided alongside this questionnaire.

This spreadsheet is to list **all** shipments (i.e. transaction by transaction) to Australia **of the GUC** (do not include non-GUC items) in the investigation period.

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

The below table provides information as to what is meant by each column heading within the spreadsheet.

Column heading	Explanation
Customer name	names of your customers
Level of trade	the level of trade of your customers in Australia
Model/grade/type	commercial model/grade or type
Product code	code used in your records for the model/grade/type identified. Explain the product codes in your submission.
Product type	identify the finish product of the Galvanised steel sold
Invoice number	invoice number
Invoice date	invoice date
Date of sale	refer to the explanation at the beginning of this section. If you consider that a date <i>other than</i> the invoice date best establishes the material terms of sale, report that date. For example, order confirmation, contract, or purchase order date.
Order number	if applicable, show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Shipping terms	Delivery terms e.g. CIF, C&F, FOB, DDP (in accordance with Incoterms)
Payment terms	agreed payment terms e.g. 60 days=60 etc
Quantity	Quantity in units shown on the invoice. Show basis e.g. kg.

Gross invoice value	gross invoice value shown on invoice <i>in the currency of sale, excluding taxes.</i>
Discounts	if applicable, the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Rebates	The amount of any deferred rebates or allowances paid to the importer in the currency of sale.
Other charges	any other charges, or price reductions, that affects the net invoice value. Insert additional columns and provide a description.
Invoice currency	the currency used on the invoice
Exchange rate	Indicate the exchange rate used to convert the currency of the sale to the currency used in your accounting system
Net invoice value	the net invoice value expressed in your domestic currency as it is entered in your accounting system
Other discounts	The actual amount of discounts not deducted from the invoice. Show a separate column for each type of discount.
Ocean freight**	the actual amount of ocean freight incurred on each export shipment listed.
Marine insurance	Amount of marine insurance
FOB export price**	the free on board price at the port of shipment.
Packing*	Packing expenses
Inland transportation costs*	inland transportation costs included in the selling price. For export sales this is the inland freight from factory to port in the country of export.
Handling, loading & ancillary expenses*	handling, loading & ancillary expenses. For example, terminal handling, export inspection, wharfage & other port charges, container tax, document fees & customs brokers fees, clearance fees, bank charges, letter of credit fees, & other ancillary charges incurred in the exporting country.
Warranty & guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services, such as technical assistance or installation costs.
Commissions*	Commissions paid. If more than one type is paid insert additional columns of data. Indicate in your response to question B2 whether the commission is a pre or post exportation expense having regard to the date of sale.
Other factors*	any other costs, charges or expenses incurred in relation to the exports to Australia (include additional columns as required). See question B5.

Notes

** FOB export price and Ocean Freight:

FOB export price: An FOB export price must be calculated for each shipment - regardless of the shipping terms. FOB price includes inland transportation to the port of exportation, inland insurance, handling, and loading charges. It excludes post exportation expenses such as ocean freight and insurance. Use a formula to show the method of the calculation on each line of the export sales spreadsheet.

Ocean freight: as ocean freight is a significant cost it is important that the actual amount of ocean freight incurred on each exportation be reported. If estimates must be made you must explain the reasons and set out the basis - estimates must reflect changes in freight rates over the investigation period.

Freight allocations must be checked for consistency.

All of these costs are further explained in section E-1.

B-5 If there are any other costs, charges or expenses incurred in respect of the exports listed above which have not been identified in the table above, add a column within the 'Australian sales' spreadsheet (see "other factors" in question B-4) for each item, and provide a description of each item. For example, other selling expenses (direct or indirect) incurred in relation to the export sales to Australia.

B-6 For each type of discount, rebate, or allowance offered on export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met by the importer to obtain the discount.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amount shown in your response to question B4. If they vary by customer or level provide an explanation.

B-7 If you have issued credit notes (directly or indirectly) to the customers in Australia, in relation to the invoices listed in the detailed transaction by transaction listing in response to question B4, provide details of each credit note if the credited amount has **not** been reported as a discount or rebate.

B-8 If the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (e.g. delivered duty paid), insert additional columns in the spreadsheet for all other costs incurred. For example:

Import duties	Amount of import duty paid in Australia
Inland transport	Amount of inland transportation expenses within Australia included in the selling price
Other costs	Customs and Border Protection brokers, port and other costs incurred (itemise)

B-9 Select two shipments of each product (*galvanised steel*), in different quarters of the investigation period, and provide a complete set of all of the documentation related to the export sale. For example:

- the importer's purchase order, order confirmation, and contract of sale;
- commercial invoice;
- bill of lading, export permit;
- freight invoices in relation to movement of the goods from factory to Australia, including inland freight contract;
- marine insurance expenses; and
- letter of credit, and bank documentation, proving payment.

Customs and Border Protection will select additional shipments for payment verification at the time of the visit.

SECTION C – EXPORTED GOODS & LIKE GOODS

Answer:

Please note, WISCO does not export its products by itself directly. All exports are carried out through its related company, IETC. Please refer to the separate response of IETC for this section.

- C-1** Fully describe all of the goods you have exported to Australia during the investigation period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the exported goods.
- C-2** List each model/type of the good exported to Australia (these models should cover all models listed in spreadsheet “**Australian Sales**” – See section B of this questionnaire).
- C-3** If you sell like goods on the domestic market, for each model/type that your company has exported to Australia during the investigation period, list the most comparable model(s) sold domestically and provide a detailed explanation of the differences where those goods sold domestically (i.e. the like goods – see explanation in glossary) are not identical to the goods exported to Australia.

This should be done by completing the spreadsheet entitled ‘**Like goods**’ within the *Galvanised steel - Exporter Questionnaire – CHINA – accompanying spreadsheet* provided alongside this questionnaire, detailing as follows:

EXPORTED MODEL	DOMESTIC MODEL	IDENTICAL?	DIFFERENCES
Product code of each model of the goods exported to Australia	Product code of comparable model sold on the domestic market of the country of export	If goods are identical indicate “YES”. Otherwise “NO”	Where the good exported to Australia is not identical to the like goods, describe the specification differences. If it is impractical to detail specification differences in this table refer to documents which outline differences

- C-4** Please provide any technical and illustrative material that may be helpful in identifying or classifying the goods that your company sells on the domestic market.

SECTION D - DOMESTIC SALES

This section seeks information about the sales arrangements and prices in the domestic market of the country of export.

All domestic sales of like goods to the GUC made during the investigation period must be listed transaction by transaction. If there is an extraordinarily large volume of sales data and you are unable to provide the complete listing electronically you **must** contact the Case Manager **before** completing the questionnaire.

If the Case Manager agrees that it is not possible to obtain a complete listing he or she will consider a method for sampling that meets Customs and Border Protection requirements. If agreement cannot be reached as to the appropriate method Customs and Border Protection may not visit your company.

Customs and Border Protection will normally take the invoice date as being the date of sale in order to determine which sales fall within the investigation period.

*If, in response to question B4 (Sales to Australia, Export Price), you have reported that the date of sale is not the invoice date and you consider that this alternative date should be used when comparing domestic and export prices you **must** provide information on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the investigation period.*

If you do not have any domestic sales of like goods you must contact the Case Manager who will explain the information Customs and Border Protection requires for determining a normal value using alternative methods.

D-1 Provide:

- a detailed description of your distribution channels to domestic customers, including a diagram if appropriate;
- information concerning the functions/activities performed by each party in the distribution chain; and
- a copy of any agency or distributor agreements, or contracts entered into.

If any of the customers listed are associated with your business, provide details of that association. Describe the effect, if any, that association has upon the price.

Answer:

Please refer to **Exhibit D-1** for the flow chart of domestic sales.

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company's commercial activities and consists of sensitive business information, the disclosure of which would harm the Company's market and competitive position.]

There is no such agency or distributor agreement, or contract entered into.

D-2 Do your domestic selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

Answer:

The domestic selling price usually varies according to different selling contract under different market conditions considering sales amount rather than distribution channel.

D-3 Explain in detail the sales process, including:

- the way in which you set the price, receive orders, make delivery, invoice and finally receive payment; and the terms of the sales; and
- whether price includes the cost of delivery to customer.

If sales are in accordance with price lists, provide copies of the price lists.

Answer:

The domestic sales procedure is as follows:

- 1) **Contact with customers;**
- 2) **Price negotiation including offer and counter offer;**
- 3) **Confirms details in contract i.e. the product requirement, technology, logistic transportation, quantity and price, etc. with customer;**
- 4) **Sign contract with customer;**
- 5) **Receive payment in advance;**
- 6) **Deliver goods to the destination.**

All domestic sales are under [Confidential] sales term. [Confidential]

Please refer to the price lists of WISCO as Exhibit D-3.

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D-4 Complete the spreadsheet entitled '**Domestic sales**' within the *Galvanised steel - Exporter Questionnaire – CHINA – accompanying spreadsheet* provided alongside this questionnaire.

This spreadsheet is to list **all domestic sales of like goods** (i.e. transaction by transaction) in the investigation period (do not include non-GUC items).

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

The below table provides information as to what is meant by each column heading within the spreadsheet.

Column Heading	Explanation
Customer name	names of your customers. If an English version of the name is not easily produced from your automated systems show a customer code number and in a separate table list each code and name.
Level of trade	the level of trade of your domestic customer

Model/grade/type	commercial model/grade or type
Product code	code used in your records for the model/grade/type identified. Explain the product codes in your submission.
Product Type	identify the finish product of the Galvanised steel sold
Invoice number	invoice number
Invoice date	invoice date
Date of sale	refer to the explanation at the beginning of this section. If you consider that a date <i>other than</i> the invoice date best establishes the material terms of sale and should be used, report that date. For example, order confirmation, contract, or purchase order date.
Order number	show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Delivery terms	e.g. ex factory, free on truck, delivered into store
Payment terms	payment terms agreed with the customer e.g. 60 days=60 etc
Quantity	quantity in units shown on the invoice e.g. kg.
Gross Invoice value	gross value shown on invoice <i>in the currency of sale</i> , net of taxes.
Discounts	the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Rebates	The amount of any deferred rebates or allowances paid to the importer in the currency of sale.
Net invoice value	the net invoice value expressed in your domestic currency as recorded in your accounting system
Other discounts	The actual amount of discounts not deducted from the invoice. Show a separate column for each type of discount.
Packing*	packing expenses
Inland transportation Costs*	amount of inland transportation costs included in the selling price.
Handling, loading And ancillary Expenses*	handling, loading & ancillary expenses.
Warranty & Guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services such as technical assistance or installation costs.
Commissions*	commissions paid. If more than one type is paid insert additional columns of data.
Other factors*	any other costs, charges or expenses incurred in relation to the domestic sales (include additional columns as required). See question D5.

Notes

Costs marked with * are explained in section E-2.

Answer:

Please refer to **Exhibit D-4-1** for the spreadsheet entitled “Domestic sales”.

Also, please note that all products sold to subsidiaries of WISCO and then re-sold by those subsidiaries to independent customers during the IP are listed in **Exhibit D-4-2**.

[Information contained in the above annexes cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company's commercial activities, including information about pricing, and consists of sensitive business information, the disclosure of which would harm the Company's market and competitive position.]

- D-5** If there are any other costs, charges or expenses incurred in respect of the sales listed which have not been identified in the table in question D-4 above add a column for each item (see “other factors”). For example, certain other selling expenses incurred.

Answer:

There were no other costs, charges or expenses incurred in respect of the domestic sales during the IP.

- D-6** For each type of commission, discount, rebate, allowance offered on domestic sales of like goods:
- provide a description; and
 - explain the terms and conditions that must be met by the customer to qualify for payment.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amounts shown in your response to question D4.

If you have issued credit notes, directly or indirectly to the customers, provide details if the credited amount has **not** been reported as a discount or rebate.

Answer:

There were no such costs incurred in respect of the domestic sales during the IP.

- D-7** Select two domestic sales, in different quarters of the investigation period, that are at the same level of trade as the export sales.

Provide a **complete** set of documentation for those two sales. Include, for example:

- purchase order
- order acceptance
- commercial invoice
- discounts or rebates applicable
- credit/debit notes
- long or short term contract of sale

- inland freight contract
- bank documentation showing proof of payment

Customs and Border Protection will select additional sales for verification at the time of our visit.

Answer:

Please refer to Exhibit D-7 for the sales documents of two transactions.

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company's commercial activities, including information about pricing, and consists of sensitive business information, the disclosure of which would harm the Company's market and competitive position.]

SECTION E - FAIR COMPARISON

Section B sought information about the export prices to Australia and Section D sought information about prices on your domestic market for like goods (i.e. the normal value).

Where the normal value and the export price are not comparable adjustments may be made. This section informs you of the fair comparison principle and asks you to quantify the amount of any adjustment.

As prices are being compared, the purpose of the adjustments is to eliminate factors that have unequally modified the prices to be compared.

To be able to quantify the level of any adjustment it will usually be necessary to examine cost differences between sales in different markets. Customs and Border Protection must be satisfied that those costs are likely to have influenced price. In practice, this means that the expense item for which an adjustment is claimed should have a close nexus to the sale. For example, the cost is incurred because of the sale, or because the cost is related to the sale terms and conditions.

Conversely, where there is not a direct relationship between the expense item and the sale a greater burden is placed upon the claimant to demonstrate that prices have been affected, or are likely to have been affected, by the expense item. In the absence of such evidence Customs and Border Protection may disallow the adjustment.

Where possible, the adjustment should be based upon actual costs incurred when making the relevant sales. However, if such specific expense information is unavailable cost allocations may be considered. In this case, the party making the adjustment claim must demonstrate that the allocation method reasonably estimates costs incurred.

A party seeking an adjustment has the obligation to substantiate the claim by relevant evidence that would allow a full analysis of the circumstances, and the accounting data, relating to the claim.

The investigation must be completed within strict time limits therefore you must supply information concerning claims for adjustments in a timely manner. Where an exporter has knowledge of the material substantiating an adjustment claim that material is to be available at the time of the verification visit. Customs and Border Protection will not consider new claims made after the verification visit.

E-1 COSTS ASSOCIATED WITH EXPORT SALES

(These cost adjustments will relate to your responses made at question B-4, 'Australian Sales')

Answer:

Please note, WISCO does not export its products by itself directly. All exports are carried out through its related company, IETC. Please refer to the separate response of IETC for E-1.

1. Transportation

Explain how you have quantified the amount of inland transportation associated with the export sale ("**Inland transportation costs**"). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

2. Handling, loading and ancillary expenses

List all charges that are included in the export price and explain how they have been quantified (“**Handling, loading & ancillary expenses**”). Identify the general ledger account where the expenses are located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

The various export related ancillary costs are identified in the table at question B4, for example:

- terminal handling;
- wharfage and other port charges;
- container taxes;
- document fees and customs brokers fees;
- clearance fees;
- bank charges, letter of credit fees
- other ancillary charges.

3. Credit

The cost of extending credit on export sales is not included in the amounts quantified at question B4. However, Customs and Border Protection will examine whether a credit adjustment is warranted and determine the amount. Provide applicable interest rates over each month of the investigation period. Explain the nature of the interest rates most applicable to these export sales e.g., short term borrowing in the currency concerned.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, *and if* export prices are influenced by this longer or shorter period, calculate the average number of collection days. See also item 4 in section E-2 below.

4. Packing costs

List material and labour costs associated with packing the export product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed ‘**Packing**’.

5. Commissions

For any commissions paid in relation to the export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing in question B-4 under the column headed “**Commissions**”. Identify the general ledger account where the expense is located.

6. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses (“**Warranty & guarantee expenses**” and “**Technical assistance & other services**”), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

7. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed “**Other factors**”. For example, other variable or fixed selling expenses, including salesmen’s salaries, salesmen’s travel expenses, advertising and promotion, samples and entertainment expenses. Your consideration of questions asked at Section G, concerning domestic and export costs, would have alerted you to such other factors.

8. Currency conversions

In comparing export and domestic prices a currency conversion is required. Fluctuations in exchange rates can only be taken into account when there has been a ‘sustained’ movement during the investigation period (see article 2.4.1 of the WTO Agreement). The purpose is to allow exporters 60 days to adjust export prices to reflect ‘sustained’ movements. Such a claim requires detailed information on exchange movements in your country over a long period that includes the investigation period.

E-2 COSTS ASSOCIATED WITH DOMESTIC SALES

(These cost adjustments will relate to your responses made at question D-4, “**domestic sales**”)

The following items are not separately identified in the amounts quantified at question D-4. However you should consider whether any are applicable.

1. Physical characteristics

The adjustment recognises that differences such as quality, chemical composition, structure or design, mean that goods are not identical and the differences can be quantified in order to ensure fair comparison.

The amount of the adjustment shall be based upon the market value of the difference, but where this is not possible the adjustment shall be based upon the difference in cost plus the gross profit mark-up (i.e. an amount for selling general and administrative costs (S G & A) plus profit).

The adjustment is based upon actual physical differences in the goods being compared and upon the manufacturing cost data. Identify the physical differences between each model. State the source of your data.

Answer:

Physical characteristics vary due to many factors including grade, thickness of galvanization, specification, etc. Grade is the most important factor. For fair comparison, WISCO considers the GUC sold to Australian market and domestic market should be compared grade by grade.

2. Import charges and indirect taxes

If exports to Australia:

- are partially or fully exempt from internal taxes and duties that are borne by the like goods in domestic sales (or on the materials and components physically incorporated in the goods), or
- if such internal taxes and duties have been paid and are later remitted upon exportation to Australia;

the price of like goods must be adjusted downwards by the amount of the taxes and duties.

The taxes and duties include sales, excise, turnover, value added, franchise, stamp, transfer, border, and excise taxes. Direct taxes such as corporate income tax are not included as such taxes do not apply to the transactions.

Adjustment for drawback is not made in every situation where drawback has been received. Where an adjustment for drawback is appropriate you must provide information showing the import duty borne by the domestic sales. (That is, it is not sufficient to show the drawback amount and the export sales quantity to Australia. For example, you may calculate the duty borne on domestic sales by quantifying the total amount of import duty paid and subtracting the duty refunded on exports to all countries. The difference, when divided by the domestic sales volume, is the amount of the adjustment).

In substantiating the drawback claim the following information is required:

- a copy of the relevant statutes/regulations authorising duty exemption or remission, translated into English;
- the amount of the duties and taxes refunded upon *exportation* and an explanation how the amounts were calculated and apportioned to the exported goods;
- an explanation as to how you calculated the amount of duty payable on imported materials is borne by the goods sold *domestically* but is not borne by the exports to Australia;

Substitution drawback systems

Annex 3 of the WTO Agreement on Subsidies provides: *“Drawback systems can allow for the refund or drawback of import duties on inputs which are consumed in the production process of another product and where the export of this latter product contains domestic inputs having the same quality and characteristics as those substituted for the imported inputs”*

If such a scheme operates in the country of export please provide **full** details about the operation of the scheme as well as providing the information requested above.

Answer:

Please note, WISCO does not export its products by itself directly. All exports are carried out through its related company, IETC. Therefore, WISCO does not obtain any duty drawback from the exports to Australia.

3. Level of trade

Question D-4 asks you to indicate the level of trade to the domestic customer. To claim an adjustment for level of trade differences you will need to quantify the amount by which level of trade influences price.

Trade level is the level a company occupies in the distribution chain. The trade level to which that company in turn sells the goods and the functions carried out distinguish a level of trade. Examples are producer, national distributor, regional distributor, wholesaler, retailer, end user, and original equipment manufacturer.

It may not be possible to compare export prices and domestic prices at the same level of trade. Where relevant sales of like goods at the next level of trade must be used to determine normal values an adjustment for the difference in level of trade may be required where it is shown that the difference affects price comparability.

The information needs to establish that there are real trade level differences, not merely nominal differences. Real trade level differences are characterised by a consistent pattern of price differences between the levels and by a difference in functions performed. If there is no real trade level differences all sales are treated as being at the same level of trade.

A real difference in level of trade (may be adjusted for using either of the following methods:

- (a) *costs arising from different functions*: the amount of the costs, expenses etc incurred by the seller in domestic sales of the like goods resulting from activities that would not be performed were the domestic sales made at the same level as that of the importer.

This requires the following information:

- a detailed description of each sales activity performed in selling to your domestic customers (for example sales personnel, travel, advertising, entertainment etc);
- the cost of carrying out these activities in respect of like goods;
- for each activity, whether your firm carries out the same activity when selling to importers in Australia;
- an explanation as to why you consider that you are entitled to a level of trade adjustment.

or

- (b) *level discount*: the amount of the discount granted to purchasers who are at the same level of trade as the importer in Australia. This is determined by an examination of price differences between the two levels of trade in the exporter's domestic market, for example sales of like goods by other vendors or sales of the same general category of goods by the exporter. For this method to be used it is important that a clear pattern of pricing be established for the differing trade levels. Such pattern is demonstrated by a general availability of the discounts to the level - isolated instances would not establish a pattern of availability.

Answer:

According to the price policy, [Confidential].

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company's commercial activities and consists of sensitive business information, the disclosure of which would harm the Company's market and competitive position.]

4. Credit

The cost of extending credit on domestic sales is not included in the amounts quantified at question D-4. However, Customs and Border Protection will examine whether a credit adjustment is warranted and determine the amount. An adjustment for credit is to be made even if funds are not borrowed to finance the accounts receivable.

The interest rate on domestic sales in order of preference is:

- the rate, or average of rates, applying on actual short term borrowings by the company; or
- the prime interest rate prevailing for commercial loans in the country for credit terms that most closely approximate the credit terms on which the sales were made; or
- such other rate considered appropriate in the circumstances.

Provide the applicable interest rate over each month of the investigation period.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, and if domestic prices are influenced by this longer or shorter period, calculate the average number of collection days.

Where there is no fixed credit period agreed at the time of sale the period of credit is determined on the facts available. For example, where payment is made using an open account system,¹ the average credit period may be determined as follows:

1. Calculate an accounts receivable turnover ratio

This ratio equals the total credit sales divided by average accounts receivable. (It is a measure of how many times the average receivables balance is converted into cash during the year).

In calculating the accounts receivable turnover ratio, credit sales should be used in the numerator whenever the amount is available from the financial statements. Otherwise net sales revenue may be used in the numerator.

An average accounts receivable over the year is used in the denominator. This may be calculated by:

- using opening accounts receivable at beginning of period plus closing accounts receivable at end of period divided by 2, or

¹ Under an open account system, following payment the balance of the amount owing is carried into the next period. Payment amounts may vary from one period to the next, with the result that the amount owing varies.

- total monthly receivables divided by 12.

2. *Calculate the average credit period*

The average credit period equals 365 divided by the accounts receivable turnover ratio determined above at 1.

The resulting average credit period should be tested against randomly selected transactions to support the approximation.

Answer:

There was no credit cost incurred for domestic sales.

The following items are identified in the amounts quantified at question D-4:

5. Transportation

Explain how you have quantified the amount of inland transportation associated with the domestic sales (“**Inland transportation Costs**”). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

Answer:

WISCO does not undertake inland transportation cost for its domestic sales.

6. Handling, loading and ancillary expenses

List all charges that are included in the domestic price and explain how they have been quantified (“**Handling, loading and ancillary Expenses**”). Identify the general ledger account where the expense is located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

Answer:

There were no handling, loading or ancillary expenses incurred.

7. Packing

List material and labour costs associated with packing the domestically sold product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed “**Packing**”.

Answer:

There was no separate packing cost incurred for domestic sales.

8. Commissions

For any commissions paid in relation to the domestic sales:

- provide a description

- explain the terms and conditions that must be met.

Report the amount in the sales listing under the column headed “**Commissions**”. Identify the general ledger account where the expense is located.

Answer:

There was no commission incurred for domestic sales.

9. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses (“**Warranty & Guarantee expenses**” and “**Technical assistance & other services**”), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

Answer:

There were no warranties, guarantees incurred for domestic sales.

10. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed “**Other factors**”. List the factors and show how each has been quantified in per unit terms. For example:

- *inventory carrying cost*: describe how the products are stored prior to sale and show data relating to the average length of time in inventory. Indicate the interest rate used;
- *warehousing expense*: an expense incurred at the distribution point;
- *royalty and patent fees*: describe each payment as a result of production or sale, including the key terms of the agreement;
- *advertising*; and
- *bad debt*.

Answer:

There were no such factors.

E-3 DUPLICATION

In calculating the amount of the adjustments you must ensure that there is no duplication.

For example:

- adjustments for level of trade, quantity or other discounts may overlap, or
- calculation of the amount of the difference for level of trade may be based upon selling expenses such as salesperson’s salaries, promotion expenses, commissions, and travel expenses.

Separate adjustment items must avoid duplication.

An adjustment for quantities may not be granted unless the effect on prices for quantity differences is identified and separated from the effect on prices for level of trade differences.

Answer:

WISCO does not claim such adjustments. This is not applicable.

SECTION F - EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA

Your response to this part of the questionnaire may be used by Customs and Border Protection to select sales to a third country that may be suitable for comparison with exports to Australia.

Sales to third countries may be used as the basis for normal value in certain circumstances. Customs and Border Protection may seek more detailed information on particular third country sales where such sales are likely to be used as the basis for determining normal value.

Answer:

Please note, WISCO does not export its products by itself directly. All exports are carried out through its related company, IETC. Please refer to the separate response of IETC for this section.

F-1 Complete the spreadsheet entitled '**Third country sales**' within the *Galvanised steel - Exporter Questionnaire – CHINA – accompanying spreadsheet* provided alongside this questionnaire.

This spreadsheet is to list **all export sales of like goods** (i.e. transaction by transaction) to countries other than Australia in the investigation period (do not include non-GUC items).

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

The below table provides information as to what is meant by each column heading within the spreadsheet.

Column heading	Explanation
Country	Name of the country that you exported like goods to over the investigation period.
Number of customers	The number of different customers that your company has sold like goods to in the third country over the investigation period.
Level of trade	The level of trade that you export like goods to in the third country.
Product Type	Identify Galvanised Steel
Quantity	Indicate quantity, in units, exported to the third country over the investigation period.
Unit of quantity	Show unit of quantity e.g. kg
Value of sales	Show net sales value to all customers in third country over the investigation period
Currency	Currency in which you have expressed data in column SALES
Payment terms	Typical payment terms with customer(s) in the country e.g. 60 days=60 etc
Shipment terms	Typical shipment terms to customers in the third country e.g. CIF, FOB, ex-factory, DDP etc.

F-2 Please identify any differences in sales to third countries which may affect their comparison to export sales to Australia.

SECTION G - COSTING INFORMATION AND CONSTRUCTED VALUE

The information that you supply in response to this section of the questionnaire will be used for various purposes including:

- *testing the profitability of sales of like goods on the domestic market;*
- *determining a constructed normal value of the GUC - i.e. of the goods exported to Australia; and*
- *making certain adjustments to the normal value.*

You will need to provide the cost of production of both the exported goods (GUC) and for the like goods sold on the domestic market. You will also need to provide the selling, general, and administration costs relating to goods sold on the domestic market; the finance expenses; and any other expenses (e.g. non-operating expenses not included elsewhere) associated with the goods.

In your response please include a worksheet showing how the selling, general, and administration expenses; the finance expenses; and any other expenses have been calculated.

If, in response to question B4 (Sales to Australia, Export Price) you:

- *reported that the date of sale is not the invoice date and consider that this alternative date should be used when comparing domestic and export prices, and*
- *provided information on domestic selling prices for a matching period as required in the introduction to Section D (Domestic Sales)*

you must provide cost data over the same period as these sales even if doing so means that such cost data predates the commencement of the investigation period.

At any verification meeting you must be prepared to reconcile the costs shown to the accounting records used to prepare the financial statements.

G-1 PRODUCTION PROCESS AND CAPACITY

1. Describe the production process for the GUC. Provide a flowchart of the process. Include details of all products manufactured using the same production facilities as those used for the GUC. Also specify all scrap or by-products that result from producing the GUC.

Answer:

Please refer to Exhibit G-1.1 for the production flowchart. All scrap has been recycled for the production by off-setting raw materials cost.

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company's commercial activities and consists of sensitive business information, the disclosure of which would harm the Company's market and competitive position.]

2. Complete the spreadsheet entitled '**Production**' *within the Galvanised steel - Exporter Questionnaire – CHINA – accompanying spreadsheet* provided alongside this questionnaire.

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

Answer:

Please refer to **Exhibit G-1.2** for the spreadsheet entitled "Production".

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company's commercial activities and consists of sensitive business information, the disclosure of which would harm the Company's market and competitive position. Accordingly, this information has been provided in an indexed form.]

G-2. COST ACCOUNTING PRACTICES

1. Outline the management accounting system that you maintain and explain how that cost accounting information is reconciled to your audited financial statements.

Answer:

WISCO uses the [Confidential] method to calculate the costs incurred at each step of production for the product concerned, such as pickling, cold roll, galvanizing, etc.

After finishing the production, the manufacture cost for the product concerned is recorded as Finished Goods in inventory ledgers. The Finished Goods is carried forward to the Cost of Goods Sold after the sales made. The Cost of Goods Sold is eventually reported in the Income Statement.

2. Is your company's cost accounting system based on standard (budgeted) costs? State whether standard costs were used in your responses to this questionnaire. If they were state whether all variances (i.e. differences between standard and actual production costs) have been allocated to the goods - and describe how those variances have been allocated.

Answer:

Yes, the cost accounting system of WISCO is based on standard costs. However, for the questionnaire response, the cost figures that WISCO submitted are actual costs, the differences of which have been allocated into the raw materials, i.e. hot-rolled steel coil, at the end of each month.

3. Provide details of any significant or unusual cost variances that occurred during the investigation period.

Answer:

There were no such significant or unusual cost variances that occurred during the IP.

4. Describe the profit/cost centres in your company's cost accounting system.

Answer:

There are cold-rolling, galvanization and finalizing cost centres for the GUC.

5. For each profit/cost centre describe in detail the methods that your company normally uses to allocate costs to the GUC. In particular specify how, and over what period, expenses are amortised or depreciated, and how allowances are made for capital expenditures and other development costs.

Answer:

The costs were allocated by [Confidential] of each product. In the cold-rolled steel factory, there are [Confidential] produced at same time. The cost of the GUC was allocated based on the proportion of [Confidential].

6. Describe the level of product specificity (models, grades etc) that your company's cost accounting system records production costs.

Answer:

WISCO normally records the production costs of the GUC by production line and shape (coil or sheet) rather than models or grades.

7. List and explain all production costs incurred by your company which are valued differently for cost accounting purposes than for financial accounting purposes.

Answer:

There is no such difference in its accounting system.

8. State whether your company engaged in any start-up operations in relation to the GUC. Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.

Answer:

No, WISCO does not engage in any start-up operations in relation to the GUC.

9. State the total cost of the start-up operation and the way that your company has treated the costs of the start-up operation in its accounting records.

Answer:

Not applicable.

G-3 COST TO MAKE AND SELL ON DOMESTIC MARKET

This information is relevant to testing whether domestic sales are in the ordinary course of trade.²

1. Complete the spreadsheet entitled '**Domestic CTMS**' within *the Galvanised steel - Exporter Questionnaire – CHINA – accompanying spreadsheet* provided alongside this questionnaire.

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

In doing so, provide the actual unit cost to make and sell each model/type (identified in Section C) of the like goods sold on the domestic market.

Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.

Indicate the source of cost information (account numbers etc) and/or methods used to allocate cost to the goods. Provide documentation and worksheets supporting your calculations.

If you are unable to supply this information in this format, please contact the Case Manager for this investigation at the address shown on the cover of this questionnaire.

Please specify unit of currency.

² Customs and Border Protection applies the tests set out in s.269TAAD of the *Customs Act 1901* to determine whether goods are in ordinary course of trade. These provisions reflect the WTO Anti-Dumping Agreement – see Article 2.2.1.

Answer:

Please refer to **Exhibit G-3** for the spreadsheet entitled “Domestic CTMS”.

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company’s commercial activities and consists of sensitive business information, the disclosure of which would harm the Company’s market and competitive position.]

Please note, WISCO does not segregate production by market. For filling this spreadsheet, WISCO classifies the GUC by grade for each month during the IP. The manufacturing costs were allocated by [Confidential]. The unit of currency is RMB Yuan.

G-4 COST TO MAKE AND SELL GOODS UNDER CONSIDERATION (GOODS EXPORTED TO AUSTRALIA)

Complete the spreadsheet entitled ‘**Australian CTMS**’ within the *Galvanised steel - Exporter Questionnaire – CHINA – accompanying spreadsheet* provided alongside this questionnaire.

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

In doing so, provide the actual unit cost to make and sell each model/type (identified in Section C) of the like goods sold on the domestic market.

Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.

Indicate the source of cost information (account numbers etc) and/or methods used to allocate cost to the goods. Provide documentation and worksheets supporting your calculations.

If you are unable to supply this information in this format, please contact the Case Manager for this investigation at the address shown on the cover of this questionnaire.

Please specify unit of currency.

The information is relevant to calculating the normal values based on costs. It is also relevant to calculating certain adjustments to the normal value.

Answer:

Please refer to **Exhibit G-4** for the spreadsheet entitled “Australian CTMS”.

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company’s commercial activities and consists of sensitive business information, the disclosure of which would harm the Company’s market and competitive position.]

Please note, WISCO does not segregate production by market. For filling this spreadsheet, WISCO classifies the GUC by grade for each month during the IP. The manufacturing costs were allocated [Confidential]. The unit of currency is RMB Yuan.

- G-5** Where there are cost differences between goods sold to the domestic market and those sold for export, give reasons and supporting evidence for these differences.

Answer:

There were no cost differences between goods sold to the domestic market and those sold for export for unit cost of same grade in same month.

- G-6** Give details and an explanation of any significant differences between the costs shown, and the costs as normally determined in accordance with your general accounting system. Reference should be made to any differences arising from movements in inventory levels and variances arising under standard costing methods.

Answer:

As advised in the above questions, WISCO does not calculate costs of each grade, instead, it normally records the production costs of the GUC by production line and shape (coil or sheet). However, the company allocated the costs of the GUC into grade for the purpose of investigation for testing that whether domestic sales of each grade were lower than its full cost.

- G-7** In calculating the unit cost to make and sell, provide an explanation if the allocation method used (e.g. number, or weight etc) to determine the unit cost differs from the prior practice of your company.

Answer:

Manufacturing costs were allocated by [Confidential], the SG&A was allocated based on [Confidential].

- G-8** List major raw material costs, which individually account for 10% or more of the total production cost.

For these major inputs:

- identify materials sourced in-house and from associated entities;
- identify the supplier; and
- show the basis of valuing the major raw materials in the costs of production you have shown for the goods (e.g. market prices, transfer prices, or actual cost of production).

Where the major input is produced by an associate of your company Customs and Border Protection will compare your purchase price to a normal market price. If the associate provides information on the cost of production for that input such cost data may also be considered.

Normal market price is taken to be the price normally available in the market (having regard to market size, whether the input is normally purchased at 'spot prices' or under long term contracts etc).

The term associate is defined in section 269TAA of the Act. Included in that definition are companies controlled by the same parent company (a company that controls 5% or more of the shares of another is taken to be an associated company); companies controlled by the other company; and companies having the same person in the board of directors.

If the major input is purchased or supplied from an integrated production process you should provide detailed information on the full costs of production of that input.

Answer:

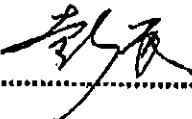
For information on raw material suppliers, please refer to Exhibit G-8 for the spreadsheet of raw material purchase during the IP.

Please note, WISCO does not purchase hot-rolled steel for its production of the GUC. Instead, it produced the GUC from the very beginning, i.e, iron ore. Therefore, the raw materials filled in the table are iron ore and coke. For the actual raw materials cost consumed during the IP, please refer to the spreadsheet of “Income Statement”, “Domestic CTMS” and “Australian CTMS”.

[Information contained in the above annex cannot be susceptible of a meaningful non-confidential summary. This information is related to the Company’s commercial activities and consists of sensitive business information, the disclosure of which would harm the Company’s market and competitive position.]

SECTION H - EXPORTER/PRODUCER'S DECLARATION

I hereby declare that WUHAN IRON AND STEEL COMPANY LIMITED did, during the investigation period export the GUC and have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

Name :.....Peng Chen.....

Signature:

Position in
Company :..... Gneral Manger...

Date :.....30 October,2012.....

SECTION I - CHECKLIST

This section is an aid to ensure that you have completed all sections of this questionnaire.

Section	Please tick if you have responded to all questions
Section A – general information	√
Section B – export price	N/A
Section C – like goods	√
Section D – domestic price	√
Section E – fair comparison	√
Section F – exports to third countries	N/A
Section G – costing information	√
Section H – declaration	√

Electronic Data	Please tick if you have provided spreadsheet
INCOME STATEMENT	√
TURNOVER – sales summary	√
AUSTRALIAN SALES – list of sales to Australia	N/A
DOMESTIC SALES – list of all domestic sales of like goods	√
THIRD COUNTRY – third country sales	N/A
PRODUCTION – production figures	√
DOMESTIC COSTS – costs of goods sold domestically	√
AUSTRALIAN COSTS – costs of goods sold to Australia	√
HRS PURCHASES – purchase cost of HRS during the investigation period	√

IRON AND STEEL PRODUCT CATALOGUE

2009 version



ABOUT US

WUHAN IRON AND STEEL CO., LTD.

Wuhan Iron and Steel Co., Ltd. (hereinafter referred to as the Company) is located in central China's Wuhan City, Hubei Province. It's a large modernized steel enterprise under control of Wuhan Iron and Steel (Group) Company. It's one of the most competitive iron and steel enterprises in the world, listed in the Shanghai Stock Exchange.

Wuhan Iron and Steel Co., Ltd. has a full scale of today's world advanced production process in ironing, steel making and steel rolling etc. Its steel products cover 63 categories, 177 series and more than 600 varieties such as: continuous hot-rolled coils, hot-rolled medium plates, cold-rolled coils, hot dip galvanized coils, electrolytic tin coils, color coated coils, cold-rolled oriented electrical steel and non-oriented electrical steel, hot-rolled heavy sections, hot-rolled heavy rails and high-speed wire rods etc.

The Company insists on improving products quality and already passed the ISO9000 as early as in 1994. 70% of its products are with world advanced quality. It enjoys a wide range of reputation both at home and abroad for its superior quality of cold-rolled electrical steel, automobile plates, bridge steel, shipbuilding steel, oil and gas pipeline steel, pressure vessel steel, container steel, tire cord steel and high-performance construction steel. Its electrical steel and shipbuilding steel have been brand-name products in China. 42 of its steel products have won "Gold Quality Award for Metallurgic Products" in China.

The Company has always been emphasizing on energy saving, environment protection and comprehensive utilization of resources during its development. It actively promotes clean production technology and makes every effort to make the production waste resourceful, harmless and minimum. It insists on a sustainable development. The Environmental Management System of Wuhan Iron and Steel Co., Ltd. has passed ISO14001 certification.

The Company also pays attention to the career development and occupational health of its staff. It has established a complete post promotion and incentive system for their self-improvement and self-development. It has also created and run an effective management system of occupational safety and health. Wuhan Iron and Steel Co., Ltd. has passed OHSAS18001 certification.

The Company is planning to further optimize the structure of its species and improve product quality over the next few years with its powerful scientific research strength and advanced equipment and technology. It will become China's supply base for cold-rolled electrical steel, automobile steel and high-strength structural steel. It will continue to enhance its core competitiveness.

Both domestic and foreign users are warmly welcome to use our company's products.

Galvanized Steel Sheet and Strip Profile

Hot Galvanized Conventional Product

List of Products

Category	Product Name	Steel Grade
	Cold Forming Continuous Hot Galvanized Sheet / Coil	DX51D+Z/ZF, DX52D+Z/ZF, DX53D+Z/ZF, DX54D+Z/ZF, DX56D+Z/ZF, DX57D+Z/ZF, CS-A/B, FS-A/B, DDS-A/C, EDSS
Hot Galvanized Sheet	Cold-rolled Structural Continuous Hot Galvanized Sheet / Coil	S220GD+Z/ZF, S250GD+Z/ZF, S280GD+Z/ZF, S320GD+Z/ZF, S350GD+Z/ZF, SS230/255/275/240
	High-strength Low-alloy Steel, High-strength Low-alloy IF Steel, Solution-strengthening Steel, Bake-hardening Steel	HSLAS, HSLA-F, SHS, BHS
Hot-dip Aluminum-zinc / Zinc-aluminum Plate	Hot-dip Aluminum-zinc / Zinc-aluminum Alloy Coated Sheet & Strip	DX51D+AZ/ZA, DX52D+AZ/ZA, DX53D+AZ/ZA, DX54D+AZ/ZA, S220GD+AZ/ZA, S250GD+AZ/ZA, S280GD+AZ/ZA, S320GD+AZ/ZA, S350GD+AZ/ZA

Hot Galvanized Conventional Product

Hot Galvanized Steel Sheet

Our products can meet high-end cars, home appliances and construction industry requirements in product varieties, specifications, performance and surface quality etc.

Available Size & Function

Product Name	Product Size(mm)				Function
	Nominal Thickness	Nominal Width	Nominal Length		
			Sheet	Strip	
Ordinary Grade CQ					For simple molding and hand-forming pieces
Drawing Grade					
Deep-drawing Grade SC	0.25 ~ 2.5	800 ~ 2080	1000 ~ 6000	Strip ID	For stretch and complex shape pieces
Special Deep-drawing Grade CS				510	
Extra Deep-drawing Grade				610	
Continuous Hot-dip Galvanized Sheet / Coil	0.50 ~ 2.5	800 ~ 2080	1000 ~ 6000	Strip ID	For roofing sheet and shingle nail etc
Structural Grade				510	
High-strength Low-alloy (Deep-drawing) Steel				610	
Bake-hardening Steel	0.50 ~ 2.5	800 ~ 2080	1000 ~ 6000	Strip ID	For structural pieces and reinforcing parts with higher intensity
				510	
				610	For external and internal parts of automobiles with a good drawing performance and a high yield strength after painting and baking

Classification & Code for Coating Type and Coating Weight

Zinc Coating		Zinc Ferro Alloy Coating	
Coating Weight g/m ² (Straight Electrolytic)	Code	Coating Weight g/m ² (Straight Electrolytic)	Code
(60)	(Z60)	(40)	(ZF40)
80	Z80	60	ZF60
100	Z100	80	ZF80
120	Z120	100	ZF100
150	Z150	120	ZF120
180	Z180	150	ZF150
200	Z200		
220	Z220		
275	Z275		

Remarks: Ordering for coating weights in brackets need agreements between both supplier and users.

Galvanized Steel Sheet and Strip Profile

Classification & Code for Coating Surface Structure

Surface Structure	Code
Normal Spangles	N
Small (No) Spangles	M
Zinc Ferro Alloy	ZF
Aluminum Zinc Alloy	AZ
Zinc Aluminum Alloy	ZA

Classification & Code for Surface Quality

Surface Quality	Code
Normal Grade Surface	A
Higher Grade Surface	B
High Grade Surface	C

Classification & Code for Surface Treatment

Surface Treatment	Code
Passivation	C
Oiling	O
Passivation Oiling	CO
Lacquer Seals	L
Phosphorization	P

Remarks: Environmental passivation and fingerprint-resistant products are available.

Cross Reference of Similar Steel Grades & Standards

Enterprise Standard Q/WG(LZ) 22	European Standard EN 10327, EN 10326	US Standard ASTM A 653M
DX51D+Z, DX51D+ZF	DX51D+Z, DX51D+ZF	CS
DX52D+Z, DX52D+ZF	DX52D+Z, DX52D+ZF	FS
DX53D+Z, DX53D+ZF	DX53D+Z, DX53D+ZF	DDS
DX54D+Z, DX54D+ZF	DX54D+Z, DX54D+ZF	DDS
DX56D+Z, DX56D+ZF	DX56D+Z, DX56D+ZF	EDDS
DX57D+Z, DX57D+ZF	DX57D+Z, DX57D+ZF	EDDS
—	S220GD+Z, S220GD+ZF	SS230
—	S250GD+Z, S250GD+ZF	SS255
—	S280GD+Z, S280GD+ZF	SS275
—	S320GD+Z, S320GD+ZF	SS340
—	S350GD+Z, S350GD+ZF	SS340

Chemical Composition(Wt%)

Performance Grade	C	Si	Mn	P	S	Ti
DX51D, CS	≤0.10	≤0.50	≤0.60	≤0.1	≤0.030	≤0.020
DX52D, FS	≤0.10	≤0.50	≤0.60	≤0.1	≤0.030	≤0.020
DX53D, DDS	≤0.01	≤0.30	≤0.50	≤0.05	≤0.030	≤0.020
DX54D	≤0.01	≤0.30	≤0.30	≤0.03	≤0.020	≤0.020
DX56D, EDDS	≤0.01	≤0.30	≤0.30	≤0.03	≤0.020	≤0.020
DX57D, HDDS	≤0.01	≤0.30	≤0.30	≤0.03	≤0.020	≤0.30
Structural Grade	≤0.20	≤0.60	≤1.7	≤0.10	≤0.045	

Mechanical Property

Grade	Zinc Coat	Yield Strength R _{p0.2} MPa	Tensile Strength R _m MPa	Elongation A _{90mm} %	r ₉₀	n ₉₀	Steel-based 180° Cold Bend Test (horizontal) d=Bend Diameter a=Sample Thickness
							thickness(mm)
							< 3
DX51D	Z	—	270 ~ 500	22			0
	ZF						
DX52D	Z	140 ~ 300	270-420	26			0
	ZF						
DX53D	Z	140 ~ 260	270 ~ 380	34	1.6	0.17	0
	ZF			32	1.4	0.17	0
DX54D	Z	120 ~ 220	260 ~ 350	38	1.8	0.18	0
	ZF			35	1.6	0.18	0
DX56D	Z	120 ~ 180	260 ~ 350	40	2.0	0.21	0
	ZF			37	1.8	0.20	0
DX57D	Z	120 ~ 170	260 ~ 350	42	2.1	0.22	0
	ZF			39	2.0	0.21	0

Remarks:

1. If the yield point is obvious, then take R_e.
2. Get the horizontal samples for tensile test, the value of tensile strength to carry MPa.
3. When the material thickness (after removing zinc coat) is < 0.7 mm, the Elongation in table is reduced by 2.
4. When the material thickness (after removing zinc coat) is < 0.7 mm, the r₉₀ of grade 06 in table is reduced by 0.2, and n₉₀ reduced by 0.01.
5. When the material thickness (after removing zinc coat) is > 1.5 mm, the r₉₀ of grade 06 in table is reduced by 0.2.

Galvanized Steel Sheet and Strip Profile

Tensile Strain Mark

DX53D, DX54D, DX56D and DX57D are guaranteed for no tensile strain mark if they are used within 6 months from the date of manufacture. As DX51D, DX52D and bake-hardening steel are prone to tensile strain marks, we recommend users to use them as soon as possible. If special requirements on tensile strain mark is demanded, it need be indicated in the agreement after agreed by both supplier and users.

Mechanical Property for Structural Grade

Grade	Yield Strength $R_{p0.2}$ MPa	Tensile Strength R_m MPa	Elongation A_{80mm} %	Steel-based 180 ° Cold Bend Test (horizontal) d =Bend Diameter a =Sample Thickness	
				thickness(mm)	
				< 3	≥ 3
220	≥ 220	≥ 300	≥ 20	1a	2a
250	≥ 250	≥ 330	≥ 19	1a	2a
280	≥ 280	≥ 360	≥ 18	2a	
320	≥ 320	≥ 390	≥ 17		3a
350	≥ 350	≥ 420	≥ 16	3a	

Remarks:

1. If the yield point is obvious, then take R_m .
2. Get the horizontal samples for tensile test, the value of tensile strength (just for reference) to carry 10MPa.
3. When the material thickness (after removing zinc coat) is < 0.7 mm, the Elongation in table is reduced by 2.

Grade & Features of Surface Quality

Grade Code	Name	Features
A	Normal Grade Surface	Small corrosion spots, non-uniform spangles and dark spots, slight scratches and indentations, air knife fringes and small passivation spots are acceptable. Stretch straightening marks and zinc flows are also acceptable.
B	Higher Grade Surface	No corrosion spot, but slight surface defect is allowed, such as stretch straightening marks, finishing indentations, scratches, embossing, spangles, zinc flows and minor passivation defects etc.
C	High Grade Surface	The side of higher-quality should not impact the uniform appearance of high quality paint coat. The surface quality of the other side should not be less than grade FB.

Size & Appearance Tolerance

Thickness tolerance of cold forming low-carbon steel and structural hot-dipped steel sheets with the lowest yield strength < 280 N/mm²

Nominal Thickness mm	Normal Thickness Tolerance mm ⁽¹⁾			Special Thickness Tolerance mm (S) ⁽²⁾		
	≤1200	>1200 ~ ≤1500	>1500	≤1200	>1200 ~ ≤1500	>1500
≤0.40	± 0.05	± 0.06	-	± 0.03	± 0.04	-
> 0.40 ~ ≤0.60	± 0.06	± 0.07	± 0.08	± 0.04	± 0.05	± 0.06
> 0.60 ~ ≤0.80	± 0.07	± 0.08	± 0.09	± 0.05	± 0.06	± 0.06
> 0.80 ~ ≤1.00	± 0.08	± 0.09	± 0.10	± 0.06	± 0.07	± 0.07
> 1.00 ~ ≤1.20	± 0.09	± 0.10	± 0.11	± 0.07	± 0.08	± 0.08
> 1.20 ~ ≤1.60	± 0.11	± 0.12	± 0.12	± 0.08	± 0.09	± 0.09
> 1.60 ~ ≤2.00	± 0.13	± 0.14	± 0.14	± 0.09	± 0.10	± 0.10
> 2.00 ~ ≤2.50	± 0.15	± 0.16	± 0.16	± 0.11	± 0.12	± 0.12
> 2.50 ~ ≤3.00	± 0.17	± 0.18	± 0.18	± 0.12	± 0.13	± 0.13

Remarks:

⁽¹⁾For wide-strip and slitting wide-strip, thickness tolerance in area within 15M of cold-rolled weld zone increase by 60%.

⁽²⁾For zinc coat Z450 and Z600, thickness tolerance increase by 0.02mm.

Thickness tolerance of structural hot-dipped steel sheets with the lowest yield strength ≥ 280 N/mm²

Nominal Thickness mm	Normal Thickness Tolerance mm ⁽¹⁾			Special Thickness Tolerance mm (S) ⁽²⁾		
	≤1200	>1200 ~ ≤1500	>1500	≤1200	>1200 ~ ≤1500	>1500
≤0.40	± 0.06	± 0.07	-	± 0.04	± 0.05	-
> 0.40 ~ ≤0.60	± 0.07	± 0.08	± 0.09	± 0.05	± 0.06	± 0.07
> 0.60 ~ ≤0.80	± 0.08	± 0.09	± 0.11	± 0.06	± 0.06	± 0.07
> 0.80 ~ ≤1.00	± 0.09	± 0.11	± 0.12	± 0.07	± 0.08	± 0.08
> 1.00 ~ ≤1.20	± 0.11	± 0.12	± 0.13	± 0.08	± 0.09	± 0.09
> 1.20 ~ ≤1.60	± 0.13	± 0.14	± 0.14	± 0.09	± 0.11	± 0.11
> 1.60 ~ ≤2.00	± 0.15	± 0.17	± 0.17	± 0.11	± 0.12	± 0.12
> 2.00 ~ ≤2.50	± 0.18	± 0.19	± 0.19	± 0.13	± 0.14	± 0.14
> 2.50 ~ ≤3.00	± 0.20	± 0.21	± 0.21	± 0.14	± 0.15	± 0.15

Remarks:

⁽¹⁾For wide-strip and slitting wide-strip, thickness tolerance in area within 15M of cold-rolled weld zone increase by 60%.

⁽²⁾For zinc coat Z450 and Z600, thickness tolerance increase by 0.02mm.

Width tolerance of hot-dipped steel sheets with nominal width ≥ 600 mm (wide strip, sheet & coil)

Nominal Width mm	Standard Tolerance mm		Special Tolerance(S) mm	
	Low Limit	High Limit	Low Limit	High Limit
≥600 ~ ≤1200	0	+ 5	0	+ 2
>1200 ~ ≤1500	0	+ 6	0	+ 2
>1500	0	+ 7	0	+ 3

Galvanized Steel Sheet and Strip Profile

Length Tolerance(Steel Sheet & Strip)

Nominal Length mm (L)	Length Tolerance(mm)			
	Normal Tolerance		Special Tolerance(S)	
	Low Limit	High Limit	Low Limit	High Limit
< 2000	0	6	0	3
≥2000	0	0.003 × L	0	0.0015 × L

Roughness of Cold Forming Low-carbon Steel & Structural Hot-dipped Steel Sheets with Lowest Yield Strength < 280 N/mm²

Tolerance Type	Nominal Width mm	Nominal Thickness(mm)		
		<0.7	≥ 0.7 ~ <1.2	≥ 1.2
Normal Tolerance	≥600 ~ <1200	12	10	8
	≥1200 ~ <1500	15	12	10
	≥1500	19	17	15
Special Tolerance (FS)	≥600 ~ <1200	5	4	3
	≥1200 ~ <1500	6	5	4
	≥1500	8	7	6

Roughness of Structural Hot-dipped Steel Sheets with Lowest Yield Strength > 280 < 360 N/mm²

Tolerance Type	Nominal Width mm	Nominal Thickness(mm)		
		<0.7	≥0.7 ~ <1.2	≥ 1.2
Normal Tolerance	≥600 ~ <1200	15	13	10
	≥1200 ~ <1500	18	15	13
	≥1500	22	20	19
Special Tolerance (FS)	≥600 ~ <1200	8	6	5
	≥1200 ~ <1500	9	8	6
	≥1500	12	10	9

Squareness: The max. squareness tolerance is 1% of the actual width.

Camber: If the measure length is ≥ 2M, the max. camber tolerance should not exceed 6mm. If the measure length is < 2M, the max. camber tolerance is 0.3% of the actual length.

Hot Galvanized New Products

Hot Galvanized Sheet & Strip

Available Steel Grade, Standard & Function

Type	Grade	Steel Grade	Coat Type	Standard	Function
Cold Forming High Yield-strength Steel	High-strength IF Steel	H180YD	+Z +ZF	Technology Agreement of WISCO or EN 10292-2004	Applicable to manufacturing deep-drawing pieces with complex shapes and high intensity.
		H220YD			
		H260YD			
	Bake-hardening High-strength Steel	H180BD			Applicable to manufacturing external and internal parts of automobiles with a good drawing performance and a high intensity after painting and baking.
		H220BD			
	Phosphorated High-strength Steel	H220PD			Applicable to manufacturing parts with strict requirements in anti-depression, such as car door panels and engine covers etc.
		H260PD			
		H300PD			
		H260LAD			
		H300LAD			
HSLA Steel	H340LAD	For manufacturing various structural pieces and reinforcing parts, such as car seats, and beams etc.			
	H380LAD				
	H420LAD				
Multiphase Steel	Dual-phase Steel	WHT500PD	+Z	Technology Agreement of WISCO	For manufacturing high-strength stampings for automobiles.
		WHT600DPD	+ZF		
	TRIP Steel	HT600TD	+Z	Technology Agreement of WISCO	For manufacturing high energy-absorbing stampings such as vehicle bumpers.
	HT700TD	+ZF			

Product Size

Variety	Nominal Thickness mm	Nominal Width mm	Length mm	Weight t	Coil ID mm	Coil OD mm
Normal Hot-galvanized (Z)	0.5 ~ 2.5	800 ~ 2080	1000 ~ 4000	Sheet: 2 ~ 10 Coil: ≤38	610 or 508	1000 ~ 2150
Alloyed Hot-galvanized (ZF)	0.5 ~ 2.5	800 ~ 2080	1000 ~ 4000	Sheet: 2 ~ 10 Coil: ≤38	610 or 508	1000 ~ 2150

Galvanized Steel Sheet and Strip Profile

Product Performance

Cold Forming High-tensile Steel

Type	Steel Grade	Mechanical Property						Zinc Coat Adhesion	
		R _{0.02} MPa	R _m MPa	A _{50mm} % min.	r ₉₀ min.	n ₉₀ min.	BH ₁₈₀ MPa min.	Bend Diameter (a = sheet thickness) with following nominal thickness (mm)	
								< 1.5	1.5 ~ 3.0
High-strength IF Steel	H180YD+Z, H180YD+ZF	180 ~ 240	340 ~ 400	34	1.7	0.18	—	0	0
	H220YD+Z, H220YD+ZF	220 ~ 280	340 ~ 410	32	1.5	0.17	—	1a	1a
	H260YD+Z, H260YD+ZF	260 ~ 320	380 ~ 440	30	1.4	0.16	—	2a	2a
Bake-hardening High-strength Steel	H180BD+Z, H180BD+ZF	180 ~ 240	300 ~ 360	34	1.5	0.16	35	0	0
	H220BD+Z, H220BD+ZF	220 ~ 280	340 ~ 400	32	1.2	0.15	35	1a	1a
Phosphorated High-strength Steel	H220PD+Z, H220PD+ZF	220 ~ 280	340 ~ 400	32	1.3	0.15	—	1a	1a
	H260PD+Z, H260PD+ZF	260 ~ 320	380 ~ 440	28	—	—	—	2a	2a
	H300PD+Z, H300PD+ZF	300 ~ 360	400 ~ 480	26	—	—	—	2a	2a
HSLA Steel	H260LAD+Z, H260LAD+ZF	260 ~ 330	350 ~ 430	26	—	—	—	2a	2a
	H300LAD+Z, H300LAD+ZF	300 ~ 380	380 ~ 480	23	—	—	—	2a	3a
	H340LAD+Z, H340LAD+ZF	340 ~ 420	410 ~ 510	21	—	—	—	3a	4a
	H380LAD+Z, H380LAD+ZF	380 ~ 480	440 ~ 560	19	—	—	—	3a	4a
	H420LAD+Z, H420LAD+ZF	420 ~ 520	470 ~ 590	17	—	—	—	3a	4a

Remarks:

1. Get horizontal samples for tensile test, L₀ = 80mm, b = 20mm.
2. Use R_s when yield phenomenon is obvious, otherwise use R_{0.02}.
3. For alloyed hot-galvanize plates, the Elongation is reduced by 2%, n reduced by 0.02, r reduced by 0.2.

Hot Galvanized New Products

Multiphase Steel

Type	Steel Grade	Mechanical Property					Zinc Coat Adhesion
		R _{0.2} MPa	R _m MPa	A _{80mm} % min.	n ₈₀ min.	BH ₁₈₀ MPa min.	Bend Diameter (a = sheet thickness)
Dual Phase Steel	HT500DPD+Z, HT500DPD+ZF	≥290	≥500	24	0.15	30	3a
	HT600DPD+Z, HT600DPD+ZF	330 ~ 410	≥600	21	0.14	30	3a
TRIP Steel	HT600TD+Z, HT600TD+ZF	≥380	≥600	26	0.20	30	3a
	HT700TD+Z, HT700TD+ZF	410 ~ 510	≥700	24	0.19	30	4a

Remarks:

1. Get vertical samples for tensile test: L₀ = 80mm, b=20mm.
2. For alloyed hot galvanize plates, the Elongation can be reduced by 2%, n reduced by 0.2.

Zinc Coat Weight Range

Surface Structure	Coat Grade ⁽¹⁾ (2)	Min. Coat Weight for Both Sides g/m ²		Theoretic Reference for Single-point Coat Thickness of Each Side(μm)		Density g/cm ³
		Three-point Test	Single-point Test	Typical Value ⁽³⁾	Range	
Pure Zinc Coat (Z)	Z100	100	85	7	5 ~ 12	7.1
	Z140	140	120	10	7 ~ 15	
	Z200	200	170	14	10 ~ 20	
	Z225	225	195	16	11 ~ 22	
	Z275	275	235	20	15 ~ 27	
Zinc Ferro Alloy Coat (ZF)	ZF100	100	85	7	5 ~ 12	7.1
	ZF120	120	100	8	6 ~ 13	
	ZF140	140	120	10	7 ~ 15	

Remarks:

- ⁽¹⁾ The zinc coat grade listed in the table3 refers to cold forming low-carbon continuous hot-dip galvanized products. The zinc ferroalloy coat grade for other steel is up to ZF120.
- ⁽²⁾ The coat thickness for each of the both sides with 100g/m² zinc coat is about 7.1μm.
- ⁽³⁾ Increase of other coat-grade needs agreements between both supplier and users.

Galvanized Steel Sheet and Strip Profile

Surface Structure

Surface Structure	Code	Features	Functions
No Spangles	M	Achieve this surface structure by using a special treatment which impacts the solidification process. It will cause very small spangles on the surface and almost invisible to the naked eye in some cases.	For surface with high requirements
Zinc Ferro Alloy	ZF	Achieve this surface structure by using heat treatment which allows the iron spreading to the zinc coat. There will be no spangles. The surface is uniform dark gray and generally matte.	Applicable to further painting

Surface Treatment

Type	Code	Description
Chemical Passivation	C	Chemical passivation can protect the surface from damp and reduce the corrosion during storage and transportation.
Oiling	O	Oil treatment can reduce the risk of surface corrosion in advance and prevent the corrosion during storage and transportation.
Chemical Passivation + Oiling	CO	In order to further avoid the surface corrosion, the product surface is oiled after chemical passivation.
Lacquer Seals	S	The very thin transparent organic coat, each side about 1g/m ² , can provide an additional anti-corrosion protection, especially fingerprint-resistance. It can improve the lubricity during forming and become the bottom adhesion for follow-up coating.
Phosphorization (Roller Coat)	P	Phosphorization gets the surface prepared for further painting and plays a role in lubrication. It also reduces the risk of corrosion during storage and transportation.
Phosphorization + Oiling	PO	It reduces the risk of surface corrosion and can improve the formability of steel plates.

Surface Quality

The galvanized products manufactured by No.2 Cold-rolling Mill of WISCO are with high surface quality, aiming to high-end car panels. The surface quality conforms with enterprise standards and European standards etc. As per European Standards EN10327, EN10292, the surface quality are classified as follows:

Surface Grade	Features
A	It is acceptable for existence of such defects as small zinc granules, spots, scratches, indentations, non-uniform spangles, dark spots, air knife streaks and small passivation spots etc. Stretch straightening stripes, zinc flows and creases are also acceptable.
B	It is acceptable for existence of minor defects in a small area, such as stretch straightening stripes, finishing indentations, slight scratches, spangles, zinc flows and minor passivation spots etc.
C	The controlled side should not impact the uniform appearance of high quality paint coat. The surface quality of the other side should at least achieve grade B.

INSERT COMPANY NAME:Wuhan Iron And Steel Company Limited

Exhibits A-6 Turnover

	Most recent completed financial year		Investigation period:	
	Volume	Value	Volume	Value
Total company turnover (all products)	100.00	100.00	97.86	93.19
Total company turnover (all steel products)	100.00	100.00	98.49	92.61
Domestic market	100.00	100.00	83.44	93.19
All exports	100.00	100.00	97.22	78.90
Turnover of the sector including the goods	100.00	100.00	96.95	93.53
Domestic market	100.00	100.00	100.07	93.65
All exports	100.00	100.00	95.42	92.38
Turnover of the goods	100.00	100.00	96.28	91.77
Domestic market				
All exports	100.00	100.00	89.24	82.23

Note:

1.The figures of "Total company turnover (all products) are for the sales turnover of the whole company including non-steel products such as steams, the volume of which is meaningless.

2.WISCO has no idea about market that its products exported to. All exports are handled by IETC. Therefore, the figures of "all exports" are all sales to IETC.

Working sheet

	2011.00		Jan-Jun 2011		Jan-Jun 2012		IP	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Total company turnover (all steel products)	100.00	100.00	49.33	50.83	47.19	43.44	97.86	92.61
Turnover of the sector including the goods	100.00	100.00	51.01	52.35	48.22	45.88	97.22	93.53
Turnover of the goods	100.00	100.00	52.48	53.28	47.89	45.04	95.42	91.77
Production line1-sheet	100.00	100.00	30.36	28.21	19.58	18.28	89.22	90.07
Production line1-coil	100.00	100.00	52.58	51.49	44.50	42.22	91.92	90.73
Production line2-sheet	100.00	100.00	43.59	45.57	97.73	92.37	154.13	146.81
Production line2-coil	100.00	100.00	51.54	52.59	47.35	44.38	95.81	91.79
Production line3-sheet								
Production line3-coil	100.00	100.00	55.65	57.14	51.41	48.53	95.76	91.39

INSERT COMPANY NAME:Wuhan Iron And Steel Company Limited

Exhibits G-1.2 PRODUCTION

	Previous financial year Galvanised Steel)	Most recent financial year (Galvanised Steel)	Investigation period (Galvanised Steel): 1 July 2011 -30 June 2012
Production capacity* (tonnes) [A]	100.00	110.77	110.77
Actual production in volume (et tonnes) [B]	100.000	117.769	111.896
Capacity utilisation (%) (B/A x 100)	100.00%	106.32%	101.02%

* Rather than showing a 'name-plate' optimal capacity it is more meaningful to show the maximum level of production that may reasonably be attained under normal operating conditions. For example assuming: normal levels of maintenance and repair; a number of shifts and hours of operation that is not abnormally high; and a typical production mix.

	2010	2011	2011.07	2011.08	2011.09	2011.1	2011.11	2011.12	Sub-total	2012.01	2012.02	2012.03	2012.04	2012.05	2012.06	Sub-total
Production of Galvanized Steel of Factory	100.00	117.77	10.47	9.67	7.71	10.28	9.38	8.72	56.23	9.18	8.78	9.11	8.91	10.42	9.27	55.67