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**馬鞍山鋼鐵股份有限公司**  
**Maanshan Iron & Steel Company Limited**

*(A joint stock limited company incorporated in the People's Republic of China)*

**(Stock Code: 00323)**

## **OVERSEAS REGULATORY ANNOUNCEMENT**

### **ANNOUNCEMENT ON RESOLUTIONS OF THE BOARD OF DIRECTORS**

The Company and members of the board of directors (the "Board") warrant that there are no false representations, misleading statements contained in, or material omissions from, this announcement, and severally and jointly accept full responsibility for the truthfulness, accuracy and completeness of the content of this announcement.

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The twenty-sixth meeting of the seventh session of the Board (the "Meeting") of Maanshan Iron & Steel Company Limited (the "Company") was held at the office building of the Company on 26 March 2013. There were seven Directors eligible for attending the Meeting and seven of them attended the Meeting. Mr. Su Jiangang, Chairman of the Company, presided over the Meeting. The following resolutions were considered and approved unanimously at the Meeting:

1. The audited financial statements of the Company for year 2012 were considered and approved.
2. The after-tax profit distribution plan of the Company for year 2012 was considered and approved.

As audited by Ernst & Young Hua Ming (Special General Partnership), for the year 2012, the Company's net loss amounted to RMB4,086 million under PRC Accounting Standards. Due to the loss of the Company, the Board did not recommend the payment of the cash dividend for 2012 in accordance with PRC laws and regulations, and the articles of association of the Company, while no capital reserve fund will be transferred to share capital.

3. The Work Report of the Board for year 2012 was considered and approved.

4. The resolution on changes in provisions for price decreases in inventory, bad debts and impairment of long-term equity investments, and on retirement of fixed assets was approved.

A write-off of RMB571.523 million was approved for the price decreases in inventory raw materials, semi-products and finished products. Provisions in the amount of RMB286.70 million were made for price decreases in inventory of raw materials as well as semi-products and finished products.

A write-off of RMB496,900 was approved for the provision of price decreases in spare parts.

Provisions in the amount of RMB332.782 million were approved for bad debts.

Provisions in the amount of RMB330 million were approved for impairment of long-term equity investments.

Disposal of certain fixed assets was approved, having an effect of a net non-operating income of RMB10.67 million.

5. In accordance with the authorisation granted by the annual general meeting held on 6 June 2012 and upon review and confirmation by the Audit Committee which comprised independent directors, the Board of Directors decided to pay Ernst & Young Hua Ming (Special General Partnership) a fee of annual audit service fee and the agreed programme fee for the implementation of the interim financial report, which aggregated RMB4.785 million for 2012. Of this fee, the annual audit fee amounted to RMB4.2 million (including an internal control audit fee of RMB600,000), and the agreed programme fee amounted to RMB585,000 for the implementation of the interim financial report. The accommodation expenses of the accounting firm's audit staff during their period of work at the Company were borne by the Company.
6. Suggest the re-appointment of Ernst & Young Hua Ming (Special General Partnership) as the auditor of the Company for year 2013, and the grant of authorisation to the Board to determine its remuneration based on its work in 2013.
7. In view of the results of the remuneration appraisals of respective Directors and Senior Management for year 2012 by the Remuneration Committee of the Board, the remunerations for Directors and Senior Management for year 2012 were approved.
8. The full text and the summary of the Company's 2012 Annual Report were considered and approved.

9. The Self-assessment Report on Internal Control of the Company for year 2012 was considered and approved.
10. The Social Responsibility Report of the Company for year 2012 was considered and approved.

The above-mentioned resolutions 1, 2, 3, and 6 will be submitted to the annual general meeting for consideration.

The voting results on the above resolutions were all as follows: 7 voted in favour, 0 voted against and 0 abstained from voting.

*The Board*  
**Maanshan Iron & Steel Company Limited**

26 March 2013  
Maanshan City, Anhui Province, the PRC

*As at the date of this announcement, the directors of the Company include:*

*Executive Directors: Su Jiangang, Qian Haifan, Ren Tianbao*

*Non-executive Director: Su Shihuai*

*Independent Non-executive Directors: Qin Tongzhou, Yang Yada, Liu Fangduan*