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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 RECEIPT OF PRIOR NOTICE OF HEARING FOR ENVIRONMENT PROTECTION ADMINISTRATIVE PENALTY BY A SUBSIDIARY

The board of directors (the “**Board**”) of Maanshan Iron & Steel Company Limited (the “**Company**”) and members of 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.

Ma Steel (Hefei) Iron & Steel Co., Ltd. (“**Hefei Co.**”), a subsidiary of Maanshan Iron & Steel Company Limited (the “**Company**”), received on 21 December 2013 “Prior Notice of Hearing for Administrative Penalty” issued by the Hefei Environmental Protection Bureau to the effect that a fine of RMB50,000 was imposed on Hefei Co. for causing environmental pollution from the emission of dust and other pollutants into the atmosphere as a result of the failure to take effective measures for the prevention and control of pollution, and that Hefei Co. was called on to cease such act immediately.

Having learned of the situation, the Company has immediately urged Hefei Co. to make rectification by taking effective pollution preventive and control measures as practical as possible to expedite the construction of plant fume dedusting system and to step up investment in the removal of dust from the tap hole of the blast furnace to make sure emissions meet the standards, and at the same time to increase the frequency of sprinkling water on the roads and in the yards and take measures to sprinkle water on bulk materials. The Company has also called on Hefei Co. to ensure that all environmental facilities are in normal operation. Once a failure occurs, Hefei Co. shall immediately carry out an overhaul to make sure these facilities and the production equipment are operating effectively at the same time. Moreover, at the invitation of the Company, the relevant environmental design and

construction companies have assigned some experts to Hefei Co. on 22 December to systematically investigate into the problems and the improvement measures for the environmental work of Hefei Co.

Hefei Co. is currently carrying out production while firmly focusing on rectification and strengthening pollution preventive and control measures. The Company will make an announcement in a timely manner in case any discloseable events occur subsequently.

Note: The Company owns a 71% equity interest in Hefei Co. Hefei Co. which produced 1.4 million tonnes of pig iron, 1.47 million tonnes of steel and 1.48 million tonnes of steel products between January and November 2013, accounting for 8.40%, 8.58% and 8.98% of the Company's total output respectively. Operating income amounted to RMB3.923 billion between the first and the third quarters of 2013, representing 6.96% of the Company's income in the consolidated statements.

The Board

Maanshan Iron & Steel Company Limited

24 December 2013

Maanshan City, Anhui Province, the PRC

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

Executive Directors: Ding Yi, Qian Haifan, Ren Tianbao

Non-executive Director: Su Shihuai

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