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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

Maanshan Iron & Steel Company Limited (“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 twelfth meeting of the eighth session of the Board (the “Meeting”) of Maanshan Iron & Steel Company Limited was held at the office building of the Company on 25 August 2015. There were seven directors eligible for attending the Meeting, and six of them attended the Meeting. Mr. Qin Tongzhou, independent director of the Company, had appointed Mr. Liu Fangduan, independent director of the Company, to attend the Meeting on his behalf and exercise his voting right according to his decision. Mr. Ding Yi, Chairman of the Board, presided over the Meeting. The following resolutions were considered and approved at the Meeting:

1. The resolution on the change in the provisions for price decreases in inventories for the second quarter of 2015 was approved.

A write-off of RMB107.9898 million was approved for the provision made for price decreases in inventories of raw materials, semi-finished products and finished products.

A provision of RMB195.9304 million was approved for price decreases in inventories of raw materials, semi-finished products and finished products.

2. The unaudited 2015 interim financial report, and the full text and the summary of the interim report of the Company were approved.

3. Mr. Gao Haichao was appointed standing deputy general manager of the Company, as nominated by Mr. Qian Haifan, general manager of the Company.
4. Ma Steel (Hefei) Iron & Steel Co., Ltd. (“Ma Steel (Hefei)”) was approved to transfer its entire equity interest in Ma Steel (Hefei) Steel Plates Co., Ltd. (“Hefei Steel Plates”) to its shareholders, among which 71% of the equity interest will be transferred to the Company and 29% of the equity interest will be transferred to Hefei Industrial Investment Holding Limited (“Hefei Industrial Investment”).

The shareholding structure of Ma Steel (Hefei) is as follows: the Company holds 71% equity interest and Hefei Industrial Investment holds 29% equity interest. Hefei Steel Plates has a registered capital of RMB2 billion and is a wholly owned subsidiary of Ma Steel (Hefei).

Hefei Steel Plates was valued at RMB1,798,172,400 as at the valuation day on 30 June 2015. With the valuation as a basis of the consideration for the equity transfer, the consideration for 71% and 29% of the equity interest would be RMB1,276,702,400 and RMB 521,470,000, respectively. The profit or loss of Hefei Steel Plates recorded for the period between 1 July 2015 and the day of equity transfer would be attributable to the original shareholders.

5. The acquisition of 71% equity interest in Hefei Steel Plates was approved.

Hefei Steel Plates has a registered capital of RMB2 billion and is a wholly owned subsidiary of Ma Steel (Hefei). The shareholding structure of Ma Steel (Hefei) is as follows: the Company holds 71% equity interest and Hefei Industrial Investment holds 29% equity interest.

Since Ma Steel (Hefei) will close the metallurgy operation for business transformation by the end of 2016, the Company resolved to acquire 71% equity interest in Hefei Steel Plates indirectly held by the Company. The acquisition would facilitate the integration development of the extended industrial chain of the Company’s iron and steel operation, create greater synergies, and could shorten the management chain, streamline the management hierarchy and enhance the management efficiency.

As at 30 June 2015, Hefei Steel Plates’ total assets were RMB3,373.17 million, net assets were RMB1,738 million, and the appraised values were RMB1,798.1724 million. The Company and Hefei Industrial Investment would take the valuation as the basis of the consideration for the equity acquisition and acquire 71% and 29% of its equity interests, respectively. The corresponding consideration for the Company’s acquisition of equity

interest would be RMB1,276,702,400. The profit or loss of Hefei Steel Plates for the period between 1 July 2015 and the day of equity disposal would be attributable to the original shareholders.

Upon completion of the acquisition, Hefei Steel Plates would cease to be a second-tier subsidiary of the Company and would become the Company's directly owned subsidiary. The shareholding structure of Hefei Steel Plates would remain unchanged with the Company holding 71% of its equity interest and Hefei Industrial Investment holding 29% of its equity interest.

6. Capital reduction of Ma Steel (Hefei) was approved.

Since Ma Steel (Hefei) had transferred its equity interest in Hefei Steel Plates to the Company and Hefei Industrial Investment, the Company resolved to reduce the registered share capital of Ma Steel (Hefei).

Ma Steel (Hefei) has a registered capital of RMB2.5 billion. The Company and Hefei Industrial Investment would reduce their share capital in Ma Steel (Hefei) on a pro-rata basis according to their shareholdings by 70% each. Upon completion of capital reduction, the registered share capital of Ma Steel (Hefei) would be RMB750,000,000. Its shareholding structure would remain unchanged with the Company holding 71% of its equity interest and Hefei Industrial Investment holding 29% of its equity interest.

7. The acquisition of 100% equity interest in Maanshan Iron & Steel (Hefei) Limited Industrial Water Supply Co., Ltd ("Hefei Water Supply") was approved.

Hefei Water Supply is a wholly-owned subsidiary of Ma Steel (Hefei), and also an ancillary services provider established by Hefei Steel Plates for its business needs and according to relevant franchising policies of the PRC. In order to facilitate the management and create business synergy, the Company resolved to agree with the acquisition of 100% equity interest in Hefei Water Supply by Hefei Steel Plates.

As at 30 June 2015, Hefei Water Supply's total assets were RMB130.52 million, the net assets were RMB42.49 million, and the appraised values were RMB50.4543 million. Hefei Steel Plates would take the above appraised value as the basis of the consideration for the acquisition. The profit or loss of Hefei Water Supply recorded for the period between 1 July 2015 and the day of equity transfer would be attributable to the original shareholders.

8. The revised Internal Control Measures on Connected Transactions was approved.

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

The Board
Maanshan Iron & Steel Company Limited

25 August 2015

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

Non-executive Directors: Su Shihuai, Ren Tianbao

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