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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: 323)

OVERSEAS REGULATORY ANNOUNCEMENT

ANNOUNCEMENT IN RESPECT TO THE PROVISION OF GUARANTEE BY MAANSHAN IRON & STEEL COMPANY LIMITED TO ITS WHOLLY-OWNED SUBSIDIARY MG-VALDUNES S.A.S.

The board of directors (the “Board”) of Maanshan Iron & Steel Company Limited (the “Company”) and all directors warrant that there are no false representations and misleading statements contained in, or material omissions from, this announcement, and severally and jointly accept full responsibility for the truthfulness, accuracy and completeness 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.

Important Notice:

- Guaranteed party: MG-Valdunes S.A.S. (hereinafter “Valdunes S.A.S.”).
- Guaranteed amount and actual amount of guarantee provided: The Company provided Valdunes S.A.S. a credit guarantee of RMB80 million. The Company has never provided any guarantees to Valdunes S.A.S. before.
- There has been no provision of counter-guarantees.

- There have been no overdue guarantees provided by the Company and its subsidiaries.

I. Information of the Guarantee

Valdunes S.A.S. is a wholly-owned subsidiary of the Company. On 29 January 2016, the Company convened the eighteenth meeting of the eighth session of the Board, in which the Company was approved to provide Valdunes S.A.S. a credit guarantee of RMB80 million.

II. Information of the Guaranteed Party

Name of the company: MG-Valdunes S.A.S. (MG-VALDUNES)

Registered capital: EUR40.20 million

Registered address: Usine De Valenciennes, Rue Gustave Delory, Trith Saint Leger

Legal representative: Wu Liping

Scope of business: Designing, manufacturing, processing, putting into production, repairing and maintaining of all kinds of products and facilities that are applied in railway transportation, urban transportation and mechanical industry; sales, import and export of various shapes of steel products.

As of 30 September 2015, the total assets, total liabilities and debt ratio of Valdunes S.A.S. amounted to RMB412 million, RMB190 million and 46%, respectively.

III. Major Terms of the Guarantee Agreement

To fulfill the implementation and development of Valdunes S.A.S.'s operating strategies, the Company shall provide a credit guarantee of RMB80 million in relation to the loans of Valdunes S.A.S.

IV. Opinion of the Board

The Board of the Company is of the view that Valdunes S.A.S. is a wholly-owned

subsidiary of the Company, the formulation of its development strategies and daily operation are under the control of the Company and the risk of guarantee is comparatively minimal, and therefore approved the Company to provide a credit guarantee of RMB80 million in relation to the loans of Valdunes S.A.S.

V. The Aggregate Amount of External Guarantees and the Aggregate Amount of Overdue External Guarantees

As of the date of this announcement, the Company and its subsidiaries have already provided the following guarantees: Anhui Chang Jiang Iron & Steel Co., Ltd, the Company's subsidiary, provided guarantees of RMB50 million and RMB100 million to its wholly-owned subsidiaries, Anhui Chang Jiang Iron & Steel Trading Nanjing Co., Ltd and Anhui Chang Jiang Iron & Steel Trading Hefei Co. respectively. There have been no overdue guarantees provided by the Company and its subsidiaries.

VI. Documents available for Inspection

1. Resolutions of the Board
2. Opinion of independent directors

The Board

Maanshan Iron & Steel Company Limited

29 January 2016

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