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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)

ANNOUNCEMENT ON ESTIMATED LOSS IN ANNUAL RESULTS OF 2015

This announcement is made by the board of directors (the “**Board**”) of Maanshan Iron & Steel Company Limited (the “**Company**”) pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

I. Estimated results during the period

1. Estimated results period: 1 January 2015 to 31 December 2015.
2. Estimated results: based on the preliminary estimates by the finance department, the operating results for the year of 2015 are expected to record a loss. Net loss attributable to equity shareholders of the Company is estimated to be approximately RMB-4,823.53million.
3. The estimated results have not been audited by certified public accountants.

II. Results for the corresponding period of the previous year

1. Net profit attributable to equity shareholders of the Company: RMB 220.62 million
2. Basic earnings per share: RMB 0.0286

III. Main reasons for the estimated loss of the results for this period

In 2015, China's steel industry was affected by overcapacity issue with the oversupply problem intensified, and the price of steel continued to drop significantly. Although the price of iron ore, the major raw material, dropped substantially during the period, its impact was much smaller than the impact of the drop of the steel's price. Despite the Company carried out various measures to improve efficiency and lower costs, it could not eliminate the negative impacts arising from the market. Meanwhile, the Company made the impairment provision for ending inventory, resulting in an increase of the Company's operating loss.

The factors aforementioned led to a substantial loss made by the Company in the year of 2015.

IV. Other matters

The forecasts above are only preliminary estimates. For the detailed and accurate financial

information, please refer to the audited annual report of 2015 to be formally disclosed by the Company.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

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