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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 PROFIT FROM JANUARY TO SEPTEMBER 2016

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 2016 to 30 September 2016.
2. Based on the preliminary estimates by the finance department, the operating results for the first nine months of 2016 are expected to record a turnaround from the corresponding period of the previous year. Net profit attributable to equity shareholders of the Company is estimated to be approximately RMB 757 million.
3. The estimated results have not been audited by certified public accountants.

II. Results for the corresponding period of the previous year

1. Net loss attributable to equity shareholders of the Company: RMB 2,575.38 million.
2. Basic loss per share: RMB 0.334.

III. Main reasons for the estimated profit of the results for the period

In the period from January to September 2016, net profit attributable to equity shareholders of the Company is expected to turn from loss to profit compared to the corresponding period of the previous year, mainly because the Company endeavored to actively seek and seize opportunities to promote sales and optimize product mix amid the competitive steel market, and built effective supply chain system, which promoted purchase costs lowering, and the Company spared no efforts to enhance the product profitability by strengthening the exploration in steel market and raw material market. Moreover, based on the principle of performance excellence management, the Company vigorously adjusted its product structure, looked into the potential to increase cost efficiency, enhanced the level of lean operation, the Company achieved significant improvement in operation efficiency comparing to the corresponding period of the previous year against the background of cutting capacity .

IV. Other matters

The forecasts above are only preliminary estimates. For the detailed and accurate financial information, please refer to the third quarterly report of 2016 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

11 October 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