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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

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 twenty-sixth meeting (the “**Meeting**”) of the eighth session of the board of directors (the “**Board**”) of Maanshan Iron & Steel Company Limited (the “**Company**”) was held at the office building of the Company on 29 March 2017. There were seven directors eligible for attending the Meeting and seven of them attended it. Mr. Ding Yi, Chairman of the Company, presided over the Meeting. The following resolutions were considered and approved at the Meeting:

1. The resolution on changes in provisions for price decreases in inventories in the fourth quarter of 2016, changes in provisions for bad debts and the disposals of fixed assets was approved.

A write-off of RMB148.9453 million was approved for the provision of the price decreases in inventories of raw materials, semi-products and finished products. Provisions in the amount of RMB113.5277 million were made for price decreases in inventories of raw materials as well as semi-products and finished products.

A write-off of RMB370,000 was approved for the provision of price decreases in spare parts.

A provision of RMB2.68 million was approved for bad debts of receivables.

A retirement of fixed assets which have no utility value was approved, the original value of the fixed assets was RMB210.80 million, the net value was RMB45.60 million. A write-off of RMB36.28 million was approved for closing down 2 blast furnaces and 2 converters according to China's Industrial Overcapacity and Capacity Reduction.

2. The resolution regarding the changes to accounting policies was approved.
3. The audited financial statements of the Company for 2016.

4. The after-tax profit distribution plan of the Company for 2016.
As audited by Ernst & Young Hua Ming (LLP), for the year of 2016, the Company's net profit amounted to RMB1,363 million under the PRC Accounting Standards. Taking into account the undistributed profit for at the beginning of 2016 amounted to RMB-1,489 million, the profit available for distribution to shareholders at the end of 2016 amounted to RMB-126 million. As the Company's profit available for distribution to the shareholders was negative at the end of 2016, the Board suggests that no dividends shall be distributed for the year of 2016 and no capital surplus shall be transferred to share capital.
5. The Work Report of the Board for 2016.
6. In accordance with the authorisation granted at the 2015 annual general meeting and upon the review and confirmation by the Audit Committee which is comprised of independent directors, the Board has decided to pay Ernst & Young Hua Ming (LLP) the annual fee of RMB5.185 million for 2016, including the annual audit fee of RMB4.60 million (including an internal control audit fee of RMB600,000), and the fee for executing the agreed procedures for interim financial report of RMB585,000.
7. Proposal to re-appoint Ernst & Young Hua Ming (LLP) as the auditor of the Company for the year of 2017 at general meeting, and to authorize the Board to determine its remuneration.
8. In accordance with the authorisation granted at the general meeting and in view of the opinion on the remuneration appraisals of respective directors and senior management for 2016 by the Remuneration Committee of the Board, the remunerations for directors and senior management for 2016 were approved.
9. The full text and the summary of the Company's 2016 Annual Report.
10. The Assessment Report on Internal Control of the Company for the year of 2016 was approved, and the Chairman was authorized to sign it.
11. The Social Responsibility Report of the Company for the year of 2016 was approved, and the Chairman was authorized to sign it.
12. The amendments to the Administrative Measures of Outward Investments of Maanshan Iron & Steel Company Limited were approved.

The above-mentioned resolutions 3, 4, 5, and 7 will be submitted to the annual general meeting for consideration.

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

The Board
Maanshan Iron & Steel Company Limited

29 March 2017

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