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(A joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 00323)

ANNOUNCEMENT ON ESTIMATED GROWTH IN PROFIT IN ANNUAL RESULTS OF 2018

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 2018 to 31 December 2018.
2. Estimated results:
 - 1) Based on a preliminary estimate by the finance department, the net profit attributable to the shareholders of the listed company for the year 2018 is estimated to reach approximately RMB5.917 billion, representing a year-on-year increase of approximately RMB1.788 billion or approximately 43.30%.
 - 2) The net profit excluding non-recurring gains or losses attributable to shareholders of the listed company is estimated to reach approximately RMB5.197 billion, representing a year-on-year increase of approximately RMB1.228 billion or approximately 30.94%.
3. The estimated results have not been audited by certified public accountants.

II. Results for the corresponding period of the previous year

1. The net profit attributable to the shareholders of the listed company: RMB 4.129 billion. The net profit excluding non-recurring gains or losses attributable to shareholders of the listed company: RMB 3.969 billion.
2. Earnings per share: RMB 0.536.

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

1. Impact of principal business

With the new development concept, the Company has actively rolled out its supply side structural reformation plan with “Accelerating the Enhancement of Competitiveness in Innovation” as the focus of works in 2018. With the systematic connection of efficient production and optimization in the division of

our production lines, the overall operation efficiency has further improved, consistently raising the standard of manufacturing. In addition, in order to realize lean procurement and lean marketing, the Company has put more resources on market tracking and research and adjusted the operation strategy in a flexible manner to grasp business opportunities and optimize the customer mix. As a result, the Company maintained stable and efficient production for the whole year and achieved an orderly economic operation, which provided strong support to the operating results and led to a year-on-year growth.

2. Impact of non-recurring gains or losses

The non-recurring profit or loss of the Company attributable to the shareholders of listed company for 2018 is approximately RMB 0.72 billion, which was mainly due to government subsidies, the investment gain from disposal of trading financial assets, the investment gain from disposal of subsidiaries, and gain from disposing of non-current assets, etc.

IV. Risk Disclosure

The Company considers that there is no material uncertainty affecting the accuracy of the estimated results.

V. Other matters

The forecasts above are only preliminary estimates. For the detailed and accurate financial information, please refer to the audited annual report of 2018 to be formally disclosed by the Company. Investors are advised to pay attention to the investment risks.

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

30 January 2019

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, Zhang Wenyang

Non-executive Directors: Ren Tianbao

Independent Non-executive Directors: Zhang Chunxia, Zhu Shaofang, Wang Xianzhu