



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 with limited liability)
(Stock Code: 323)

ANNOUNCEMENT ON RESOLUTIONS OF THE BOARD OF DIRECTORS

The Company and members of the board of directors warrant the truthfulness, accuracy and completeness of the announcement, and jointly accept the responsibility for any false representations, misleading statements contained in, and material omissions from, this announcement.

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The thirteenth meeting of the fifth session of the board of directors (the "Board") (the "Meeting") of Maanshan Iron & Steel Company Limited (the "Company") was held at Magang Guest House on 28 May 2007. There were 10 directors eligible for attending the Meeting and nine of them attended the Meeting. Mr. Hui Leung Wah, a Director, appointed Mr. Wong Chun Wa, a Director, to attend the Meeting and vote on his behalf. Mr. Gu Jianguo, Chairman of the Board, presided over the Meeting. The following resolutions were considered and approved unanimously at the Meeting:

1. The amended "Administrative Rules on Information Disclosure of Maanshan Iron & Steel Company Limited" was considered and approved.
2. The provision of guarantee to Ma Steel International Trade and Economic Corporation ("Ma Steel International Trade Corp."), a wholly-owned subsidiary of the Company, for RMB150,000,000 of tax payment security deposit for imports declaration at the Maanshan Customs, for a term of 3 years, was approved.
3. To ensure that the daily operating needs of Ma Steel International Trade Corp. are satisfied, the provision of guarantees to Ma Steel International Trade Corp. for RMB1,300,000,000 of credit facilities obtained from the Maanshan Branch of Bank of China Limited and RMB500,000,000 of credit facilities obtained from the Maanshan

Branch of Industrial and Commercial Bank of China Limited was approved. The actual guarantee amounts and terms will be determined by the guarantee agreements.

The Company has no overdue external guarantees. Including the above-mentioned guarantees, the total external guarantee amount is approximately RMB3,305,000,000. Save for the RMB14,000,000 guarantees provided to Anhui Masteel K. Wah New Building Materials Co., Ltd., a controlled subsidiary of the Company, all guarantees are provided to wholly-owned subsidiaries of the Company and the total external guarantees represent 16.42% of the Company's net assets in the 2006 consolidated financial statements.

Board of Directors
Maanshan Iron & Steel Company Limited

28 May 2007

Maanshan City, Anhui Province, the PRC

As at the date of this announcement, the directors of the Company include:

Gu Jianguo, Gu Zhanggen, Zhu Changqiu, Zhao Jianming, Su Jianguang, Gao Haijian, Wong Chun Wa, Su Yong*, Hui Leung Wah*, Han Yi**

** Independent Non-executive Directors*

Please also refer to the published version of this announcement in South China Morning Post.