



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 fourteenth meeting of the fifth session of the Board of Directors of Maanshan Iron & Steel Company Limited (the "Company") (the "Meeting") was convened at Magang Guest House on 20 June 2007. There were 10 directors eligible for attending the Meeting and 10 of them attended the Meeting. Mr. Gu Jianguo, Chairman, presided over the Meeting. The following resolution was considered and approved unanimously at the Meeting:

The provision of guarantees to Ma Steel International Trade and Economic Corporation, a wholly-owned subsidiary of the Company, for RMB1,000,000,000 of credit facilities obtained from the Maanshan Branch of Industrial and Commercial Bank of China Limited and RMB1,000,000,000 of credit facilities obtained from the Maanshan Branch of China Construction Bank Limited was approved. The actual guarantee amounts and terms will be determined by the guarantee agreements.

Such guarantees are only provided for loans necessary for the general businesses of ore imports, coke, hot-rolled briquettes, coal, scrap steel, equipment and spare parts; and guarantees of credit facilities for businesses regarding the opening of letters of credit for import, letters of indemnity, financing for bills purchased of import and export, guarantees for taking delivery and bank acceptance. Such guarantees are not applicable for

investments in real estates, stocks, bonds, funds, as well as external investments, provision of guarantees for external parties, provision of loans to external parties, or grants to external parties.

The Company has no overdue external guarantees. Including the above-mentioned guarantees, the total external guarantee amount is approximately RMB5,305,000,000. 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 26.36% of the Company's net assets in the 2006 consolidated financial statements.

Board of Directors  
**Maanshan Iron & Steel Company Limited**

20 June 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.