



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)

PRICE-SENSITIVE INFORMATION

ANNOUNCEMENT ON CHANGES IN

CONCESSIONARY INCOME TAX POLICY

APPLICABLE FOR THE COMPANY

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

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Maanshan Iron & Steel Company Limited (the “Company”) noticed that the media including Shanghai Securities News had published a news report on 5 July 2007 alleging that the State Administration of Taxation had, in its most recent notice (the “Notice”), ordered the relevant local tax authorities to rectify, immediately, any of the expired concessionary policy for the nine companies listed overseas in 1993 which is still applied. The income tax differences for previous years arising from the applicable expired concessionary tax policy shall be treated in accordance with the relevant rules under the Law on the Administration of Tax Collection.

The Company is one of the nine companies listed overseas in 1993. The Company is communicating with the tax authority regarding the matter and is evaluating the possible financial impact on the Company. The Company will issue an announcement in due course when the situation is clarified.

The board of directors advises investors to exercise caution in dealing in the shares of the Company.

Board of Directors
Maanshan Iron & Steel Company Limited

5 July 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 Jiangang, Gao Haijian, Wong Chun Wa, Su Yong*, Hui Leung Wah*, Han Yi**

** Independent Non-executive Directors*