



**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)

**OVERSEAS REGULATORY ANNOUNCEMENT**

**ANNOUNCEMENT ON RESOLUTIONS OF  
THE BOARD OF DIRECTORS**

The Company and members of the board of directors (the "Board of Directors") warrant the truthfulness, accuracy and completeness of the announcement, and jointly accept the responsibility for any false representations or misleading statements contained in, or 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 eighteenth meeting of the fifth session of the Board of Directors of Maanshan Iron & Steel Company Limited (the "Company") (the "Meeting") was held at Magang Guest House on 17 April 2008. There were 10 directors eligible for attending the Meeting and 8 of them attended the Meeting. Directors Mr. Hui Zhigang and Mr. Han Yi have appointed directors Mr. Su Jiangang and Mr. Su Yong, respectively, to attend the Meeting and vote on their behalf. Mr. Gu Jianguo, the Chairman, presided over the Meeting. The following resolutions were considered and approved unanimously at the Meeting:

1. The 2007 audited financial statements of the Company were considered and approved.
2. The 2007 after-tax profit distribution plan was considered and approved.

As audited by the domestic and international auditors, for the year starting from 1 January 2007 and ending at 31 December 2007, the Company's profit after tax for 2007 amounted to RMB2,131.899 million under PRC Accounting Standards and RMB2,016.357 million under Hong Kong Accounting Standards. In accordance with the articles of association of the Company, after appropriating 10% (RMB213.19 million) as the Company's statutory reserves, together with the retained profit as at the beginning of 2007 and minuses the 2006 cash dividend distribution in the amount of RMB839.189 million, the total profit attributable to shareholders as at the end of 2007 amounted to RMB6,681.426 million under PRC Accounting Standards and RMB6,513.144 million under Hong Kong Accounting Standards.

In accordance with the articles of association of the Company, the Company distributed after-tax profits based on the lower of the profit amounts reported in the two financial statements respectively under PRC Accounting Standards and Hong Kong Accounting Standards. As a result, profit attributable to shareholders for year 2007 should be RMB6,513.144 million. To facilitate sustained and steady development for the Company, a cash dividend of RMB0.13 per share was recommended for year 2007, resulting in a total dividend payment of RMB878,611,723.08. The remaining amount of profit not appropriated will be carried forward to year 2008. The Company does not consider any increase in share capital through capital reserves conversion for 2007.

3. The 2007 Report of the Directors was considered and approved.
4. The resolution on the changes in fixed asset disposals, bad debt write-off and impairment provisions for assets was considered and approved.
5. As stipulated by Cai Hui [2007] Document No.14 “Interpretation No.1 to the Accounting Standards for Business Enterprises” promulgated by the Ministry of Finance on 16 November 2007, the following adjustments to the relevant items in the balance sheet as at the beginning of 2007 disclosed in the previous financial report were approved:

Unit: RMB

Name of item	Amount as at the beginning of 2007 disclosed in the previous financial report	Amount as at the beginning of 2007 disclosed in the 2007 annual report	Adjusted amount
Retained profits as at the beginning of the reporting period	5,715,312,635	5,918,872,526	203,559,891
Capital reserves	6,039,008,494	5,450,438,794	-588,569,700

6. “The Annual Report Work System for the Independent Directors of Maanshan Iron & Steel Company Limited” was considered and approved.
7. “The Annual Report Work Rules for the Audit Committee of the Board of Directors of Maanshan Iron & Steel Company Limited” was considered and approved.

8. In accordance with the authorisation granted by the annual general meeting held on 12 June 2007 as well as the review and confirmation by the Audit Committee which comprised independent directors, the Board of Directors decided to pay a fee aggregating RMB5.75 million to Ernst & Young and Ernst & Young Hua Ming for their annual audit and interim review work for year 2007, whereby the Company is responsible for accommodation expenses during the period of the audit and review work on the Company.
9. The resolution on the re-appointment of Ernst & Young and Ernst & Young Hua Ming as the international and the PRC auditors of the Company for year 2008 was reviewed and approved and the Board of Directors was authorised to determine their respective remunerations.
10. In view of the results of appraisal on respective directors and senior management for year 2007 by the Remuneration Committee of the Board of Directors, the remunerations for directors and senior management for year 2007 were approved.
11. The full text of the 2007 annual report and its summary were considered and approved.

The above resolutions 1, 2, 3, and 9 will be submitted to the annual general meeting for approval.

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

17 April 2008  
Maanshan City, Anhui Province, the PRC

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

*Gu Jianguo, Gu Zhanggen, Su Jiangang, Zhao Jianming, Gao Haijian, Hui Zhigang, Wong Chun Wa\*, Su Yong\*, Hui Leung Wah\*, Han Yi\**

*\* Independent Non-executive Directors*