



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)*

(Stock Code: 323)

## **Clarification Announcement**

The board of directors of the Company (the “Board of Directors”) and all directors warrant that there are no false representations or misleading statements contained in, or material omissions from, this announcement, and jointly and severally accept full responsibility for the truthfulness, accuracy and completeness of this announcement.

Maanshan Iron & Steel Company Limited (the “Company” or “Magang”) noticed a news article entitled “Assistant to the General Manager of Magang was Required to Address the Problem at Stipulated Venue and Time” (《馬鋼總經理助理被“雙規”》) (the “Article”) published in “21st Century Business Herald” (《21世紀經濟報道》). Li Shengli, who was mentioned in the Article, was an assistant to both the general managers of the Company and Magang (Group) Holding Company Limited (the “Holding”). Li is a cadre member of the middle management of the Company. Our understanding is that Li Shengli was under investigation by the prosecuting authority due to financial problems.

The Company has reviewed the Article thoroughly. Part of the content does not concur with facts, including the statements “All middle-senior management members of the Holding went through inquiries by the Disciplinary Commission”; “Li was the manager of International Trading Company under the Holding”; and “Under the management of Li, the entire supply of lubricating oil for the Holding’s machinery use was contracted by Magang to a female contractor in Hong Kong”. The Company is making a complaint to “21st Century Business Herald” (《21世紀經濟報道》) in respect of the negative impact created to the Company by the Article. The problem related to Li Shengli has no material impact to the production operation of the Company; and various operations of the Company are running normally.

By order of the Board of Directors  
**Gao Haijian**  
*Secretary to the Board of Directors*

26 November 2008  
Maanshan City, Anhui Province, the PRC

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

*Executive Directors: Gu Jianguo, Gu Zhanggen, Su Jiangan, Gao Haijian, Hui Zhigang*

*Non-executive Director: Zhao Jianming*

*Independent Non-executive Directors: Wong Chun Wa, Su Yong, Hui Leung Wah, Han Yi*