



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)

**PRICE - SENSITIVE INFORMATION /  
OVERSEAS REGULATORY ANNOUNCEMENT**

**ANNOUNCEMENT ON THE 2008 EXERCISE RESULTS OF  
MAGANG CWB1 WARRANTS**

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.

This announcement is made pursuant to Rules 13.09(1) and (2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Maanshan Iron & Steel Company Limited (“Magang Company” or the “Company”) published the “Special Indicative Announcement on the Last Date of Trading of 馬鋼CWB1 Warrants (“Magang CWB1 Warrants”) of Maanshan Iron & Steel Company Limited” in Shanghai Securities News on 28 October 2008 and published the “Special Indicative Announcement on the 2008 Exercise of Magang CWB1 Warrants of Maanshan Iron & Steel Company Limited” in Shanghai Securities News on 4 November 2008. In addition, continuous information reminders were made from 4 November 2008 to 14 November 2008. From 17 November 2008 to 28 November 2008, the 2008 exercise of Magang CWB1 Warrants took place and this was the second exercise of Magang CWB1 Warrants. Starting from 3 December 2008, Magang CWB1 Warrants will cease to be listed on the Shanghai Stock Exchange and will be delisted.

Details of the 2008 exercise results of Magang CWB1 Warrants and the resulting share movements upon the implementation of the exercise are hereby announced as follows:

**1. REASON(S) FOR THE SHARE MOVEMENTS**

Magang Company issued RMB5,500 million of bonds with warrants (the “Bonds with Warrants”, each unit bearing a nominal value of RMB100 and each board lot comprises 10 units) at the Shanghai Stock Exchange on 13 November 2006. Holders of the Bonds with Warrants were distributed with 230 warrants for each board lot of Bonds with Warrants of Magang Company. The aforementioned warrants, totalling 1,265 million units, were listed and traded on the Shanghai Stock Exchange on 29 November 2006 under the abbreviation of “Magang CWB1” (trading code: 580010). From 15 November 2007 to 28 November 2007, the first exercise of Magang CWB1 Warrants took place, and a total of 303,251,716 Magang CWB1 Warrants were successfully exercised.

From 17 November 2008 to 28 November 2008, the second exercise of Magang CWB1 Warrants took place. As at 28 November 2008, a total of 942,129,470 Magang CWB1 Warrants were successfully exercised, resulting in movements in the Company's shares.

## 2. DETAILS OF THE SHARE MOVEMENTS

Details of the movements in the Company's shares upon completion of the 2008 exercise of Magang CWB1 Warrants are as follows:

	Prior to the current movements		Current movements Increase / decrease (+/-)(shares)	After the current movements	
	Quantity (shares)	Percentage (%)		Quantity (shares)	Percentage (%)
<b>I. Shares subject to selling restrictions</b>					
1. State-owned shares	3,830,560,000	56.68		3,830,560,000	49.743
2. State-owned legal person shares	–	–			
3. Other domestic shares Including:					
Shares owned by domestic legal persons	–	–			
Shares owned by domestic natural persons	–	–			
4. Foreign-owned shares Including:					
Shares owned by foreign legal persons	–	–			
Shares owned by foreign natural persons	–	–			
<b>II. Shares not subject to selling restrictions</b>					
1. RMB-denominated ordinary shares	1,195,061,716	17.68	+942,129,470	2,137,191,186	27.753
2. Domestic listed foreign shares	–	–			
3. Foreign listed foreign shares	1,732,930,000	25.64		1,732,930,000	22.504
4. Others	–	–			
<b>Total number of shares</b>	<b>6,758,551,716</b>	<b>100.00</b>	<b>+942,129,470</b>	<b>7,700,681,186</b>	<b>100.00</b>

Note: Subsequent to the above-said share movements, the RMB-denominated ordinary shares that are not subject to selling restrictions include 52,857,851 A shares of the Company acquired via purchasing stocks from the secondary market by Magang (Group) Holding Company Limited (the "Holding"), the controlling shareholder of the Company. The Holding undertakes that it will not sell the shares of the Company it held during the implementation of the Continuous Acquisition Plan and during the statutory period.

### 3. DETAILS OF SHARE TRANSFERS PURSUANT TO THE SHARE MOVEMENTS

Upon the 2008 exercise of Magang CWB1 Warrants, all additional shares of the holders have been registered with China Securities Depository & Clearing Corp. Ltd. Shanghai Branch.

By Order of the Board  
Gao Haijian  
*Secretary to the Board*

1 December 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 Jiangang, Gao Haijian, Hui Zhigang*

*Non-executive Director: Zhao Jianming*

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