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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)

OVERSEAS REGULATORY ANNOUNCEMENT

ANNOUNCEMENT ON THE CONTINUED PROVISION OF GUARANTEES BY MAANSHAN IRON & STEEL COMPANY LIMITED TO MA STEEL INTERNATIONAL TRADE AND ECONOMICS CORPORATION, ITS WHOLLY-OWNED SUBSIDIARY

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

Important notice regarding the content:

- The guaranteed parties: Ma Steel International Trade and Economics Corporation
- The aggregate guarantee amount: RMB3,800 million
- Provision of counter-guarantee: Nil
- The aggregate amount of external guarantees: RMB3,814 million
- The aggregate amount of overdue external guarantees: Nil

I. Information of the Guarantees

A meeting of the fifth session of the Board of Directors of Maanshan Iron & Steel Company Limited (the "Company") was held on 28 May 2007. There were 10 directors eligible for attending the meeting and 9 of them attended the meeting. Mr. Hui Leung Wah, Independent Director, appointed Mr Wong Chun Wa, Independent Director, as his proxy to attend the meeting and vote on his behalf.

After consideration, the provisions of guarantees to Ma Steel International Trade and Economics Corporation (“Ma Steel International Trade Corp.”) for RMB1,300 million of credit facilities obtained from the Maanshan Branch of Bank of China Limited and RMB500 million of credit facilities obtained from the Maanshan Branch of Industrial and Commercial Bank of China Limited were unanimously approved by the directors attending the meeting.

Another meeting of the fifth session of the Board of Directors of the Company was held on 20 June 2007. There were 10 directors eligible for attending the meeting and 10 of them attended the meeting. After consideration, the provisions of guarantees to Ma Steel International Trade Corp., for RMB1,000 million of credit facilities obtained from the Maanshan Branch of Industrial and Commercial Bank of China and RMB1,000 million of credit facilities obtained from the Maanshan Branch of China Construction Bank were unanimously approved by the directors attending the meeting.

As at the date of this announcement, the aggregate amount of external guarantees of the Company was RMB3,814 million, which does not exceed 50% of the latest audited net assets of the Company.

As in 2008, the increase of sale and purchase business of Ma Steel International Trade Corp. as trading agent for the Company and significant increases in importing ores prices led to substantial liabilities. The assets-liabilities ratio of this company at the end of 2008 exceeded 70%. A meeting of the sixth session of the Board of Directors of the Company was held on 28 April 2009. There were 9 directors eligible for attending the meeting and 8 of them attended the meeting. Mr. Hui Zhigang, Director, appointed Mr. Su Jiangang, Director, as his proxy to attend the meeting and vote on his behalf. After consideration, the directors attending the meeting unanimously approved to continue to provide the guarantees to this company and the same will be submitted to the annual general meeting for approval in accordance with the requirements of the articles of association of the Company.

II. Information of the Guaranteed Party

The Guaranteed Party : Ma Steel International Trade and Economics Corporation

Legal person representative: Lu Kecong

Principal activities : Import of machinery and raw materials and export of steel products

Ma Steel International Trade Corp. is a wholly-owned subsidiary of the Company, with a registered capital of RMB50 million. It is mainly engaged in import of machinery and raw materials and export of steel products. The net loss of this company amounted to RMB130 million in 2008. As at 31 December 2008, the total assets of this company amounted to RMB2,477 million and its net assets amounted to RMB34 million.

III. Major Terms of the Guarantee Agreement

The Company shall provide guarantees in an aggregate of RMB3,800 million against banking facilities for a term of three years. These guarantees are all guarantees with joint and several liabilities. The guarantees are only provided for the specified import items designated by the Company, that were loans needed for the general businesses of importing ores, coke, hot-pressed iron plates, coal, scrap steel, equipment and spare parts; guarantees of credit facilities for businesses regarding the issuing of letters of credit for import, letters of indemnity, financing for bills purchased of import and export, guarantees for taking delivery and bank acceptances; and guarantees for tax payment security deposit regarding imported ores. All the guarantees were not applicable for investments in properties, stocks, bonds, funds, or external investments, provision of guarantees for external parties, provisions of loans to external parties, or grants to external parties.

IV. Opinion of the Board

The Resolution on Continued Provision of Guarantees for Ma Steel International Trade Corp. was considered and agreed by the fifth meeting of the sixth session of the Board of Directors. The Board of Directors was of the view that such guarantees serve to facilitate the production and operation of the Company and meet the reasonable capital needs of Ma Steel International Trade Corp. and it does not damage the interests of the

Company and its shareholders, especially the interests of the small and medium shareholders. It will be submitted to the annual general meeting for approval in accordance with the requirements of the articles of association of the Company.

V. The aggregate amount of external guarantees and the aggregate amount of overdue external guarantees

As at the date of this announcement, the balance of the aggregate external guarantees of the Company was RMB3,814 million and there were no overdue external guarantees. The controlling subsidiaries of the Company have not provided any external guarantees.

VI. Documents available for Inspection

Resolutions of the fifth meeting of the sixth session of the Board of Directors of Maanshan Iron & Steel Company Limited.

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

28 April 2009
Maanshan City, Anhui Province, the PRC

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

Executive Directors: Gu Jianguo, 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