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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)

ANNOUNCEMENT

**ANNOUNCEMENT ON OBTAINING THE CSRC'S
APPROVAL ON WAIVER OF THE CONTROLLING
SHAREHOLDER'S OBLIGATION TO MAKE A GENERAL
OFFER TO ACQUIRE SHARES OF THE COMPANY**

Special Notice:

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.

During the period from 12 September 2008 to 11 September 2009, Magang (Group) Holding Company Limited ("Holding"), the controlling shareholder of Maanshan Iron & Steel Company Limited (the "Company") acquired an aggregate amount of 55,863,927 A shares of the Company via the trading system of the Shanghai Stock Exchange (the "SSE"). The total number of the acquired shares does not exceed 2% of the total share capital of the Company.

On 9 December 2009, the Company received a notice from Holding that Holding has received an approval from the China Securities Regulatory Commission (the "CSRC") in relation to "Magang (Group) Holding Company Limited being granted a waiver of the obligation to make a general offer to acquire shares of Maanshan Iron & Steel Company Limited" (《關於核准豁免馬鋼（集團）控股有限公司要約收購馬鞍山鋼鐵股份有限公司股份義務的批覆》) (Zheng Jian Xu Ke [2009] No. 1285). Pursuant to which, the CSRC approved to waive the obligation of Holding to make a general offer to acquire shares of the Company in connection with its continued acquisition of 55,863,927 A shares of the Company via the trading system of the SSE, which resulted in an aggregate holding of 3,886,423,927 shares of the Company by the Holding, representing 50.47% of the total share capital of the Company.

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

9 December 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