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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: 00323)**

## **ANNOUNCEMENT ON RESOLUTIONS PASSED AT THE 2010 ANNUAL GENERAL MEETING**

The board of directors of the Company (the "Board") 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.

### **Important Notes:**

- No resolutions were voted down or amended at the AGM.
- No new resolutions were submitted for voting at the AGM.

### **A. Convocation and Attendance of the AGM**

The 2010 annual general meeting (the "AGM") of Maanshan Iron & Steel Company Limited (the "Company") was held at the Magang Guest House, No. 2 Xi Yuan Road, Maanshan City, Anhui Province, the PRC at 9:00 a.m. on Wednesday, 15 June 2011. As at the share registration date for the AGM, there were 7,700,681,186 issued shares of the Company in total which were the total shares entitled to attend the AGM and vote for the resolutions at the AGM.

Six shareholders or appointed proxies were present at the AGM, holding a total of 4,391,299,385 shares with valid voting rights and representing 57.02% of the total voting shares entitled to attend the AGM, among which A shares amounted to 3,899,967,428 shares and H shares amounted to 491,331,957 shares, representing 50.64% and 6.38%, respectively, of the total shares of the Company with voting rights. There are no shares which entitled the shareholders to attend the AGM and vote only against relevant resolutions at the AGM.

The AGM was convened by the Board of the Company. Mr. Gu Jianguo, Chairman of the Company, presided over the AGM. Directors Mr. Su Jiangang, Mr. Zhao Jianming, Mr. Gao Haijian and Mr. Hui Zhigang; Chairman of the supervisory committee Mr. Zhang Xiaofeng; supervisors Mr. Fang Jinrong and Mr. Liu Xianli; and senior management staff Mr. Ding Yi and Mr. Su Shihuai were present at the AGM. The convocation, convening and voting at the AGM complied with the provisions of the Company Law of the PRC and the articles of association of the Company (the "Articles of Association").

## **B. Deliberation of the Resolutions**

The following resolutions were considered and approved through voting by open ballot at the AGM:

Ordinary resolutions:

1. The work report of the Board for the year 2010

The total number of shares with valid voting rights on the resolution was 4,391,079,885 shares, among which 3,899,843,928 shares or 88.81% were A Shares; 491,235,957 shares or 11.19% were H Shares. There were 4,390,623,885 shares voted in favour of the resolution, representing 99.99% of the total number of shares with valid voting rights, among which 3,899,843,928 shares or 88.81% were A Shares; 490,779,957 shares or 11.18% were H Shares. The 456,000 shares voted against the resolution were all H shares, representing 0.01% of the total number of shares with valid voting rights.

2. The work report of the supervisory committee for the year 2010

The total number of shares with valid voting rights on the resolution was 4,391,203,385 shares, among which 3,899,967,428 shares or 88.81% were A Shares; 491,235,957 shares or 11.19% were H Shares. There were 4,391,203,385 shares voted in favour of the resolution, representing 100% of the total number of shares with valid voting rights, among which 3,899,967,428 shares or 88.81% were A Shares; 491,235,957 shares or 11.19% were H Shares. There was 0 share voted against the resolution, representing 0% of the total number of shares with valid voting rights.

3. The audited financial statements for the year 2010

The total number of shares with valid voting rights on the resolution was 4,391,203,385 shares, among which 3,899,967,428 shares or 88.81% were A Shares; 491,235,957 shares or 11.19% were H Shares. There were 4,391,203,385 shares voted in favour of the resolution, representing 100% of the total number of shares with valid voting rights, among which 3,899,967,428 shares or 88.81% were A Shares; 491,235,957 shares or 11.19% were H Shares. There was 0 share voted against the resolution, representing 0% of the total number of shares with valid voting rights.

4. The profit distribution plan for the year 2010

As audited by the domestic and international auditors, for year 2010, the Company's after-tax profit amounted to RMB905.72 million under PRC Accounting Standards and RMB902.92 million under Hong Kong Accounting Standards. After appropriating the statutory reserves of 10%, profit available for distribution to the shareholders as at the end of 2010 amounted to RMB7,171.63 million under PRC

Accounting Standards and RMB6,794.37 million under Hong Kong Accounting Standards. In accordance with the Articles of Association, the Company shall distribute after-tax profit for the current year based on the lower of the profit amounts reported in the two financial statements respectively under PRC Accounting Standards and Hong Kong Accounting Standards. With respect to year 2010, the basis should be the profit available for distribution to the shareholders as at the end of 2010 prepared under Hong Kong Accounting Standards. As a result, profit available for distribution to shareholders for year 2010 amounts to RMB6,794.37 million.

Taking into account the future development of the Company and the overall long-term interest of the shareholders, the following recommendation on the profit distribution plan for year 2010 was made: a payment of a cash final dividend of RMB0.05 (tax inclusive) per share for 2010 based on the latest total share capital of 7,700,681,186 shares of the Company. Total dividends will amount to RMB385.03 million (tax inclusive). The retained profit of the Company will be carried forward to year 2011 but no capital reserve fund will be transferred to share capital.

The total number of shares with valid voting rights on the resolution was 4,391,299,385 shares, among which 3,899,967,428 shares or 88.81% were A Shares; 491,331,957 shares or 11.19% were H Shares. There were 4,391,297,085 shares voted in favour of the resolution, representing 99.99995% of the total number of shares with valid voting rights, among which 3,899,965,128 shares or 88.81119% were A Shares; 491,331,957 shares or 11.18876% were H Shares. The 2,300 shares voted against the resolution were all A shares, representing 0.00005% of the total number of shares with valid voting rights.

5. The appointment of Ernst & Young Hua Ming as the Company's auditors for the year 2011, and the authorisation to the Board to determine the remuneration of the auditors based on that in 2010

The total number of shares with valid voting rights on the resolution was 4,391,299,385 shares, among which 3,899,967,428 shares or 88.81% were A Shares; 491,331,957 shares or 11.19% were H Shares. There were 4,391,299,385 shares voted in favour of the resolution, representing 100% of the total number of shares with valid voting rights, among which 3,899,967,428 shares or 88.81% were A Shares; 491,331,957 shares or 11.19% were H Shares. There was 0 share voted against the resolution, representing 0% of the total number of shares with valid voting rights.

6. The Company's "Twelfth Five-year" Development Strategy and Plan

The total number of shares with valid voting rights on the resolution was 4,391,203,385 shares, among which 3,899,967,428 shares or 88.81% were A Shares; 491,235,957 shares or 11.19% were H Shares. There were 4,391,203,385 shares voted in favour of the resolution, representing 100% of the total number of shares with valid voting rights, among which 3,899,967,428 shares or 88.81% were A Shares;

491,235,957 shares or 11.19% were H Shares. There was 0 share voted against the resolution, representing 0% of the total number of shares with valid voting rights.

Special resolutions:

7. The resolution on the issuance of corporate bonds (the AGM has considered and voted on the resolution and Item (1) to Item (9) of the resolution item by item).

- (1) Size of issuance
- (2) Arrangements for placement with the Company's holders of A shares
- (3) Term of bonds
- (4) Use of proceeds
- (5) Venue of listing
- (6) Terms of guarantee
- (7) Validity of the resolution
- (8) Matters authorised to the Board in respect of the Issuance
- (9) Protective measures for paying debts

The total number of shares with valid voting rights on the resolution and Item (1) to Item (9) of the resolution was 4,391,111,385 shares, among which 3,899,967,428 shares or 88.82% were A Shares; 491,143,957 shares or 11.18% were H Shares. There were 4,387,834,185 shares voted in favour of Item (2) of the resolution, representing 99.92537% of the total number of shares with valid voting rights, among which 3,899,965,228 shares or 88.81499% were A Shares; 487,868,957 shares or 11.11038% were H Shares. There were 3,277,200 shares voted against Item (2) of the resolution, representing 0.07463% of the total number of shares with valid voting rights, among which 2,200 shares or 0.00005% were A Shares; 3,275,000 shares or 0.07458% were H Shares. There were 4,387,836,385 shares voted in favour of the resolution and Item (1) and Item (3) to Item (9) of the resolution, representing 99.93% of the total number of shares with valid voting rights, among which 3,899,967,428 shares or 88.82% were A Shares and 487,868,957 shares or 11.11% were H Shares for every ballot. The 3,275,000 shares voted against the resolution and Item (1) and Item (3) to Item (9) of the resolution were all H shares, representing 0.07% of the total number of shares with valid voting rights.

8. The amendments to the Articles of Association of the Company and its appendix "Rules of Procedures for General Meeting", and the proposal to the AGM to authorise the Board to make appropriate modifications to the wordings of the amendments to the Articles of Association pursuant to the requirements of the relevant authorities and to carry out other related matters.

The total number of shares with valid voting rights on the resolution was 4,391,203,385 shares, among which 3,899,967,428 shares or 88.81% were A Shares; 491,235,957 shares or 11.19% were H Shares. There were 4,391,203,385 shares voted in favour of the resolution, representing 100% of the total number of shares with valid voting rights, among which 3,899,967,428 shares or 88.81% were A Shares; 491,235,957 shares or 11.19% were H Shares. There was 0 share voted against the resolution, representing 0% of the total number of shares with valid voting rights.

### **C. Independent Directors Reported on their Work**

Independent directors, namely Mr. Wong Chun Wa, Mr. Su Yong, Mr. Hui Leung Wah and Mr. Han Yi, submitted work reports in written form to the AGM and explained their exercise of duties in 2010.

### **D. Details on the Distribution of 2010 Cash Dividends for H Shares**

1. The AGM approved that the Company shall pay shareholders a cash dividend of RMB0.05 (tax inclusive) per share for 2010. Pursuant to the regulations of “Enterprise Income Tax Law of the People’s Republic of China” and detailed rules for its implementation, any Chinese domestic enterprise which pays dividend to a non-resident enterprise shareholder in respect of accounting periods beginning from 1 January 2008 shall withhold and pay enterprise income tax for such shareholder. The withholding and payment obligation lies with the payer. The Company will strictly adhere to the H-share register of members of the Company (the “Register of Members”) as at the share registration date for the distribution of dividends for H shares, and will distribute dividends after withholding 10% income tax to all shareholders who are registered as non-individuals on the Register of Members, while the 10% income tax will not be withheld to any natural person shareholders whose names appear on the Register of Members.
2. Pursuant to the provisions of the Articles of Association, the Company distributes dividends to its shareholders in Renminbi (“RMB”). Dividends for A shares are paid in RMB while dividends for H shares are paid in Hong Kong dollars (“HKD”). The formula for the conversion between RMB and HKD is: converted price of dividend = dividends in RMB / average of the median exchange rates of one HKD against RMB announced by the People’s Bank of China during five working days prior to the date of declaring dividends.

With respect to the current dividend distribution, the average of the median exchange rates of one HKD against RMB announced by the People’s Bank of China during five working days prior to the date of declaring dividends, i.e. 15 June 2011, is HKD1 against RMB0.83315. Accordingly, the dividend per share that H-share shareholders of the Company are entitled to is HKD0.06001 before tax, or HKD0.05401 after tax.

3. Pursuant to the relevant provisions of the Articles of Association, the Company has appointed the Bank of China (Hong Kong) Trustees Limited as the receiving agent for H-share shareholders. Cheques for H-share dividends will be issued by the receiving agent and sent to all H-share shareholders by ordinary mail on 18 July 2011.
4. A-share shareholders are reminded that the specific matter regarding the distribution of dividends to the A-share shareholders will be published in a separate announcement.

#### **E. Attestation**

Ascenda Certified Public Accountants was appointed as the scrutineer for the vote-taking at the AGM. Li Pengfei, representative from the Company's domestic law firm, Beijing Zhonglun Law Firm, Shanghai Office, attended the AGM and expressed legal opinions as follows:

1. The convening and convocation procedures of the AGM were in accordance with the relevant laws and regulations and the Articles of Association.
2. The qualifications of the attendees at the AGM were lawful and valid.
3. The voting procedures of the AGM were lawful and valid.

#### **F. Documents Available for Inspection**

1. Resolutions of the AGM
2. Legal opinions

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

15 June 2011  
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*