

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 RESOLUTIONS OF THE BOARD OF DIRECTORS

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 rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The fourth meeting of the sixth session of the Board of Directors of Maanshan Iron & Steel Company Limited (the “Company”) (the “Meeting”) was held at Magang Guest House on 15 April 2009. There were 9 directors eligible for attending the Meeting and 9 of them attended the Meeting. Mr. Gu Jianguo, the Chairman of the Company, presided over the Meeting. The following resolutions were considered and approved unanimously at the Meeting:

1. The audited financial statements of the Company for year 2008 were considered and approved.
2. The after-tax profit distribution plan for year 2008 was considered and approved.

As audited by the domestic and international auditors, for the year starting from 1 January 2008 and ending at 31 December 2008, the Company’s net profit amounted to RMB866.69 million under PRC Accounting Standards and RMB735.29 million under Hong Kong Accounting Standards. In accordance with the articles of association of the Company, after appropriating 10% as the Company’s statutory reserves, together with the retained profit as at the beginning of 2008 and minuses the 2007 cash dividend

distribution in the amount of RMB878.6117 million, profit available for distribution to shareholders as at the end of 2008 amounted to RMB6,582.836 million under PRC Accounting Standards and RMB6,283.153 million under Hong Kong Accounting Standards.

In accordance with the articles of association of the Company, the Company distributed after-tax profits based on the lower of the profit amounts reported in the two financial statements respectively under PRC Accounting Standards and Hong Kong Accounting Standards. As a result, profit available for distribution to shareholders for year 2008 should be RMB6,283.153 million. Given the current economic circumstance and the severe excess of production capacity in the iron and steel industry, the Company is facing great challenges in its production and operation. As such, in order to assure the Company's normal operation and continuous development, the Board of Directors did not recommend the payment of cash dividend for 2008 and no capital reserve fund will be transferred to share capital. The retained profit of the Company will be carried forward to year 2009 and used for expenses in production and operation.

3. The Work Report of the Board of Directors for year 2008 was considered and approved.
4. The resolution on the disposals of fixed assets was considered and approved.

Disposal of disposed facilities and assets such as pipelines, buildings and structures that were removed due to construction of new projects as well as vehicles that could not be repaired for re-use was approved. The original value of fixed assets was RMB153.665 million while the net value was RMB16.736 million. Excluding the disposal income of assets of RMB15.239 million, net loss of RMB1.497 million was accounted for in the income statement.

5. The resolution on changes in provision for price decrease of inventories was considered and approved.

Provisions for price decreases of raw materials, work-in-progress, finished goods and spare parts in the amount of RMB1,664.5038 million were approved; write-offs of impairment provisions of disposed parts and components in the amount of RMB43.771 million were approved; and write-backs of impairment provisions of parts and components in the amount of RMB78.537 million were approved.

6. In accordance with the authorisation granted by the annual general meeting held on 17 June 2008 as well as the review and confirmation by the Audit Committee which comprised independent directors, the Board of Directors decided to pay a fee aggregating RMB5.75 million to Ernst & Young and Ernst & Young Hua Ming for their carrying out the 2008 annual audit and interim agreed-upon procedures, whereby the Company is responsible for accommodation expenses during the period for their work on the audit and on the agreed-upon procedures with the Company.
7. The resolution on the re-appointment of Ernst & Young and Ernst & Young Hua Ming as the international and the PRC auditors of the Company for year 2009 was reviewed and approved and the Board of Directors was authorised to determine their respective remunerations based on the situation in 2008.
8. In view of the results of appraisal on respective directors and senior management for year 2008 by the Remuneration Committee of the Board of Directors, the remunerations for directors and senior management for year 2008 were approved.
9. The newly amended “Work Regulations of Annual Report for the Audit Committee of the Board of Directors of Maanshan Iron & Steel Company Limited” was considered and approved.
10. The full text and its summary of the Company’s 2008 annual report were considered and approved.
11. The Self-assessment Report on Internal Control of the Company for year 2008 by the Board of Directors was considered and approved.
12. The Social Responsibility Report of the Company for year 2008 was considered and approved.
13. “Work Regulations for the Nomination Committee of the Board of Directors of Maanshan Iron & Steel Company Limited” was considered and approved.
14. The Special Report on Depositing and Actual Utilisation of Fundraising Proceeds of Maanshan Iron & Steel Company Limited” was considered and approved.

The above resolutions 1, 2, 3, and 7 will be submitted to the annual general meeting for approval.

By Order of the Board
Gao Haijian
Secretary to the Board

15 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