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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 PROVISION OF GUARANTEE BY MAANSHAN IRON & STEEL COMPANY LIMITED TO MAANSHAN IRON & STEEL (HK) LIMITED, ITS WHOLLY-OWNED SUBSIDIARY

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.

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:

- Name of guaranteed party: Maanshan Iron & Steel (HK) Limited
- The guarantee amount and aggregate guarantee amount: the guarantee amount is US\$25 million and the aggregate guarantee amount is US\$55 million (equivalent to approximately RMB375 million).
- Provision of counter-guarantee: Nil
- Aggregate amount of external guarantees: equivalent to RMB4,175 million
- Aggregate amount of overdue external guarantees: 0

I. General Information of the Guarantees

A meeting of the sixth session of the Board of Directors of Maanshan Iron & Steel Company Limited (the "Company") was held on 20 April 2010. Nine directors were eligible for attending the meeting and nine of them attended the meeting. After consideration, the directors attending the meeting unanimously decided to revoke the

provision of a guarantee of US\$8.3 million banking credit facilities, approved at the meeting of the second session of the Board of Directors of the Company held on 29 June 1999, for its wholly-owned subsidiary Maanshan Iron & Steel (HK) Limited (“HKL”) to open letters of credit with the Hongkong and Shanghai Banking Corporation. They unanimously agreed on the provision of a guarantee of US\$25 million banking credit facilities for HKL to open letters of credit with the Hongkong and Shanghai Banking Corporation. The matter is not required to be submitted to the shareholders’ meeting for approval pursuant to the relevant provisions of the articles of association of the Company.

As at the date of this announcement, the Company’s aggregate amount of external guarantees does not exceed 50% of the latest audited net assets of the Company.

II. General Information of the Guaranteed Party

The guaranteed party HKL is a wholly-owned subsidiary of the Company with registered capital of HK\$4.8 million. HKL’s place of incorporation is Hong Kong and its scope of business covers imports and exports, introduction of technology and equipment and other businesses.

As at 31 March 2010, total assets of HKL amounted to approximately HK\$92.12 million, total liabilities amounted to approximately HK\$700,000 and net assets amounted to approximately HK\$91.42 million. The Company’s net profit for January to March 2010 amounted to approximately HK\$1.38 million.

III. Opinion of the Board of Directors

HKL is a wholly-owned subsidiary of the Company with good operation results in the past and a sound current financial position. To provide a guarantee to HKL will facilitate it to further develop its trading business. The Board of Directors has approved to provide HKL with the above-mentioned banking credit facilities guarantee.

IV. The Aggregate Amount of External Guarantees and the Aggregate Amount of Overdue External Guarantees

As at the date of this announcement, the aggregate amount of the external guarantees of the Company was equivalent to RMB4,175 million and there were no overdue external guarantees. The controlling subsidiaries of the Company have not provided any external guarantees.

V. Documents Available for Inspection

1. Resolutions of the fourteenth meeting of the sixth session of the Board of Directors of the Company;
2. Unaudited financial statements of HKL for March 2010; and
3. A copy of the Business Registration Certificate of HKL.

By Order of the Board of Directors

Gao Haijian

Secretary to the Board of Directors

20 April 2010

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