



NATSTEEL LTD
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT

REVISED VOLUNTARY CONDITIONAL CASH OFFER BY STANDARD CHARTERED BANK ("SCB"), FOR AND ON BEHALF OF 98 HOLDINGS PTE. LTD. ("98 HOLDINGS"), TO ACQUIRE ALL THE ISSUED ORDINARY SHARES (THE "SHARES") OF S\$0.50 EACH IN THE CAPITAL OF NATSTEEL LTD

The Board of Directors (the "Board") of NatSteel Ltd ("NatSteel" or the "Company") refers to the letter to shareholders despatched by Standard Chartered Bank ("SCB"), for and on behalf of 98 Holdings on 9 December 2002 proposing to revise the 98 Holdings Offer (the "Revised 98 Holdings Offer") by, *inter alia*, increasing the offer price from S\$2.03 per Share to S\$2.05 per Share.

The Board of Directors hereby announces that the supplemental circular responding to the Revised 98 Holdings Offer (the "Supplemental Circular") has been despatched by or on behalf of the Company containing the advice and recommendation of the independent financial adviser to the independent directors of the Company and the recommendation of the independent directors of the Company on the Revised 98 Holdings Offer.

The Board will continue to keep Shareholders informed as developments warrant. In the meantime, the Shareholders are advised to refrain from taking any action in relation to their shares in the Company which may be prejudicial to their interests.

In particular, Shareholders are advised to refrain from taking any action in relation to their shares in the Company which may be prejudicial to their interests until they or their advisers have considered the information set out in the Supplemental Circular and the recommendations of the Independent Directors as well as the advice of the independent financial adviser.

The Directors of the Company (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate, and that no material facts have been omitted and they jointly and severally accept responsibility accordingly.

Where any information has been extracted from published or otherwise publicly available sources or is otherwise provided by or on behalf of other parties, the sole responsibility of the Directors of the Company has been to ensure that such information has been accurately and correctly extracted from such sources or as the case may be, accurately reflected or reproduced in this announcement.

BY ORDER OF THE BOARD

LIM SU-LING
COMPANY SECRETARY
14 DECEMBER 2002

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