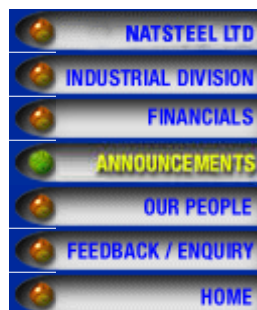




# ANNOUNCEMENTS

28 April 2005



## UPDATE ON THE COMPANY'S BUSINESS STRATEGY REVIEW

In our circular to shareholders dated 25th November 2004, it was stated that the Board of NATSTEEL LTD (the "Company") had appointed a Strategy Review Committee (the "SRC") to review the future business strategy of the Company and the consequential application of the net sale proceeds from the divestment of the Company's steel business to The Tata Iron And Steel Company Limited. It was also stated that Goldman Sachs had been engaged by the Company to assist and advise the SRC in its review.

Goldman Sachs has submitted its preliminary findings to the SRC outlining the various growth opportunities, both organic and inorganic, that may be pursued to grow the existing core businesses. It has also made preliminary suggestions to explore new businesses. It is still in the process of discussing with management and finalising its recommendations to the SRC. The pursuit of such growth opportunities and new businesses will require additional capital and management resources and take some time to implement. The Board will consider the final recommendations by Goldman Sachs when reviewing the future business strategy of the Company.

The Board will also review the possibility of distributing a special dividend to shareholders from the net sale proceeds. For that purpose, the Board will continue to assess the cash requirements of the Company, taking into account, inter alia, prudential considerations, the future business strategy of the Company, economic conditions, the potential levels of commitment and implementation period for capital expenditure and investments. In the event that the Board decides to recommend a special dividend, the relevant details, terms and conditions (if any) will be announced in due course.

By Order Of the Board

Lim Su-Ling  
Company Secretary  
28 April 2005

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