

19 Sept 2006

**SUBSCRIPTION FOR ADDITIONAL SHARES IN ASSOCIATED COMPANY – DUBAI PRECAST
L.L.C.**

NATSTEEL Ltd wishes to announce that its wholly owned subsidiary Eastern Pretech Pte Ltd ("EP") has subscribed for a further 8,865 shares at par value 1000 Dhs per share in the capital of Dubai Precast L.L.C. ("Dubai Precast"). The total consideration was 8,865,000 Dhs. The paid-up and issued capital of Dubai Precast has increased to 20,000,000 Dhs.

NATSTEEL Ltd's equity interest in associated company, Dubai Precast remain at 45%.

This transaction is funded by internal sources and is not expected to have a material effect on the earnings per share and net tangible assets per share of NATSTEEL Ltd and its group of companies.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in this transaction.

By Order of the Board

Lim Su-Ling
Company Secretary
19 September 2006