

13 Feb 2008

INCREASE IN REGISTERED CAPITAL OF SUBSIDIARY - CHANGSHU RAM ENGINEERING CO., LTD

Further to our announcement dated 5 February 2008 and a query from the SGX-ST on 6 February 2008, the Board of Directors of NATSTEEL Ltd wishes to clarify that the increase in registered capital of Changshu RAM Engineering Co., Ltd by US\$2.2 million was to meet the minimum registered capital requirement imposed by the Commercial and Industrial Department, Changshu Municipal Government based on the total land area acquired by Changshu RAM Engineering Co., Ltd to-date.

The US\$2.2 million will be used to partially fund a phase 2 expansion of the engineering plant, which is expected to be operational in 2008.

By Order of the Board

Lim Su-Ling
Company Secretary
13 February 2008