

ANNOUNCEMENT

AMSTEEL CORPORATION BERHAD (“ACB” OR THE “COMPANY”)

PROPOSED ACB SCHEME

This announcement is dated 14 January 2009.

We refer to the announcements dated 21 May 2008, 18 June 2008, 4 July 2008, 10 July 2008, 24 July 2008, 17 October 2008, 3 December 2008, 17 December 2008 and the circular to shareholders dated 7 January 2009 in respect of the Proposed ACB Scheme (“**Announcements**”). Unless otherwise stated, defined terms used in this announcement shall carry the same meanings as defined in the Announcements.

On behalf of the Board of Directors of ACB, AmInvestment Bank Berhad (a member of the AmInvestment Bank Group) (“**AmInvestment Bank**”) is pleased to announce that the approval from the Bank Negara Malaysia has been obtained vide its letter dated 9 January 2009 (which was received on 14 January 2009) for the proposed revision to the principal terms and conditions of the USD denominated debts issued by ACB to Amsteel Harta (L) Limited (“ACB SPV”), a wholly owned subsidiary of ACB as consideration for ACB SPV issuing the ACB SPV Debts to certain ACB scheme creditors pursuant to the group wide restructuring scheme which was implemented by ACB in March 2003.

As at the date of this announcement, the completion of the Proposed ACB Scheme is pending fulfilment of the following conditions:-

- (i) the shareholders of ACB to be sought at the EGM to be held on 22 January 2009; and
- (ii) approvals, waivers and/or consents from any other relevant authorities and/or parties, if required.

The inter-conditionality of the Proposed ACB Scheme is disclosed in Section 5 of the announcement dated 21 May 2008 (as varied by the announcements dated 10 July 2008 and 17 October 2008).