



Union Steel Holdings Limited
(Company Registration Number: 200410181W)
(Incorporated in the Republic of Singapore)

Profit Guidance for First Half of Financial Year Ending 31 December 2008

The Board of Directors of Union Steel Holdings Limited (the 'Company') would like to advise that the financial results for the half year ended 31 December 2008 ("1HFY2009") will show significant losses due to impairment write down of our quoted shares investment and inventories.

In our Q1 FY2009 results announcement, the Board has anticipated a loss in 1H FY2009. The Board of Directors, after preliminary assessment of the Company's quoted shares investment as at 31 December 2008, has opined that this investment is impaired given its significant and prolonged decline in fair value below its cost of investment in the current volatile equity market conditions. As a result, a loss will be reflected in the Company's profit and loss account.

Given the continued weakening of metal prices, the Company will also be making provision for impairment related to its related products and inventories.

Further details on its financial performance will be available when the Company announces its unaudited financial statement for 1HFY2009 later this month.

By Order Of The Board

Ang Yu Seng
CEO
3 February 2009