



SWISSMARINE

Joint Statement by Perwaja and Swissmarine

Perwaja and Swissmarine Have Resolved the Outstanding COA amicably

Kuala Lumpur, 20 November 2008 – Integrated steel player, Perwaja Holdings Berhad (“Perwaja”) and Switzerland-based vessel operator, Swissmarine Services SA (“Swissmarine”) wish to provide an updated account of a news article published in The Edge Malaysia on 17 November 2008, on a dispute over a contract of affreightment (“COA”) for the transportation of steel from Mexico to Perwaja’s plant in Kemaman, Terengganu.

Perwaja and Swissmarine wish to clarify the outstanding amount involved as reported in the said publication is outdated. A full payment of USD3.2 million (RM11.5 million) has been made for the first of three shipments in the COA, and the outstanding amount being claimed by Swissmarine is USD6 million (RM21.6 million) and **NOT** USD12.2 million as stated by the said publication.

The outstanding amount of USD6 million for the two remaining shipments under the COA have not been billed and will only fall due on 31 December 2008. These shipments were delayed consequent to a delay in iron ore delivery by a Mexico-based supplier. In addition these outstanding shipments have also been converted into a new COA of shipments, which the Perwaja will exercise in year 2009. The entire outstanding COA amount has no negative financial or cashflow impact to Perwaja as it has already been backed by deposit payment.

Mr. Peter Weernink, managing director, Swissmarine said, “We have now reached an amicable solution to this issue. Perwaja and Swissmarine have been working together for a long time and enjoyed a good partnership.”



SWISSMARINE

Perwaja Holdings Berhad is an investment holding company. Perwaja Steel Sdn Bhd, a wholly owned subsidiary, is a leading steel manufacturer of upstream products and the sole producer of DRI and beam-blanks & blooms in Malaysia. Amongst its range of products, the Group also produces billets. Perwaja's products are used in the manufacturing, construction and infrastructure industries. Today, the Group has a DRI production capacity of 1.5 million metric tones and a billet, beam-blanks and blooms production capacity of 1.3 million metric tones.

Enquiries on behalf of Perwaja

International :

Ms Alvina Tan

Boardroom Communications Pte Ltd
DID:+65 6230 9798 H/P: +65 9787 7267
Email: Alvina.tan@boardroomlimited.com

Malaysia :

Ms Tai Bee Kong / Ms Lynna Hilda

ZJ Advisory Sdn Bhd
DID : +603 2032 2328
Email: bee@zj.com.my / hilda@zj.com.my

Enquiries on behalf of Swissmarine

Mr Peter Weernink

SwissMarine Services SA
36, Avenue Cardinal-Mermillod
1227 Carouge, Geneva, Switzerland
Tel: +41 (0) 22 827 1888
Fax: +41 (0) 22 827 1899