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Ref. GSTEEL/ELCID-17/2010

12 May 2010

Subject : To inform about the sale of shares in GJ Steel Public Company Limited by a subsidiary of G Steel Public Company Limited

To : The President
The Stock Exchange of Thailand

G Steel Public Company Limited (the "Company") wishes to inform the public of its subsidiary's decision to sell a portion of its shareholdings in GJ Steel Public Company Limited ("GJS"). Reference is made to the resolution passed during the Company's Board of Directors meeting No. 4/2010 on May 7, 2010. At the meeting, the Board of Directors approved Oriental Access Company Limited (the "Subsidiary")'s decision to sell a portion of its primary asset, a partial shareholding in GJS. The Subsidiary's shareholding in GJS is pledged to international lending institutions (the "Lenders") under the US\$120 million loan agreement dated August 30, 2006 (the "Loan Agreement"). The Board of Directors approved that the GJS shares were to be offered for sale to persons or juristic persons having no relationship and/or connection with the Company in an amount not to exceed 2,500,000,000 shares. Such sale was to take place via one or several local SET broker-dealers.

Reference is made to the Company's SET release dated March 29, 2010 in which the Company informed the public of the Subsidiary's standstill agreement (the "Standstill Agreement") with the Lenders. Under the terms of the Standstill Agreement, the Subsidiary was required to make a US\$10 million principal payment on May 3, 2010. The Standstill Agreement provides the Subsidiary with a 10-business day grace period after May 3, 2010 (until May 19, 2010) with which to make such principal payment. Because the Subsidiary does not have sufficient cash resources in order to make such payment, the Subsidiary has agreed with the Lenders to release up to 2,500,000,000 GJS shares for sale from the Lenders' pledged collateral in order to avoid an event of default under the Standstill Agreement. If the Subsidiary were to trigger an event of default under the Standstill Agreement, the Lenders would have the right to demand all amounts under the Loan Agreement immediately due and payable. Under such a circumstance, the Lenders would have the right to sell all of the Subsidiary's 10,806,434,586 shares in GJS. The Subsidiary and the Company view the proposed sale of up to 2,500,000,000 shares of GJS as the best means to protect against a forced sale of an even larger number of GJS shares. This sale is by no means an indication of the Subsidiary's or the Company's belief in the underlying value of GJS. Following execution of the sale, the Company and the Subsidiary intend to conduct further discussions with the Lenders with the goal of obtaining additional time with which to repay the remaining principal under the Standstill Agreement. As announced on March 29, 2010, under the current terms of the Standstill Agreement, the Subsidiary is due to make its next principal repayment to the Lenders in the amount of US\$20 million on September 1, 2010. As previously noted, the Company and the Subsidiary are pursuing means of repayment of the remaining amounts owed under the Loan Agreement via potential new strategic investors and/or new loans with financial institutions.

The Company today announces that in conjunction with the above-referenced approval by the Board of the Company, on May 12, 2010, the Subsidiary sold 2,200,000,000 shares to 15 retail buyers (the "Buyers") in equivalent to 5.54% of the total issued shares of GJS, at 0.150321 Baht per share, amounting to 330,706,200 Baht in total gross proceeds. The sale price, which was 25% lower than the prevailing market price just prior to this sale, afforded the Subsidiary with the best transaction execution for a GJS share lot size of this number. As the timing of this sale was critical to the Subsidiary's performance under the Standstill Agreement, the Buyers have acknowledged in their respective share purchase agreements that this transaction is taking place just a few days prior to GJS' required submission of its first quarter financial report and that GJS' financial results may be positive or negative when compared to prior reporting periods.

Following this sale, the Subsidiary ownership in GJS has decreased to 21.68% from 27.22%. The Company separately owns 8,911,266,071 of GJS or 22.45%. Therefore, the Company's and the Subsidiary's combined ownership of GJS following the sale is 44.12%. The Subsidiary's and the Company's combined ownership following the sale still maintains the Company's management control over GJS. The Company will keep the SET and the public informed if there are additional share sales under the aforementioned Board approval.

Information Memorandum on Disposition of Shares in GJS.

1. Transaction Date

12 May 12, 2010

2. Contractual Parties

Seller : Oriental Access Company Limited (the "Subsidiary")

Purchaser: Persons and/or legal entities which have no relationship and/or connection with the Company or the Subsidiary

3. General Characteristics of the Transaction

The Subsidiary sold 2,200,000,000 shares, or 5.54% of total issued shares in GJ Steel Public Company Limited to persons and/or legal entities that have no relationship and/or connection with the Company, the Subsidiary, directors, executives, related parties or major shareholders of the Company, at the price of Baht 0.150321 per share, representing Baht 330,706,200.

The volume of the disposition of such shares in GJ Steel Public Company Limited shall represent 5.65% which falls into category 1 in accordance with the calculation based on assets value criteria by comparing net asset value of assets sold with total assets of the Company. The calculated result is lower than 15% according to the criteria.

4. Details of Disposed Assets

A. Nature of Business

Name : G J Steel Public Company Limited
Location : Head Office 88 PASO Tower, 24th Floor, Silom Road, Suriyawong, Bangrak Bangkok 10500
Factory Hemaraj Chonburi Industrial Estate, 358 Moo 6 Highway No. 331 Bowin, Sriracha, Chonburi 20230
Business Type : Manufacture of Hot Rolled Coil

G J Steel Public Company Limited was established date on January 5, 1994 in order to produce Hot Rolled Steel in Coils and downstream products which can be categorized as follows:

- 1) Hot Rolled Coil
- 2) Tempered Hot Rolled Coil
- 3) Hot Rolled Pickled and Oiled

G J Steel Public Company Limited has registered capital Baht 40,478,051,204.94 and paid up capital Baht 27,394,674,312.60 (par value Baht 0.69) consisting of 39,702,426,540 common shares. The Subsidiary holds 10,806,434,586 of GJS' common shares, or 27.22 % of total shares.

B. The Board of Directors of G J Steel Public Company Limited

The Board of Directors has 9 members comprised of 5 Executive Committee members and 4 Independent Directors as follows:

		Position
1.	Mr. Nibhat Bhukkanasut	Chairman and Independent Director
2.	Dr. Somsak Leeswadtrakul	Vice Chairman
3.	Assoc. Prof. Niputh Jitprasonk	Independent Director
4.	Mrs. Arthidtaya Sutatam	Independent Director
5.	Assoc. Prof. Sukunya Tantanawat	Independent Director
6.	Mr. Chanathip Trivuth	Director
7.	Mr. Sittichai Leeswadtrakul	Director
8.	Mr. Isra Akrapitak	Director
9.	Mr. Ariel Seth Levy	Director

C. Shareholding Structure

As of 7 April 2010, the top ten of major shareholders of the Company are as follows:

Name of Shareholders/Shareholders Group	Number of shares	Percentage (%)
1. Group of G Steel Public Company Limited		
1.1 Oriental Access Company Limited	10,806,434,586	27.22
1.2 G Steel Public Company Limited	8,911,266,071	22.45
2. Nomura Singapore Limited – Customer Segregated Account	4,072,224,150	10.26
3. Thai Asset Management Corporation	1,550,314,798	3.90
4. Quam Securities Company Limited A/C Client	1,534,299,666	3.86
5. Thai NVDR Company Limited	930,813,925	2.34
6. Mr. Teerasak Tangpoonpholwiwat	543,498,099	1.37
7. Mr. Sittathat Sittisaman	494,480,000	1.25
8. Mrs. Sunee Triyangkoonsri	413,061,800	1.04
9. Bangkok Commercial Asset Management Company Limited	268,395,666	0.68
10. Gerlach & Co-Dimensional Emerging Markets Value Fund	208,666,400	0.53
Total	29,733,455,161	74.90
Other Shareholders	9,968,971,379	25.10
Grand Total	39,702,426,540	100.00

D. Summary of Financial Position

The summary of the financial position and the results of operation of G J Steel Public Company Limited for 2007-2009, as audited by GJS' auditor, KPMG,, is as follows

(Unit : Thousand Baht)	2009	2008	2007
Current Asset	1,415,315	6,773,493	6,490,856
Non-current Asset	25,208,724	23,391,727	24,610,576
Total Asset	26,624,038	30,165,220	31,101,432
Current Liabilities	6,429,582	6,357,119	2,800,592
Long term Liabilities	1,381,493	394,878	7,132,372
Total Liabilities	7,811,074	6,751,997	9,932,964
Paid up capital	27,394,674	27,394,674	28,755,686
Shareholder equity	18,812,964	23,413,223	21,168,468
Total revenue	14,249,062	26,889,934	23,938,192
Cost of goods sold	16,234,699	25,066,143	22,268,120
Operating expense	1965,252	3197,925	1441,377
Interest expense	255,489	269,024	405,215
Net profit (Loss)	(4,593,529)	(3,597,984)	(176,519)
Net profit (Loss) per share	(0.12)	(0.10)	(0.01)
No.of shares (Million)	39,702	39,702	25,674

The auditor of GJ Steel Public Company Limited is Mrs. Wilai Buranakittisophon of KPMG Phoomchai Audit Limited

5. Total value of Transaction and payment terms

Total transaction value is Baht 330,706,200 through the system of the Stock Exchange of Thailand, detail are as follows;

Buyer1	333,333,334 shares, total value Baht 50,107,000.10
Buyer2	166,666,667 shares, total value Baht 25,053,500.05
Buyer3	166,666,667 shares, total value Baht 25,053,500.05
Buyer4	133,333,334 shares, total value Baht 20,042,800.10
Buyer5	66,666,667 shares, total value Baht 10,021,400.05
Buyer6	400,000,000 shares, total value Baht 60,128,400.00
Buyer7	106,666,667 shares, total value Baht 16,034,240.00
Buyer8	100,000,000 shares, total value Baht 15,032,100.00
Buyer9	60,000,000 shares, total value Baht 9,019,260.00
Buyer10	66,666,667 shares, total value Baht 10,021,400.05
Buyer11	37,666,666 shares, total value Baht 5,662,090.90
Buyer12	329,000,000 shares, total value Baht 49,455,609.00
Buyer13	66,666,666 shares, total value Baht 10,021,399.90
Buyer14	33,333,333 shares, total value Baht 5,010,699.95
Buyer15	133,333,332 shares, total value Baht 20,042,799.80

6. Value of Disposed Assets

As at December 31,2009, the total value of the disposed assets amounts to Baht 1,034,000,000 (accounting value of the disposed assets)

7. Basis of Sales Price Determination

The sales price of shares in GJ Steel Public Company Limited was executed at the price of Baht 0.150321 per share. This price is lower than closing price of the GJ Steel Public Company Limited shares trading in The Stock Exchange of Thailand on May 11, 2010 by 24.84%.

Reasons for the price difference relative to the closing price of the shares the previous day include (a) GJ Steel Public Company Limited has reported a net loss for the last 3 years, (b) GJS shares currently have a NP (Notice Pending) designation, thus the share trading volume has experienced low levels of liquidity (c) GJS is under the period of the announcement concerning the special audit report and (d) the lot size sold by the Subsidiary represents a substantial block of shares.

8. Benefits Expected to Be Obtained by the Company/ Plan for Utilization of Proceeds from Disposition of Assets

In order to protect an event of default of the Subsidiary under the Standstill Agreement, the final date to make such payment is May 19, 2010.

9. Opinion of the Audit Committee and/or Directors which is different from Opinion of the Board of Directors

Audit Committee agrees with opinion of the Board of Directors.

Please be informed accordingly.

Respectfully Yours,

-Signature-

(Mr. Ryuzo Ogino)

Director

Compliance

Tel. 0-2634-2222 Ext. 1175

Fax. 0-2634-4500

poonyaveec@gsteel.com