

-Translation-

Ref. GSTEEL/ELCID-37/2010

28 September 2010

Subject : Submission of Special Audit Report Addendum

To : The President
The Stock Exchange of Thailand

Attachment : Addendum to Special Audit Report dated 7 May 2010 (the "Addendum")

G Steel Public Company Limited (the "Company") wishes to update the public on the progress of the Company's Securities Exchange Commission ("SEC")-mandated special audit conducted by KPMG Phoomchai Audit Ltd ("KPMG").

The Company submitted the original report (the "Report") to the SEC and to the public via ELCID on 7 May 2010. In the Report, there were several items on which the SEC requested that KPMG perform follow-up work. Specifically, these items were with respect to (i) the low quality scrap and soil-contaminated raw materials and (ii) the purchase of expansion project machinery. Today the Company is submitting the Addendum which details KPMG's additional findings on the aforementioned matters.

The Addendum articulates the fact that KPMG's review of third-party stock reports with respect to low quality scrap and soil-contaminated raw materials during the period of review is in line with the Company's internal records. The Addendum also reports that with respect to the expansion project machinery, KPMG has received confirmation letters from all project suppliers that had advance payment balances outstanding as of 31 December 2009. The advance payment balances as reported in the Company's financial records were consistent with those reported in the confirmation letters. The finding on this Addendum of the special audit report has no impact on the Company's Financial Statement.

As reported by the Company yesterday, the Company is quite pleased with the progress it has made in addressing the concerns originally voiced by KPMG and by the SEC. During the last 8 months, the Company has (i) concluded the special audit, (ii) worked closely with KPMG and the SEC to address follow-up questions, (iii) began implementing internal control framework revisions as stated in the Company's response to the special audit report and (iv) corrected certain errors in the Company's previously-reported financial statements via the 2009 restatement. With these issues addressed, the Company looks forward to focusing its attention on repositioning the Company's balance sheet for the future, building long-term shareholder value and maximizing the value of its assets.

Please be informed and distribute accordingly.

Respectfully Yours,

-Signature-

(Mr. Ryuzo Ogino)



G STEEL PUBLIC COMPANY LIMITED

บริษัท จี สตีล จำกัด (มหาชน)

ทะเบียน 0107538000746

www.gsteel.com



Director