



A.C.N. 063 656 333
A.B.N. 64 063 656 333

VIETNAM INDUSTRIAL INVESTMENTS LIMITED

28 May 2010

Company Announcements Office
ASX Limited
Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Sirs

VINAUSTEEL DIVIDEND AND FIRST QUARTER GROUP RESULT

Vinausteel Dividend from 2009 Profits

The Board of Vietnam Industrial Investments Limited (“VII” or “Company”) is pleased to advise that Vinausteel Ltd, a 70% owned subsidiary, has declared a dividend of VND90 billion (A\$5.198 million) of which the share attributable to the Company is VND63 billion (A\$3.638 million) from their 31 December 2009 profit.

At this point, the Board consider it prudent, in the current circumstances in Vietnam, to hold the funds in order to preserve working capital and foreign currency exposures for the Vietnam operations.

First Quarter 2010 Group Result

In the first quarter of 2010, the unaudited Group operating profit attributable to members was A\$2.850 million on revenues of A\$104.291 million. This result represents a 17% decrease on the Group operating profit attributable to members for the first quarter of 2009 (Operating profit A\$3.427 million on revenues of A\$93.586 million). The first quarter of 2010 included unaudited share of net profit in an associate of A\$0.408 million (2009: Nil). Average exchange rates for period ended 31 March 2010 were US\$0.8992/A\$ and VND18,967/US\$ (31 March 2009: US\$0.6588/A\$ and VND16,964/US\$).

The Vietnam operations produced similar results to the first quarter of 2009. However, the result was 29% lower on A\$ terms (excluding the contribution of the associate, acquired after the first quarter 2009) due to movements in exchange rates. It is expected that the Steel Making Division will experience difficult trading conditions for the remainder of 2010 due to reinforcing steel capacity increasing by some one million tonnes in the North of Vietnam alone, raw material volatility (due in part to changes in global pricing of iron ore and follow-on impacts in scrap and billet costs) and the withdrawal of government subsidies which are expected to reduce the profitability of the rebar mills.

Yours faithfully

LAM VAN HUNG (HENRY)
Managing Director
(Vietnam Operations)