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DELONG HOLDINGS

DELONG HOLDINGS 3Q2007 REVENUE RISES 87.5% TO S$399.3 MILLION; HIGH-END ROLLER MILL OPENS NEW MARKET OPPORTUNITIES AND WILL CONTRIBUTE POSITIVELY FROM FY2008

- **Third phase of technological enhancements to conclude in 4Q2007; annual HRC production to hit 3 million tonnes**
- **Horizontal expansion and upward integration through potential M&As to enhance Delong's competitive edge**
- **Cost savings from two long-term iron ore purchase agreements to begin in FY2008**

S$ (Million)	3Q2007	3Q2006*	Change (%)	9M2007	9M2006*	Change (%)
Revenue	399.3	244.0	63.7	1045.5	715.8	46.1
Cost of Sales	(359.6)	(200.3)	79.5	894.3	595.6	50.2
Gross Profit	39.7	43.6	(8.9)	151.2	120.3	25.7
Net Profit after Tax	24.7	37.8	(34.6)	101.7	98.9	2.9
Gross Profit Margin (%)	10	17.9	-	14.5	16.8	-
Net Profit Margin (%)	6.2	15.5	-	9.7	13.8	-

***Includes trading business; divested on 1 January 2007**

SINGAPORE, 31 October 2007 – Singapore Exchange ("SGX") Main Board-listed Delong Holdings Limited ("Delong" or "the Group"), a leading manufacturer of hot-rolled steel coils ("HRC") in the People's Republic of China ("PRC"), announced today that its revenue for the July-September 2007 third quarter

(“3Q2007”) rose 87.5% to S$399.3 million from S$212.9 million a year ago on the back of higher average selling prices and sales volume.

The Group sold 600,000 tonnes of HRC in 3Q2007 compared to 355,600 tonnes in 3Q2006.

Despite the revenue increase and higher selling prices, Delong’s gross and net profit in 3Q2007 decreased due to higher raw material prices in line with the global shortage of iron ore supplies and rising freight costs of iron ore imports, which raised cost of sales to S$359.6 million in 3Q2007 from S$169.4 million in 3Q2006, an increase of 112.3%.

Delong’s gross and net profit in 3Q2007 were S$39.7 million and S$24.7 million, respectively, as compared to S$43.6 million and S$37.8 million in 3Q2006, respectively. Gross and net profit margins in 3Q2007 were 10% and 6.2%, respectively, as compared to 17.9% and 15.5% in 3Q2006, respectively.

Fully diluted earnings per share rose to 19.1 Singapore cents (“S cents”) for the nine months ended 30 September 2007 (“9M2007”) compared to 18.6 S cents a year ago. Net asset value per share as at 30 September 2007 rose to 82.0 S cents from 59.7 S cents as at 31 December 2006.

“The hike in raw material prices, which reduced Delong’s margins in 3Q2007, continues to be a concern for global steel manufacturers. To mitigate future price fluctuations, we have signed two long-term iron ore purchase agreements for the supply of 2.05 million tonnes of iron ore annually,” Mr. Ding Liguo, Executive Chairman of Delong, said.

“Rising freight cost has recently emerged as another key consideration in the cost component for global steel manufacturers. With transportation accounting for a significant portion of raw material expenses, the ability to hedge against fluctuating freight costs will become a key cost saving measure. To this end, we have initiated negotiations for long-term freight contracts with various shipping companies to complement our cost containment activities," Mr. Ding added.

In 3Q2007, Delong purchased approximately 160,000 tonnes of pig and molten iron to meet its production requirements, which raised production costs, resulting in tighter margins.

To be self-sufficient in pig and molten iron, Delong began constructing two blast furnaces in October 2006. Number 6 blast furnace has commenced operation in July 2007. When Number 7 blast furnace begins production in November 2007, both furnaces will increase Delong's annual molten iron production capacity to approximately 3.3 million tonnes.

Subsequent to the end of 3Q2007, the Group began construction of a 70,000-tonne per annum roller mill in Xingtai, Hebei Province, over two phases. Phase 1 of the roller mill is slated to enter production in 1Q2008 and will have a capacity of 35,000 tonnes per year. Delong is currently planning for Phase 2 of the project which will add another 35,000 tonnes to annual capacity when completed. Targeting steel manufacturers, the high-end rollers are used in the coil-making process and the mill is expected to contribute positively to the Group's financial performance from 2008.

"While we continue to focus on cost control, we are constantly exploring ways to improve our margins. The construction of the roller mill marks Delong's first foray into the high-end steel roller market which has seen demand outstripping supply by 54% in 2006 based on figures from the China Bureau of Statistics. This new business segment will enhance our product portfolio and complement our core business segment of HRC production," Mr. Ding said.

As part of the Group's environmental conservation initiatives announced in February 2007, a 50,000-cubic-meter converter gas tank began operation and a 100,000-cubic-meter furnace gas tank will be operational by November 2007.

These initiatives will further reduce production costs and enhance the Group's profile as a socially-responsible enterprise.

"The Group continues to seek appropriate acquisitions to complement our existing businesses. Negotiations with potential candidates are underway and any acquisitions made will be announced in due course," Mr. Ding added.

###End of Release###

Issued on behalf of Delong Holdings Limited by WeR1 Consultants Pte Ltd

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About Delong Holdings Limited

SGX-listed Delong Holdings Limited is a steel manufacturing group headquartered in Beijing, People's Republic of China. Its production base is located 430km southwest of Beijing in Hebei Province, placing it in proximity to raw material sources and an extensive client base encircled by the Bohai Economic Circle. As a dedicated hot-rolled coil manufacturer, Delong specializes in the supply of steel in such specifications for the infrastructure, pipe-making, cold-rolled coil, machinery and automotive industries in People's Republic of China. The Group also has interests in other synergistic businesses such as resource investment.