

Memorandum of Understanding

WEST COAST ENGINEERING Company Limited, a company incorporated under the laws of Thailand with head office at 9/1 Moo 4 Bangkaiagna - Yaiploy Road - Maerumphueng - Bangsaphan District - Prachuapkhirkhan - 77140 - THAILAND, hereinafter referred to as "WCE";

and

SMS Demag INNSE AG, a company incorporated under the laws of Germany with head office at Eduard-Schloemann Strasse 4 - D-40237 - Duesseldorf - GERMANY, hereinafter referred to as "SMS Demag AG";

and

SMS Demag INNSE S.p.A., a company incorporated under the laws of Italy with head office at Via Milano 4 - 20097 - S. Donato Milanese - Milan - ITALY, hereinafter referred to as "SMS Demag INNSE";

WCE and/or SMS Demag AG and/or SMS Demag INNSE individually or collectively hereinafter referred to as the PARTY and/or PARTIES;

In consideration of the long lasting fruitful cooperation between SMS Demag AG and SMS Demag INNSE with Sahaviriya Steel Industries Co. Ltd. (hereinafter referred to as SSI) - to whom WCE belongs - the PARTIES have discussed and agreed about the possibilities to cooperate.

In particular SMS Demag AG and SMS Demag INNSE are willing to cooperate with WCE in various activities in Thailand such as, but not limited to:


- supply of spare parts,
- manufacturing of equipment or parts thereof
- repair, maintenance and overhauling of equipment,
- erection of equipment
- technical assistance and engineering services.

WCE is capable and willing to agree to an exclusive cooperation with SMS Demag AG and SMS Demag INNSE for the above mentioned activities and/or services.

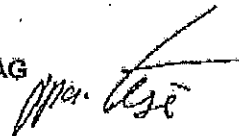
In consideration of premises as above, the PARTIES have agreed with the present MOU to enter in detailed discussions about terms and conditions for cooperation.

Date: Nov. 1, 2005

For WCE


Mr. Boonerg Mockmongkonkul
(Managing Director)

For SMS Demag AG


Tesè, (Executive Vice President)

For SMS Demag INNSE S.p.A.


Damiani, (CEO & President)