



BURSA MALAYSIA

General Announcement

Form Version 7 (Enhanced)

Submitted by CS_SECURITY SERVICES 2 on 01/09/2010 06:22:14 PM

Reference No CS-100901-94180

Submitting Investment

Bank/Advisor

(if applicable)

Submitting Secretarial Firm Securities Services (Holdings) Sdn. Bhd.

(if applicable)

Company name * PRESTAR RESOURCES BERHAD

Stock name * PRESTAR

Stock code * 9873

Contact person * Chua Siew Chuan

Designation * Company Secretary

Type * Announcement Reply to query

Subject :* PRESTAR RESOURCES BHD ("PRB" OR "COMPANY")
- INTERNAL RESTRUCTURING EXERCISE

Note: If the announcement is a long announcement, please summarize the announcement in the contents and enter the details of the announcement in the Announcement Details or attached the full details of the announcement as attachment.

Contents :-*

(This field is to be used for the summary of the announcement)

We act for and on behalf of PRB.

The Board of Directors of PRB wishes to announce that Prestar Steel Pipes Sdn. Bhd. ("PSPSB") and Prestar Precision Tube Sdn. Bhd. ("PPTSB"), both subsidiaries of PRB had on 1 September 2010 undergone an internal restructuring exercise involving the transfer of the business of the manufacturing and supplying of carbon steel pipes and related products together with the assets as tabulated in the Table Section below from PSPSB to PPTSB for a total cash consideration of RM52,700,000/- (Ringgit Malaysia: Fifty-Two Million and Seven Hundred Thousand Only) based on the Property, Plant and Equipments' Net Book Value and Inventories' Cost as at 31 August 2010 subject to adjustment of not more or less than five per centum (5%) ("Internal Restructuring").

The Internal Restructuring will enable the Group to create synergy and costs efficiency from streamlining the production lines and processes. It will also enable the Group to optimise its tax planning as a result of consolidation.

The Internal Restructuring will not have any effect on the share capital and substantial shareholders' shareholding of PRB.

The Internal Restructuring will not have any material effect on the net assets per share, gearing and earnings per share of PRB.

The Internal Restructuring is not subject to the approval of shareholders of PRB or any other authorities.

As the Internal Restructuring is between the Company's subsidiaries, none of the Directors or substantial

shareholders of PRB or persons connected to them has an interest, direct or indirect, in the Internal Restructuring.

The Board of Directors of PRB, having considered all aspects of the Internal Restructuring, is of the opinion that the Internal Restructuring is in the best interest of PRB Group.

This announcement is dated 1 September 2010.

Announcement Details :-

(This field is for the details of the announcement, if applicable)

Tables Section - This section is to be used to create and insert tables. Please make the appropriate reference to the table(s) in the Contents of the Announcement:

Assets	Consideration (RM)
Property, Plant and Equipments	15,700,000/-
Inventories	37,000,000/-
Total	52,700,000/-

Attachment(s):- (please attach the attachments here)