



YONGNAM HOLDINGS LIMITED

Co. Reg. No: 199407612N

**CLARIFICATION ANNOUNCEMENT ON REUTERS ARTICLE ENTITLED
“SINGAPORE’S YONGNAM EYES OVER S\$300 MLN IN NEW DEALS”**

The Company refers to the article entitled “Singapore’s Yongnam eyes over S\$300 mln in new deals”, which appeared in Reuters News on December 23, 2008.

The first paragraph of the article reads as follows:

“Singapore-based construction firm Yongnam Holdings said on Tuesday it is eyeing new projects in the Middle East and is in talks with the Abu Dhabi government for infrastructure deals.”

The Company wishes to clarify that it was mentioned during the interview that Yongnam is looking to Abu Dhabi for infrastructure deals, which Reuters had inferred to mean that Yongnam is in talks with the Abu Dhabi government.

The Company would like to clarify that Yongnam is currently not in talks with the Abu Dhabi government for infrastructure deals, as was reported.

BY ORDER OF THE BOARD

SEOW SOON YONG

Chief Executive Officer

Yongnam Holdings Limited

Date: 26 December 2008