



Co Reg No. 199508589E

REGARDING RECENT SHARE PRICE MOVEMENT

The Board of Directors of United Fiber System Limited ("Unifiber") has noted the recent share price movement of Unifiber and wishes to make the following comments.

Share price has moved from the year high of S\$0.325 on 8 April 2008 to today's closing price of S\$0.07.

As highlighted in the recent announcement dated 11 August 2008, the total revenue for the six months of 2008 has increased by 48% from US\$37 million in 1H07 to US\$55 million in 1H08. This is testament of the increase of overall activities across the businesses of Unifiber. Reflecting the start-up nature of the businesses in Indonesia, the gross and net profits were low although management is optimistic that performance will improve in the remaining of the year. The NAV per share stood at S\$0.14 as of 30 June 2008.

The activities of the Forestry and Pulp Division have continued to pick up. Planting activities continued with some 4,500 ha of land successfully planted this season. For the first time, the forestry operation has been cashflow positive, thanks to the maiden sales and higher prices commanded this year due to the overall shortage of wood supply in the region. The woodchip operation has also picked up. New contracts have been executed with overseas buyers and domestic demand has continued to be strong.

In Singapore, the construction business under Poh Lian Construction has never been healthier. Order book stood at S\$516m as of 30 June 2008, which was almost double from the same period last year of S\$266 million.

The Group has continued with its efforts to finalize the financing package of the pulp mill project in South Kalimantan, Indonesia. In the Company's recent announcement on 13 August 2008, the project is ongoing and we are hopeful of concluding the financing package of the project in the most timely manner.

Save as disclosed in this announcement, the Board is not aware of any information not previously announced concerning the Company, our subsidiaries or associated companies which, if known, might explain the recent trading performance.

By Order of the Board

Jaka Prasetya
Chief Executive Officer
18 August 2008