

MIDDLE EAST DEVELOPMENT SINGAPORE LTD.

(Company Registration No. 196600189D)
(Incorporated in Singapore)

PROJECT AND CONSTRUCTION MANAGEMENT AGREEMENTS

Further to the announcement made by the Company on 20 April 2007 relating to the Project and Construction Management Agreements, the Board of Directors of Middle East Development Singapore Ltd. (the "**Company**") wishes to announce that the Company had received notifications from M. E. Development LLC ("**M.E.D. LLC**") on 11 December 2007 that the Company's Project Management Services will not be required for the following projects due to dispute between M.E.D. LLC and the owner of the land with respect to the commencement of the projects:-

Name of Project	Country
(i) Sports Plaza	Dubai, U.A.E
(ii) Diamond Plaza	Bahrain, Kingdom of Bahrain

As a result, the Company's Project Management Services in the Middle East will comprise of:-

Name of Project	Country
(i) Arabian Crowne	Dubai, U.A.E
(ii) Windsor Tower	Dubai, U.A.E
(iii) Red Residence	Dubai, U.A.E
(iv) Kensington Royale	Dubai, U.A.E

The Company estimated that the aggregate management fee from the Project Management Services will be reduced from approximately AED 76.0 million (approximately S\$29.8 million) to AED 44.3 million (approximately S\$17.4 million) over the period of 24 to 36 months. The exchange rate used above is based on an exchange rate of AED 2.545 to S\$1.00.

By Order of the Board

Wong Seong Khuen
Managing Director