



INTER-ROLLER ENGINEERING LIMITED

Company Registration No. 197900230M

PRESS RELEASE - CONSTRUCTION OF NEW FACTORY

Singapore, 17 July 2007 – Inter-Roller Engineering Limited (“Inter-Roller” or “the Company”) is pleased to announce that it has awarded a contract to a local building contractor to construct its new factory at a JTC site along Jalan Boon Lay and International Road. The contract is awarded based on standard building contract terms and conditions as published by the Singapore Institute of Architects.

The existing factory was designed and built 16 years ago when the Company was a small material handling equipment manufacturer for various industries. Today, as an international player in the airport logistics systems industry, Inter-Roller’s business has evolved to include higher value added activities such as system integration, software development and application, system design and engineering as well as turnkey project management. To better streamline our business operations, the new factory will be equipped with software development centre, system engineering and design centre, and research and development centre

The construction is expected to take about 12 months to complete. When completed, the new facility will give a total gross floor area of about 20,000 square metre compared with the present gross floor area of about 14,000 square metre. In line with our expansion plan, the new facility will provide room for further expansion and improves our corporate image as a global head-quarter. The Company believes that the better location will also help us to attract staff.

The total cost of construction including interior fittings and other ancillary costs is estimated to be around \$17 million, or about 3.96% of the Company’s market capitalization of \$429.2 million as of 16 July 2007.

The Company intends to sell its existing factory prior to the relocating to new factory. Based on our financial position, we will have no difficulty in funding the construction of new factory. The construction of new factory award will have little or no impact on the profit and loss account of the Group for the financial year ending 31 December 2007.

None of the Directors or substantial shareholders is interested in the above building contract.

About Inter-Roller

Established in 1979, Inter-Roller Engineering Limited (“Inter-Roller”) is an international engineering company listed on the Main Board of the Singapore Exchange Securities Trading Limited. ISO 9001:2000 certified, Inter-Roller specialises in designing and building Airport Logistics Systems such as Airport Baggage Handling systems, In-flight Catering Systems and Air-Cargo Handling Systems.

Media Contact:

Mr. Lee Yeow Hwee
Designation: Senior Vice President / Investor Relations
DID 66633465
Email: yeowhwee_lee@irel.com.sg

Ms Amy Lew
Designation: Executive Vice President - Corporate Services
DID 66633445
Email: amy_lew@irel.com.sg