

FEDERAL INTERNATIONAL (2000) LTD

(Incorporated in Singapore)

Company Registration No. 199907113K

ACQUISITION OF LAND RIG BY SUBSIDIARY

The Board of Directors of Federal International (2000) Ltd (the "Company" and its subsidiaries the "Group") wishes to announce that the Company's wholly-owned subsidiary, Alton International (S) Pte Ltd ("Alton"), has acquired a land rig for the ordinary course of its business.

The 1,200 HP land drilling rig, which was acquired for a consideration of approximately US\$20 million, would enable the Group to tender for projects in the offshore oil and gas sector in Indonesia and the region.

The Group's acquisition of the land rig is financed through a combination of internal resources and bank borrowings.

The acquisition is expected to have a positive material impact on the earnings per share of the Company but it is not expected to have any material impact on the net tangible assets of the Company for the financial year ending 31 December 2008.

None of the Directors or substantial shareholders of the Company has any direct or indirect interest in the above investment.

By Order of the Board

Chng Geok
Director/Company Secretary

22 April 2008