



INTER-ROLLER ENGINEERING LIMITED

Company Registration Number: 197900230M

PRESS RELEASE

INTER-ROLLER ANNOUNCES GOOD FIRST QUARTER RESULTS, INTERIM QUARTERLY DIVIDEND OF 1.5 CENTS NET AND PROPOSED SHARE SPLIT (SUB-DIVISION) OF ONE EXISTING SHARE INTO TWO SHARES

SINGAPORE, 9 May 2006 - Inter-Roller Engineering Limited ("Inter-Roller") achieved improved results for the first quarter of 2006 compared with the corresponding period last year. The turnover of \$30.6 million was 83% higher than that for the first quarter of 2005. Profit after tax increased by 101% to \$4.7 million compared with \$2.3 million for the first quarter of 2005.

In the first quarter of this year, the Group secured new orders of \$42 million. After taking into account turnover for the first quarter, the Group has outstanding orders of \$189 million as at 31 March 2006. The performance for the whole year therefore appears to be on track and better results can be expected for 2006 compared with 2005.

CEO, Mr. Lim Yee Min said, "Industry players continue to forecast growth for both air cargo and passenger traffic. However, orders will depend on the timing for airport projects and pricing strategies of competitors. Future orders are therefore expected to be lumpy. The present high oil price and the possibility of its continuing increase could however disrupt or slow down the air transport industry. Other factors that could affect the industry include terrorism or the spread of diseases like SARS or the avian flu."

In view of the good results for the first quarter 2006, Directors of Inter-Roller proposed a one-tier tax-exempt interim dividend of 1.5 cents net per share for the first quarter 2006 with total dividends payable amounting to approximately \$2.46 million. No dividend was paid for the first quarter of 2005.

Directors of Inter-Roller also proposed a share split (sub-division) of every one existing share into two shares. The proposed sub-division of shares is subject to approvals from the Shareholders at an extraordinary general meeting to be convened and the Singapore

Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing and quotation of the Shares on the Official List of the SGX-ST.

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 90001:2000 certified, Inter-Roller specializes in designing and building Airport Logistics Systems such as Airport Baggage Handling systems, In-flight Catering Systems and Air-Cargo Handling Systems.

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