

FEDERAL INTERNATIONAL (2000) LTD

(Incorporated in Singapore)

Company Registration No. 199907113K

ACQUISITION OF VESSEL BY SUBSIDIARY

The Board of Directors of Federal International (2000) Ltd (the "Company" and together with its subsidiaries the "Group") wishes to announce that the Company's wholly-owned subsidiary, Eastern Jason Fabrication Services Pte Ltd ("Eastern Jason"), has acquired a vessel, *Federal II*, for the ordinary course of its business.

The vessel, which is currently utilised for time charter, will enable the Group to further tap into business opportunities in the marine logistics and offshore oil and gas sector and to tender for such related projects in the region.

Including delivery to Eastern Jason and undergoing all requisite repair works, the vessel was acquired for a total consideration of approximately US\$31.5 million.

The Group's investment in *Federal II* is financed through a combination of internal resources and bank borrowings and is not expected to have any material impact on the net tangible assets or earnings per share 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

5 February 2008