

FEDERAL INTERNATIONAL (2000) LTD

(Incorporated in Singapore)

Company Registration No. 199907113K

ACQUISITION OF EQUITY INTEREST AND CHANGE OF SUBSIDIARY'S NAME

The Board of Directors of Federal International (2000) Ltd (the "Company" or together with its subsidiaries the "Group") wishes to announce that Federal-IESE Environmental Technology (Shanghai) Co. Ltd, a subsidiary of Federal Environmental & Energy Pte Ltd ("FEE") which is in turn, a 65% subsidiary of the Company, had acquired a 10% equity interest from IESE Water (Asia) Pte Ltd, for a consideration of US\$15,000.

FEE's share of 10% Net Assets Value in Federal-IESE Environmental Technology (Shanghai) Co. Ltd is US\$32,000 based on its audited financial statements as at 31 December 2008.

Upon the said acquisition, Federal-IESE Environmental Technology (Shanghai) Co. Ltd is now a wholly-owned subsidiary of FEE.

Following the completion of the acquisition, the English translated name of "Federal-IESE Environmental Technology (Shanghai) Co. Ltd" had been changed to "Federal Environmental Engineering (Shanghai) Co. Ltd".

The above acquisition is not expected to have a material impact on the net tangible assets and the earnings per share of the Group for the financial year ending 31 December 2010.

None of the Directors or controlling shareholders of the Company has any interest in the aforesaid transaction.

By Order of the Board

Khoo Eng Hock
Group CFO/Company Secretary

23 February 2010