

FEDERAL INTERNATIONAL (2000) LTD

(Incorporated in Singapore)

Company Registration No. 199907113K

SETTLEMENT OF PROCEEDS FROM THE DISPOSAL OF LAND RIG AND SHAREHOLDINGS IN GEO LINK NUSANTARA PTE LTD

The Board of Directors ("Board") of Federal International (2000) Ltd (the "Company" or together with its subsidiaries the "Group") refers to the announcement released on 9 December 2009, in respect of the disposal of land rig and shareholdings in Geo Link Nusantara Pte Ltd whereby a sum of US\$35 million was expected to be received by the Company by 31 December 2009.

The Company is pleased to announce that the above said amount of US\$35 million had been fully settled on 8 January 2010.

As announced in the announcement dated 9 December 2009, the proceeds received would be used to repay the bank loans and improve working capital of the Group.

BY ORDER OF THE BOARD

Peter Khoo

Group CFO/Company Secretary

8 January 2010