

FEDERAL INTERNATIONAL (2000) LTD

(Incorporated in Singapore)

Company Registration No. 199907113K

SUPPLEMENTAL AGREEMENT TO SUBSCRIPTION AGREEMENT

All the capitalised terms not otherwise defined in this announcement shall bear the meanings ascribed to them in the announcement dated 22 January 2010.

Further to the announcement on 22 January 2010, the Board of Directors of Federal International (2000) Ltd (the "Company" and together with its subsidiaries, the "Group") wishes to announce that, the Company and the Subscribers had on 27 January 2010 entered into a Supplemental Agreement to amend the Subscription Price of the Subscription Shares from S\$0.17 to S\$0.172 ("New Subscription Price").

The computation of the volume weighted average price has been adjusted to include 20 January 2010, being the preceding full market day up to the time the Subscription Agreement was signed.

The New Subscription Price amounts to a discount of approximately 19.78% to the volume weighted average price of S\$0.214 of the ordinary shares of the Company traded on SGX-ST for the full market day on 20 January 2010, being the preceding market day up to the date of the execution of the Subscription Agreement.

The net proceeds from the Subscription (based on the New Subscription Price), after deducting expenses in connection with the Subscription is estimated to be approximately S\$10.6 million.

Based on the audited accounts of the Group as at 31 December 2008, the Subscription will decrease the net tangible assets per Share of the Group from 34.14 cents to 24.83 cents.

Upon completion of the Subscription, the issued and paid-up share capital of the Company will increase from S\$94.9 million to S\$105.5 million.

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

BY ORDER OF THE BOARD

Chng Geok
Executive Director

27 January 2010