



FEDERAL INTERNATIONAL (2000) LTD

47/49, Genting Road, Singapore 349489
Tel: 67478118 • Facsimile: 67430690, 67450048
Email Address: admin@fedsin.com.sg • Webpage: <http://www.federal.com.sg>
Registration No: 199907113K

FEDERAL INTERNATIONAL VENTURES INTO MARINE LOGISTICS AND VESSEL CHARTERING THROUGH ITS NEW JV COMPANY, FLZ MARINE PTE LTD

November 22, 2004, Singapore – Federal International (2000) Ltd (“Federal International”), today announced that it has teamed up with Longzhu Oilfield Services (S) Pte Ltd (“Longzhu”) to tap the growing business opportunities in the marine logistics and offshore oil and gas sector. The JV company -- FLZ Marine Pte Ltd (“FLZ Marine”) -- will be involved in the provision of marine and logistic services, as well as owning and chartering of vessels.

The shareholders of FLZ Marine are: Federal International and Longzhu, each with 45% stake in the company, and Mr Eugene Wang Wee Jin, with 10% shareholding. Mr Wang is also the managing director of FLZ Marine which has an authorized capital of S\$10 million and a paid-up capital of S\$100,000.

Said Mr K. K. Koh, Executive Chairman and CEO of Federal International: “Given the sustained rise in oil prices, the demand for marine and logistics services, as well as vessels for oil and gas exploration or development activities is expected to continue to be robust. This JV will enable us to generate another income stream and thus broaden our earnings base.”

This joint venture will be funded by internal resources, and is not expected to have a positive impact on the net tangible assets or earnings per share of Federal for the financial year ending December 31, 2004.

None of the Directors or substantial shareholders of the Company has any interest in the above agreement.

About Federal International (2000) Ltd

Mainboard-listed Federal International is a value-added distributor and provider of turnkey EPC (engineering, procurement & construction) solutions for the energy & infrastructure industries. Currently, the group distributes flowline control products (e.g. valves, structural steel, steel flanges/ connectors and pipe fittings) to the oil and gas, power, chemical and pharmaceutical industries. Federal is also involved in upstream activities such as R&D and manufacturing of valves and valve-related equipment through its wholly owned subsidiary Houston-based HP & T Products, Inc. as well as KVC Co. Ltd (Japan) and KVC (UK) Ltd, in which it has strategic stakes.

About Longzhu Oilfield Services (S) Pte Ltd

Longzhu Oilfield Services (S) Pte Ltd is one of Longzhu Group's companies supplying and providing services in oil & gas equipment, instrumentation, spare parts to the oil & gas, marine and petrochemical industries in South East Asia and China. The company also has vast experience in providing services such as logistics services and the management of Seismic Ships, Research Boats and Offshore Platform barges to a worldwide clientele.

Issued on behalf of Federal International (2000) Ltd

For further enquiries, please contact:

Ms Gwen W Ling

Aimpace Consultancy

Tel: 9724 5989