

YHI INTERNATIONAL LIMITED

DIVIDEND PAYMENT - ONE-TIER CORPORATE TAX SYSTEM

Further to the Annual General Meeting of the Company held on 22 April 2004, approving the resolution to declare a first and final dividend of 0.6 cents per share (less tax), the Board of Directors of the Company would like to make the following announcement:-

The Board of Directors has received a formal confirmation from the tax advisers of the Company that it is in a position to adopt a One-Tier Corporate Tax System. Subsequent to the Board of Directors' decision to adopt the One-Tier Corporate Tax System on 30 April 2004, the first and final dividend (referred to as "tax exempt (1-tier) dividend") of 0.60 cents per share for the financial year ended 31 December 2003 to be paid on 13 May 2004 shall be tax exempt in the hands of the shareholders. Accordingly, the Gross and Net Dividend payable shall be equivalent to 0.6 cents per ordinary share.

Submitted by Yuen Sou Wai, Executive Director on 30/04/2004 to the SGX