

PRESS RELEASE

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SEMBCORP OPENS AWARD-WINNING INDUSTRIAL WATER RECLAMATION PLANT IN CHINA

- **The project completes Sembcorp's environmentally friendly "closed loop" water management model in the Zhangjiagang Free Trade Port Zone**
- **Award-winning project is a G-to-G showcase for best practice in integrated industrial water management**

ZHANGJIAGANG, CHINA, December 13, 2011 – Sembcorp today opens its first industrial water reclamation plant in China capable of producing 20,000 cubic metres per day of industrial water and up to 4,000 cubic metres per day of demineralised water for supply to customers in the Zhangjiagang Free Trade Port Zone. The RMB106 million (S\$21.5 million) facility has the unique capability of producing industrial water using treated effluent from Sembcorp's centralised industrial wastewater treatment plant in the zone, thereby promoting water reuse and environmental conservation.

With this facility, Sembcorp's total investment in the Zhangjiagang Free Trade Port Zone amounts to approximately RMB320 million (S\$64.9 million). Sembcorp now manages the entire water cycle of the free trade port zone, providing total water and wastewater management solutions to its customers. Sembcorp's total water solutions not only help its customers comply with discharge regulations and limit environmental impact, but also promote the reuse of water, closing the "water loop". This total water management model reduces liquid discharge and conserves precious water resources, and represents a significant advancement for the water management industry in China. At the same time, Sembcorp's industrial wastewater treatment facilities are capable of treating highly concentrated wastewater with chemical oxygen demand of up to 14,000 milligrammes per litre directly from source, without requiring its customers to invest in pre-treatment facilities.

For this innovative model, Sembcorp's Zhangjiagang facilities have been selected by the governments of Singapore and China as G-to-G showcases for bilateral cooperation in water management, and won prestigious Honour Awards at both the East Asian and Global International Water Association Project Innovation Awards in 2010.

Commenting on the plant's opening, Mr Tang Kin Fei, Sembcorp Group President & CEO, says, "We have efficient and technologically-advanced facilities in Zhangjiagang that can provide wastewater management and solutions for water reuse to customers in the free trade port zone. Besides serving their water requirements, we also help our customers and the local government protect the environment.

"We are truly encouraged by the confidence and trust that the Zhangjiagang government has in us. We look forward to their continued support, especially in encouraging and promoting the use of reclaimed water in the Zhangjiagang Free Trade Port Zone."

The company's solutions in Zhangjiagang are backed by over a decade's track record in meeting the industrial water and wastewater treatment needs of companies in Singapore and globally. Sembcorp manages facilities capable of producing and treating over six million cubic metres of water and wastewater daily, serving over five million people worldwide.

Today, Sembcorp's water business operates in 29 locations across five continents. In China alone, it has an established presence in water and wastewater treatment operations in 12 cities across nine provinces. Its range of total water solutions includes wastewater treatment for both industrial and municipal clients, water reclamation, desalination and water supply.

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ABOUT SEMBCORP INDUSTRIES

Sembcorp Industries is a leading energy, water and marine group operating across six continents worldwide. With facilities with 5,600 megawatts of gross power capacity and over six million cubic metres of water per day in operation and under development, Sembcorp is a trusted provider of essential energy and water solutions to both industrial and municipal customers. It is also a world leader in marine and offshore engineering, as well as an established developer of integrated townships and industrial parks.

The Group has total assets of over S\$10 billion and employs over 9,000 employees. Listed on the main board of the Singapore Exchange, it is a component stock of the Straits Times Index and several MSCI indices.

Note to Editors:

Following a company rebrand, please refer to the company as "Sembcorp" (with "S" in upper case and "c" in lower case), or "Sembcorp Industries" in full. Please also note that "Sembcorp" is not an abbreviation of "Sembawang Corporation" but a brand name in itself, and it is therefore incorrect to refer to our company as "Sembawang", "Sembawang Corporation" or similar.