

PRESS RELEASE

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**SEMBCORP AWARDED PROJECT TO DEVELOP THE LARGEST GAS-FIRED
INDEPENDENT POWER PLANT IN MYANMAR**

- **US\$300 million plant marks Sembcorp's entry into Myanmar's fast-growing power market**

SINGAPORE, April 24, 2015 – Sembcorp Industries (Sembcorp) is pleased to announce that its wholly-owned subsidiary, Sembcorp Utilities, has received the Notice of Award to develop and operate a 225-megawatt gas-fired power plant in central Myanmar by Myanmar Electric Power Enterprise (MEPE), a division under the Ministry of Electric Power of Myanmar (MOEP). This marks Sembcorp's entry into Myanmar's fast-growing power market, where electricity demand is expected to increase at a compounded annual growth rate of 13% over the next 15 years, according to government estimates.

Located in the Myingyan district of the Mandalay division, the US\$300 million power plant is set to be the largest gas-fired independent power plant in Myanmar. When completed, the new facility will help to ease the country's severe power deficit, which is estimated to be approximately 500 megawatts during peak periods.

The build-operate-transfer project was awarded after an international bidding process called by MEPE and advised by International Finance Corporation of the World Bank Group. Sembcorp will have at least an 80% stake in this project. Expected to be completed in 2017, the project will supply power to MEPE under a 22-year power purchase agreement (PPA), with MOEP guaranteeing MEPE's obligations under the PPA.

Tang Kin Fei, Group President & CEO of Sembcorp Industries, said, "Sembcorp is well-positioned to cater to Myanmar's increasing power needs and support its economic growth. The new facility will provide a reliable source of power which is integral to the country's economic development and electrification efforts. This investment not only enables Sembcorp to establish an important beachhead in Myanmar, but also gives us a foothold to potentially develop other businesses in the country, such as water and urban development."

This award of the project is testament to the Group's strong project development capabilities and proven track record in identifying, securing, financing and executing greenfield and brownfield projects globally. "With Sembcorp's experience in developing, owning and operating energy facilities globally, we are confident of delivering this project successfully. At the same time, this project is in line with our focus to expand our global business and grow our overseas Utilities contribution," added Mr Tang.

Myanmar energy landscape set to grow

Myanmar has one of the lowest electrification rates in the world and the lowest among ASEAN countries, with just about 33% of the country's population of over 50 million having electricity access, according to World Bank statistics.

Buoyed by investor optimism and improved business confidence following policy reforms, Myanmar's economy is forecasted to grow at 7.8% in 2015, outpacing an estimated growth of 5.3% for the Southeast Asian region¹. As a result, power demand is expected to rise significantly. MOEP has projected that more than 20 gigawatts of additional power capacity are required between 2013 and 2030 to fulfil the demand driven by population growth and increase in electrification rate. The Myanmar power market therefore presents immense opportunities for Sembcorp to grow its energy business in the country.

Financial information

Following this Notice of Award, Sembcorp will be signing a Memorandum of Agreement with MOEP for the investment and development of this project. The total project investment of approximately US\$300 million (approximately S\$418 million) is expected to be funded through a mix of limited recourse project financing and equity. Financial close of the project is expected in the second half of 2015.

This project award is not expected to have a material impact on the earnings per share and net asset value per share of Sembcorp Industries for the financial year ending December 31, 2015.

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¹ Source: ADB 2014 estimates, Asian Development Outlook 2014 Update

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ABOUT SEMBCORP INDUSTRIES

Sembcorp Industries is a leading energy, water and marine group operating across six continents worldwide. With facilities of over 8,200 megawatts of gross power capacity and over nine 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 brand name in urban development.

The Group has total assets of over S\$17 billion and employs over 8,000 employees. Listed on the main board of the Singapore Exchange, it is a component stock of the Straits Times Index and several MSCI and FTSE indices.

Note to Editors: 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.