



PRESS RELEASE

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SEMBCORP OPENS A SECOND COGENERATION PLANT ON JURONG ISLAND AND A NEW TECHNOLOGY & INNOVATION CENTRE

- Also launches two new collaborations with EMA to support the development and growth of Singapore's energy sector

SINGAPORE, October 31, 2014 – Sembcorp Industries (Sembcorp) today opens its second state-of-the-art cogeneration plant in Singapore as well as a new technology and innovation centre, strengthening its position as Jurong Island's premier utilities provider.

The S\$635 million Sembcorp Cogen @ Banyan gas-fired cogeneration facility is located in Jurong Island's Banyan area and has a gross capacity of 400 megawatts of power and 200 tonnes per hour of process steam. The plant, which commenced commercial operations at the beginning of the month, generates electricity for the grid and steam for industrial companies on Jurong Island. As a cogeneration plant, the facility is much more efficient than a pure power plant. Its efficiency is further enhanced by its combined cycle configuration.

The plant increases Sembcorp's combined gross power generating capacity in Singapore by 50% to 1,215 megawatts and enhances the flexibility and reliability of the company's power and steam supply. The plant complements Sembcorp's other facilities in the vicinity, which include a multi-utilities centre and an industrial wastewater treatment plant capable of treating complex industrial wastewater from multiple sources centrally. Together, these facilities extend Sembcorp's capabilities to serve customers in Jurong Island's new Banyan, Tembusu and Angsana growth area and strengthen its position as the premier supplier of energy, water and onsite logistics to companies across the whole of the petrochemical and chemical hub.

Located across from the cogeneration plant is the brand-new Sembcorp Technology & Innovation Centre. Comprising laboratories and applied research and development (R&D) facilities, the centre houses Sembcorp researchers and engineers who develop and integrate innovative processes as well as run test-beds for emerging technologies. The centre will also feature an advanced global asset management system. Currently in development, the system will allow Sembcorp to manage its energy and water plants around the world. It will comprise three key modules: a process optimisation module, which will benchmark plant performance data and provide automatic alerts for any abnormalities; a troubleshooting module using predictive analytics

to help Sembcorp's technical experts address operational issues the minute they occur; and a predictive maintenance module to identify potential equipment problems even before operational disruptions happen. The advanced system will allow Sembcorp to better harness its collective global expertise, drive operational excellence and optimise asset performance for enhanced reliability, availability and cost effectiveness.

Commenting on the opening today, Mr Tang Kin Fei, Group President and CEO of Sembcorp Industries, said, "Sembcorp's new cogeneration plant enhances Sembcorp's capabilities to serve companies across the whole of Jurong Island. At the same time, the Sembcorp Technology & Innovation Centre and our advanced global asset management system will allow us to effectively manage our international energy and water operations from Singapore, and further drive efficiency, optimisation of resources, availability and reliability.

"For close to two decades, Sembcorp has played a part in the growth of Jurong Island by attracting and supporting companies here with our flexible, customised solutions. As we continue to invest in strengthening our facilities and capabilities, it is our hope that we can continue to play this role for years to come."

The opening ceremony of the cogeneration plant and technology & innovation centre takes place today on the sidelines of the 7th Singapore International Energy Week (SIEW), with Mr S. Iswaran, Minister at the Prime Minister's Office, Second Minister for Home Affairs and Second Minister for Trade & Industry, in attendance as guest of honour.

New Sembcorp-EMA initiatives to support the future of Singapore's energy industry

Speaking at the opening ceremony, the Minister also announced that Sembcorp would collaborate with the Energy Market Authority (EMA) on two new initiatives to support the long-term development of Singapore's energy sector: a nationwide competition that aims to engage youths and inspire future leaders in the energy sector; and a S\$10 million partnership to promote the development and commercialisation of new technologies that address the nation's energy challenges.

i. The Sembcorp-EMA Energy Challenge

This is a national annual competition aimed at inspiring and engaging the energy professionals of tomorrow with on-site learning, a competition and internship opportunities. Participants will gain an insight into life as a power engineer by taking part in site visits and sharing sessions by industry experts. They will also take part in a game where they will be challenged to solve real-world issues that face power professionals in their course of work. Winners will be offered internships at Sembcorp in addition to cash prizes. The competition will be open to Institute of Technical Education, polytechnic and university students.

ii. The Sembcorp-EMA Energy Technology Partnership

The Sembcorp-EMA Energy Technology Partnership will see Sembcorp and EMA jointly committing up to a total of S\$10 million for a fund to support the translation of innovative solutions from laboratory to market and the commercialisation of new technologies that bring benefits to the energy industry.

Under the partnership, Sembcorp and EMA will identify areas of focus where greater application of R&D can benefit both Singapore and the industry. Proposals from technology providers and the research community will be jointly evaluated by Sembcorp and EMA. Sembcorp will then work with successful applicants to develop and test-bed their new technologies, giving researchers the potential opportunity to refine their applications in an actual industrial setting at its facilities. Besides helping to meet Singapore's energy challenges, this partnership will also help strengthen local R&D capabilities. Further details on the first call for proposals are slated to be released in 2015.

Commenting on these new initiatives, Mr Tang said, "Sembcorp is proud to partner EMA in introducing the Sembcorp-EMA Energy Challenge and the Sembcorp-EMA Energy Technology Partnership. As a local industry player, we hope that we will be able to contribute towards raising the profile of the energy sector here and supporting its long-term growth."

These developments are not expected to have a material impact on the earnings per share and net asset value per share of Sembcorp Industries for the current financial year.



Sembcorp's new cogeneration plant located in the Banyan area of Jurong Island.



The new Sembcorp Technology & Innovation Centre comprises laboratories and applied research and development facilities where Sembcorp researchers and engineers develop and integrate innovative processes, and run test-beds for emerging technologies.

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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 7,200 megawatts of gross power capacity and over eight 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\$14 billion and employs approximately 10,000 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.

ABOUT SEMBCORP'S CENTRALISED UTILITIES OFFERING AND PRESENCE ON JURONG ISLAND

Sembcorp is the global leader in the provision of energy, water and on-site logistics to multiple industrial site customers. By outsourcing their critical utilities to Sembcorp, companies no longer need to build and run their own utilities plants. This frees them to focus on their core business, reduce their capital investment and shorten their start-up time. At the same time, they can be assured of reliable solutions which meet stringent environmental standards.

Having established its first centralised utilities operations to serve multiple customers on Jurong Island in Singapore in 1995, Sembcorp has successfully replicated this unique outsourcing model to key industrial sites overseas in markets such as China and Oman.

Today, it remains the premier supplier of energy, water and onsite logistics to companies on Jurong Island. With around S\$3 billion worth of assets and an unrivalled track record, it is well-placed to serve companies located across the entire site.

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.