



## PRESS RELEASE

### **VSIP BREAKS GROUND IN NGHE AN PROVINCE, NORTHERN CENTRAL VIETNAM**

- *Witnessed by Their Excellencies, Vietnam Prime Minister Nguyen Tan Dung and Singapore Minister for Trade and Industry Lim Hng Kiang*
- *First customer to set up manufacturing plant for bathroom fixtures*
- *US\$100,000 pledged towards the Sembcorp-VSIP Water Initiative for Nghe An province*

**VIETNAM, September 16, 2015** – Sembcorp Development, a wholly-owned subsidiary of Sembcorp Industries (Sembcorp), today held the groundbreaking of its seventh Vietnam Singapore Industrial Park (VSIP) development located in Nghe An province's Hung Nguyen district. The ceremony was witnessed by Vietnam Prime Minister Nguyen Tan Dung and Singapore Minister for Trade and Industry Lim Hng Kiang, signifying the continued importance of the well-established VSIP projects as a showcase of bilateral economic cooperation.

Vietnam Singapore Industrial Park Joint Venture Co (VSIP JV) had received an investment licence in June this year from the People's Committee of Nghe An Province to develop the first phase of the project, which comprises 198 hectares of industrial land and 81 hectares of commercial and residential land. This first phase is part of the overall 750-hectare VSIP Nghe An, which VSIP JV plans to develop in tandem with demand. VSIP JV is a 49-51 joint venture between Vietnam's Becamex IDC Corporation and a Singapore consortium in which Sembcorp Development holds a 92.9% stake.

A Vietnamese company, TDV Vietnam Trading and Manufacturing Co, has committed to build a factory in VSIP Nghe An to manufacture bathroom fixtures for export and domestic sales. TDV intends to begin construction in 2016 after obtaining its investment licence.



VSIP



Nghe An province is located in Vietnam's northern central region, 400 kilometres from Hanoi and 70 kilometres from the Laotian border. It is the country's largest province by land mass. The central government recently included VSIP Nghe An within the boundaries of the newly established Dong Nam Economic Zone, where generous investment incentives for up to 15 years are available to manufacturers. Nghe An's industries will potentially receive a boost in domestic production due to the expected benefits of free trade agreements in place and under negotiation, including the upcoming Trans-Pacific Partnership. The province is especially strong in agriculture-based production. Coupled with lower labour costs and the 10 million-strong labour force of the northern central region, the province offers compelling reasons for other labour-intensive manufacturing industries including garment manufacturing, fast moving consumer goods and electronics sectors to set up operations. Nghe An is also located along the East-West economic corridor linking Laos, Myanmar and Thailand with the East Sea, off Nghe An's coast, and the port of Cua Lo.

To commemorate the launch of VSIP Nghe An, Sembcorp and VSIP JV pledged US\$100,000 towards the Sembcorp-VSIP Water Initiative for Nghe An province. This community project was first introduced in VSIP's Quang Ngai location in central Vietnam in 2013. To date, 10 domestic water purification plants with water towers have been constructed to provide local schoolchildren and residents of nearby villages a ready supply of domestic non-potable clean water for their daily needs. Seven schools have also benefited from newly built or upgraded toilet facilities.

With the investment in VSIP Nghe An, there are now seven VSIP projects across Vietnam, with the others located in Binh Duong, Bac Ninh, Hai Phong City, Quang Ngai and Hai Duong provinces. The total gross area of the seven VSIP developments (including phase one of VSIP Nghe An) is 6,153 hectares. VSIP has attracted US\$7.9 billion in total investment capital from over 583 companies to Vietnam. Companies operating in the VSIP developments employ more than 155,355 workers.

- END -



For media and analysts' queries, please contact:

Media

Mary Ann Chan (Ms)  
Senior Manager, Corporate Relations  
Sembcorp Parks Management  
DID: +65 98628363  
Email: maryann.chan@sembcorp.com

Tran Thi Quynh Thanh (Ms)  
Marcom Officer  
VSIP J.V. Co.  
Tel: +(84-650) 374 3898 ext:219  
Email: thanh.ttq@vsip.com.vn

Analysts

Aleve Co (Ms)  
Senior Manager, Group Corporate Relations  
Sembcorp Industries  
DID: +65 6723 3178  
Email: aleve.co@sembcorp.com

**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.

Sembcorp has an established presence in Vietnam with its highly successful Vietnam Singapore Industrial Park (VSIP) projects. The VSIP is a 49-51 joint venture between Vietnam's Becamex IDC Corporation and a Singapore consortium in which Sembcorp Development holds a 92.9%



VSIP



stake. Sembcorp also owns and operates the Phu My 3 power plant, a 746-megawatt gas-fired power plant which began commercial operation in 2004 in southern Vietnam, and plans to develop a new power plant in central Vietnam.

The Group has total assets of over S\$18 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.