

**Speech by Mr Angelo Pantaleo, President, Drinking Water Group,  
Marmon Water LLC at Media Briefing, 26 June 2008, 2:00 pm**

Friends from the media;  
Singapore Economic Development Board, and  
Hyflux Ltd

Thank you for joining us this afternoon.

I am very pleased to be in Singapore again and especially happy to be announcing the opening of our new KX Technologies manufacturing facility in Singapore. I personally want to thank Mr. Kenneth Tan for his personal involvement and all the people at the Singapore Economic Development Board who assisted in making our move to Singapore a reality.

I am very excited about this first facility in Singapore and the residential potential in Asia. You can look at the demographics yourself and see that there is a growing need for safe, clean, filtered drinking water products.

Most of you may not have heard of Marmon and Marmon Water because we do not sell directly to the public and therefore do not present ourselves in the way a public company might. However, I am pleased to say that our customers and suppliers do know us very well and we are viewed in North America and Europe as a leader in our industry. I believe this is one of the reasons why Berkshire Hathaway acquired The Marmon Group in March of 2008.

The Marmon Group Inc. is a US\$7 billion revenue company. It operates more than 250 manufacturing, distribution and service facilities primarily in North America, The United Kingdom, Europe, China and now Singapore. In its last public information, it reported that its operating income more than tripled from 2002 to 2007.

Marmon Water is part of the Marmon Group Inc. of Chicago in the United States. The Marmon Group is one of the largest privately owned companies in the United States and

operates globally through nine independently operated business sectors and each with its own collection of companies.

Sectors include Retail Sales, Highway Technologies, Transportation Services, Metal Products, Distribution Services, Wire and Cable, Construction Services and of course Water. Each Sector operates independently and each has its own Sector Management Team. It is a very decentralized operation with a lot of autonomy.

Marmon Water itself has three main groups; a residential group centered around a company called EcoWater, which is one of the largest manufacturers of residential water treatment systems in the U.S. and also operates extensively in Europe. KX Technologies falls into this group. We are either #1 or #2 in each of the market areas that we operate in. For example, we provide the majority of the water treatment systems sold by the large U.S. retail outlets such as Sears, Lowe's and Home Depot.

We also have an Industrial Filtration group centered on a company called Graver Technologies, which makes proprietary media, filters and stainless steel membranes used in the Food, Pharmaceutical and Power Industries.

Lastly, we have a significant Industrial Water Treatment Equipment group, which includes two water treatment companies called Ecodyne and Graver Water that produce demineralizers, dearators, condensate polishing systems and pre-treatment systems.

Apart from KX Technologies, we have another partner – Hyflux Ltd. We have worked with Hyflux for many years licensing each other's various technologies for markets where the other has significant market presence. As I made visits to Hyflux, we recognized they have a culture similar to ours with a very strong management team. It was clear very early that both companies complement each other very well.

As Hyflux's Group CEO Olivia Lum and I got to know each other and more of our people met, it became clear to us that there was an excellent fit between our companies.

Marmon Water and its various companies are very focused on North America and Europe. Hyflux is mainly focused on Asia and the Middle East.

Marmon Water is very strong in residential water treatment. Hyflux's main strength is industrial water and membranes. So, in geography, in markets, and in technology, we have a terrific fit.

For these reasons, we entered into two joint ventures with Hyflux in early 2007. We are very happy with the process and success of these businesses and we continue to see significant growth opportunities.

As I traveled to Singapore more than 18 times in the past three years it became clear that Singapore is a great location for an American-based company to initially set up shop in Asia.

Our focus in Singapore is on Residential Water treatment. Most people today, when they discuss the development of water technology, they are talking about industrial and utility water treatment. Our focus is on residential water treatment for Asia. We have initially used our North American residential products and Hyflux's consumer products to sell in Asia. Through this new manufacturing facility in Singapore, we will be supporting new products for the residential marketplace around the world: specifically Singapore, Southeast Asia and China.

Our focus is to be able to provide homes in Asia, with clean, safe, filtered water at every tap in the home. We are developing these types of products that will be manufactured in Singapore for the homes in Asia and the rest of the world.

We are very excited about establishing our presence in Singapore, which we truly believe is the water capital of Asia.

Thank you.

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