



NEWS RELEASE

HYFLUX AWARDED S\$35.8 MILLION DESIGN AND CONSTRUCT CONTRACT FOR SINGAPORE'S LARGEST MEMBRANE BIOREACTOR (MBR) PLANT

- **Plant to produce 68,000m³ water per day for industrial use**
- **Project to take 18 months to complete**

Singapore, 23 February, 2010 – Mainboard-listed Hyflux Ltd's ("Hyflux") subsidiary, Hydrochem (S) Pte Ltd, has been awarded a S\$35.8 million contract by PUB, Singapore's national water agency to design, construct, test and commission a membrane bioreactor plant ("Plant") with a designed capacity of 68,000m³ per day.

The Plant at the Jurong Water Reclamation Plant will be Singapore's largest. It will also be the largest membrane bioreactor plant to be built by Hyflux.

Using biological processes and microfiltration membranes, used water from the industrialized Jurong catchment will be treated for use by industries located on Jurong Island.

Construction of the Plant is scheduled to commence 3 March 2010 and is expected to be completed within 18 months. In addition, Hyflux through its specialist subsidiary will provide maintenance services to the Plant for a period of 12 months upon project completion.

Commenting on the award of the project, Hyflux's Group CEO Ms Olivia Lum said, "We are delighted to be awarded the contract to build Singapore's largest membrane bioreactor plant. Our integrated design and engineering, procurement and construction capabilities have enabled us to put up a competitive bid in the open tender. We believe our solutions provide for efficiency and cost-effectiveness in the operation and maintenance of the plant."

Mr Wah Yuen Long, PUB's Director (Water Reclamation Plants) said, "Hyflux has been a long-standing partner of PUB with extensive experience in water reclamation and we are happy to collaborate with Hyflux once again. With advancement in membrane technologies, it is now possible for membrane bioreactors to reclaim used water in an industrialized catchment such as Jurong for industrial use. In this way we are also able to free up other sources of water for potable use."

Among the key water installations in Singapore, Hyflux was the main contractor for the Bedok and Seletar NEWater plants, Chestnut Avenue Waterworks and SingSpring Desalination Plant, Singapore's largest seawater desalination plant in which Hyflux was awarded the project on a Public-Private-Partnership (PPP) arrangement.

The contract for the Plant is not expected to have a material impact on the net tangible assets or earnings per share of Hyflux for the financial year ending 31 December 2010.

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About Hyflux

Hyflux is one of the world's leading technology-driven environmental companies, with operations and projects in Southeast Asia, China, India, the Middle East and North Africa.

Hyflux's spirit of innovation and entrepreneurship drives its technological advancements in membranes, commercialisation of applications, project management, and operations and maintenance.

Hyflux is committed to providing cost-effective, reliable and sustainable solutions to its customers worldwide, from seawater desalination, water recycling, wastewater and potable water treatment, to renewable resources management in the fields of oil recycling and specialty materials. The company is building the world's largest membrane-based seawater desalination plant in Magtaa, Algeria. It has completed building China's largest membrane-based seawater desalination plant in Tianjin Dagang.

For more information, please visit www.hyflux.com

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