



NEWS RELEASE

HYFLUX SUBSIDIARY SECURES BUYER'S CREDIT FROM JBIC FOR TUASPRING DESALINATION PLANT COMPONENTS

Singapore, 14 June 2012 – Hyflux Ltd today announced that its wholly-owned subsidiary, Hydrochem (S) Pte Ltd, has signed a buyer's credit agreement with the Japan Bank for International Cooperation (JBIC) for financing the purchase of key components for the Tuaspring Desalination Plant, one of Asia's largest seawater reverse osmosis (SWRO) desalination plant located in Singapore.

This loan amount is USD 14.4 million and it is co-financed by Mizuho Corporate Bank Ltd, while Nippon Export and Investment Insurance (NEXI) will provide the buyer's credit insurance for the co-financed portion.

The loan is the first of its kind extended by JBIC to Hyflux Group following their memorandum of understanding on global collaboration on water projects signed in August 2009. It is also the first time that a buyer's credit loan has been secured for components for a Hyflux project.

The key components that will be purchased with the financing facility include reverse osmosis membrane elements manufactured by Toray Industries Inc and high pressure pumps manufactured by Torishima Pump Mfg Co Ltd. These components will be purchased from Mitsui & Co. Plant Systems Ltd.

"With this first buyer's credit loan secured by Hyflux Group, we believe there will be more opportunities for Hyflux and JBIC to collaborate on global water projects," said Ms Olivia Lum, Executive Chairman and Group CEO of Hyflux.

Hyflux was awarded the design, build, own and operate contract for Singapore's second SWRO project in March 2011. Tuaspring Desalination Plant, which is designed to produce 318,500m³/day of desalinated water, will employ Hyflux's proprietary ultrafiltration membrane technology for the pre-treatment process and a double pass reverse osmosis process to produce potable water. The plant is located in western Singapore and close to SingSpring Desalination Plant, Singapore's first SWRO plant which was also developed by Hyflux.

-END-



About Hyflux

Hyflux is *one* of the world's leading fully-integrated water solutions companies, with operations and projects in Southeast Asia, China, India, the Middle East and North Africa. Hyflux is committed to providing cost-effective and sustainable solutions in seawater desalination, water recycling, wastewater treatment, including membrane bioreactor (MBR) and potable water treatment. Hyflux's track record includes Singapore's first water recycling plant and first seawater reverse osmosis (SWRO) desalination plant and China's largest SWRO desalination plant in Tianjin City. The company is building the world's largest SWRO desalination plant in Magtaa, Algeria as well as Singapore's second SWRO desalination plant on a design, build, own and operate model.

For more information, please visit www.hyflux.com

For media queries, please contact:

Seah Mei Kiang (Ms)

Corporate Communications

Hyflux Ltd

DID: (65) 3157 7634

Email: meikiang_seah@hyflux.com

Marian Boon (Ms)

Corporate Communications

Hyflux Ltd

DID: (65) 3157 7635

Email: marian_boon@hyflux.com