



NEWS RELEASE

HYFLUX POSTS FIRST QUARTER PATMI OF \$37.9 MILLION

- **Profit boost from asset recycling strategy**
- **Actively pursuing project tenders in Middle East, Africa and Asia**

Singapore, 8 May 2014 – Hyflux Ltd (or the Group) reported profit after tax and minority interests (PATMI) of S\$37.9 million for the first three months ended 31 March 2014 compared with S\$8.0 million in the first three months of FY2013.

Group revenue reduced from S\$124.5 million in the first quarter of FY2013 to S\$88.3 million in the first quarter of FY2014, in line with the lower level of engineering, procurement and construction activities according to the timing of projects commencement in FY2014.

As part of the Group's asset recycling strategy, the divestment of our joint venture with Marmon Water LLC group in March 2014 contributed to other income of S\$56.9 million.

The Group's cash position stood at S\$457.8 million with net gearing ratio at 0.62 times at the end of the quarter from 1.15 times as at end of last year.

Outlook for the year

The Group anticipates a slow year ahead due to timing of project commencement and the delay in the operational readiness of the national power grid to connect to our Tuaspring plant. The Group will continue to focus on achieving financial close for its 336,000m³/day desalination project in Dahej within this year.

The Group continues to manage its asset portfolio to extract potential value, in line with its asset recycling strategy.

The outlook for the global water industry is positive, and we see more projects being made available for bidding over the next 12 months. The Group is actively pursuing prospective projects in selective markets in the Middle East, Africa and Asia and on delivering a suite of membrane products and systems for new applications for the industrial and municipal sectors.



-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 two seawater reverse osmosis (SWRO) desalination plants, and some of the world's largest SWRO desalination plants in China and Algeria.

For more information, please visit www.hyflux.com

For media queries, please contact:

Genevieve Woo (Ms)

SVP, Corporate Marketing and Communications

Hyflux Ltd

DID: (65) 3157 7770

Email: genevieve_woo@hyflux.com