

[EMBARGOED UNTIL 4PM ON 8 FEBRUARY 2010]



PRESS RELEASE

8 February 2010

Samsung C&T Corporation awarded the EPC Contract for Singapore's LNG terminal

The Singapore LNG Corporation Pte Ltd (SLNG) has awarded the contract for the engineering, procurement and construction (EPC) of Singapore's LNG terminal to Samsung C&T Corporation (Samsung). The total budget for the terminal funded by the Singapore Government is S\$1.5 billion, of which about S\$1 billion is for the EPC contract. SLNG, which owns and oversees the development of the terminal, will issue a "Notice to Proceed" to Samsung to start the detailed design, engineering and construction phases of the terminal immediately.

2 "Samsung and its major sub-contractors involved in the project are well experienced in developing LNG terminals internationally and have solid track records in the industry. With the award of this contract to Samsung, we have taken a major step forward in the project, and can look forward to the start-up of the LNG terminal in 2013," said Mr Lawrence Wong, Chief Executive of the Energy Market Authority (EMA).

3 Mr Jeong Ki Cheol, Senior Executive Vice President of Samsung C&T Corporation said, "Singapore is a key priority to us. We are very excited about the opportunity to work with SLNG on Singapore's first LNG terminal. We hope to leverage on our expertise and experiences, and deliver a successful LNG terminal to Singapore on schedule."

4 The LNG terminal is expected to be Asia's first open-access, multi-user terminal. The terminal will not only provide capacity for Singapore to import regasified LNG for its own needs, but also open up opportunities for companies to make use of the terminal for LNG trading. "This LNG terminal is an iconic development for Singapore as it gives us access to global gas markets, thereby

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strengthening supply and improving key infrastructure, which underpins this vibrant economy. It is my hope that the new LNG terminal will be a catalyst for Singapore to become a major LNG hub in the future,” said Mr Neil McGregor, SLNG’s Executive Director.

5 In addition to the award of the EPC contract, Foster Wheeler Asia Pacific Pte Ltd (Foster Wheeler) has also been appointed by SLNG to be its Project Management Consultant. SLNG and Foster Wheeler will jointly manage the EPC contractor through an “Integrated Project Management Team” approach, which would allow SLNG to be fully involved in the management of the engineering and construction activities. “Foster Wheeler is a worldwide engineering company and has an excellent reputation in the energy sector. We are combining the strengths of both SLNG and Foster Wheeler to take on the complex task of managing the EPC contractor through to completion. Through this seamless and integrated approach, we will work towards the timely start-up of the LNG terminal,” Mr McGregor continued.

6 The LNG terminal at Jurong Island will have an initial capacity of 3.5 million tonnes per annum (Mtpa), with provisions for expansion to 6 Mtpa or more, if required. The LNG terminal will be located on an approximately 30-hectare site on the south western part of Jurong Island. Background information on the LNG project is in Annex 1 and an illustration of Singapore’s LNG terminal at Jurong Island is in Annex 2.

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About the Energy Market Authority

The Energy Market Authority (EMA) is a statutory board under the Ministry of Trade and Industry. The EMA's main goals are to promote effective competition in the energy market, ensure a reliable and secure energy supply, and develop a dynamic energy sector in Singapore. Through its work, the EMA seeks to forge a progressive energy landscape for sustained growth. For more information on the EMA, please visit www.ema.gov.sg

About Singapore LNG Corporation Pte Ltd

Singapore LNG Corporation Pte Ltd is a company incorporated by the Energy Market Authority to own and develop Singapore’s first LNG import terminal.

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Background of LNG in Singapore – Chronology of Events

On **7 August 2006**, Mr Lim Hng Kiang, Minister for Trade and Industry announced that Singapore would build an LNG terminal to import LNG to diversify its sources of energy and to meet Singapore's rising future demand for energy.

On **4 September 2007**, Mr S Iswaran, Senior Minister of State for Trade and Industry announced that the Energy Market Authority (EMA) would call a Request for Proposal (RFP) for interested parties to participate in the selection process for the LNG Aggregator. Interested parties were invited by EMA to submit their business concepts for the Aggregator role. PowerGas Ltd (PowerGas), a wholly-owned subsidiary of Singapore Power Limited, was designated as the LNG terminal owner and operator.

On **18 April 2008**, BG Asia Pacific Pte Limited (BG) was appointed as the LNG Aggregator for Singapore. In this role, BG will aggregate demand for regasified LNG from all end-users in Singapore and procure LNG supply for up to three million tonnes per annum (Mtpa) starting in early 2012.

On **28 April 2008**, PowerGas was appointed as the developer of the LNG terminal.

On **30 June 2009**, the Government announced that it would take over the development and ownership of the Singapore LNG terminal, as it was difficult to proceed with the project on a commercial basis. EMA subsequently formed a new company, the Singapore LNG Corporation Pte Ltd (SLNG), to own the terminal and oversee its development.

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Annex 2

Artist's Impression of Singapore's LNG terminal at Jurong Island



* Courtesy of Samsung