



MEDIA RELEASE

For Immediate Release

Rotary Engineering secures S\$80m worth of contracts and makes a breakthrough in LNG space

- Won a total value of about S\$80 million worth of contracts
- Enters into LNG space with first win in Thailand
- Strengthened presence in Fujairah with new contract

SINGAPORE, 2 September 2014 – Mainboard-listed **Rotary Engineering Limited** (“Rotary” or the “Group”), a leading provider of engineering, procurement, construction and maintenance (“EPCM”) services supporting the oil and gas and petrochemical industry, is pleased to announce that it has recently won several contracts worth a total value of about S\$80 million.

LNG Breakthrough

Rotary achieved a breakthrough into the LNG space with its first contract win. It has secured a contract with IHI Corporation to provide tankage works for two X 160,000m³ LNG storage tanks for the LNG Receiving Terminal Expansion Project - Phase II at Map Tha Phut petrochemical hub in Rayong, Thailand.

Rotary’s Chairman and Managing Director, Mr Roger Chia Kim Piow, said: “We are excited about this new win. Rotary has invested time and resources to prepare for this market and finally it has come to fruition. We are encouraged with the trust that our client has placed upon us. This is a reflection of Rotary’s strong and good reputation

which it has built over the years. With this track record, we are now well positioned to participate in the other LNG projects in Singapore, Asia and the Middle East.

Rotary's expertise and experience in bulk liquid storage includes atmospheric, pressurized, and cryogenic storage infrastructure for petroleum products and speciality chemicals. To date, Rotary's cryogenic capabilities extend only till cryogenic double-walled tanks for ammonia and ethylene. The recent award of the LNG contract in Thailand completes the value chain of cryogenic storage infrastructure that Rotary can now provide to its valued clients. The strategic decision to enter the LNG arena, which entails months of preparatory work, including sending staff for advanced technical training, has finally paid off. Rotary's move to acquire LNG capabilities also allows it to be aligned with, and benefit from Singapore's drive to be a LNG trading hub.

With this track record, Rotary is now ready to participate in the development of new LNG terminals, where it sees high growth potential. The world is shifting from coal and fuel oil to cleaner natural gas for power generation. More LNG regasification and storage terminals are coming up to meet this demand, which is further spurred by economic growth and urbanisation, particularly in Asia and the Middle East.

Fujairah Presence Strengthened

Rotary further strengthens its foothold in Fujairah through a consortium with Six Construct Ltd where the consortium was awarded the "Very Large Crude Carrier" ("VLCC") jetty contract. The Port of Fujairah is expanding its capacity for handling liquid bulk to serve the growing number of independent oil storage terminal companies operating in the Fujairah Oil Industry Zone. As part of its expansion plans, the Port of Fujairah is building a new jetty that can berth VLCCs.

Six Construct Ltd is part of the Besix group, a Belgium based conglomerate with expertise in the area of jetty construction. Rotary is glad to be in partnership with them for this project. Rotary would perform the jetty topside works.

Mr Chia said: "This is a win-win for all parties. Rotary will continue to form strategic partnerships so as to garner more contracts. We are also glad that the visibility of the smooth progress of our current Fujairah Oil Terminal project has helped to contribute to this new win."

New Customer

In Singapore, we are pleased to announce that we have added Croda, a global manufacturer of speciality chemicals mainly for personal care, health care and industrial products to our list of reputable customers. The Group was awarded various construction packages for Croda's Alkoxylation plant located on Jurong Island. **"We are proud to be selected by Croda for the various phases of their project, and we thank them for their support. As always, Rotary places great importance in building relationship with its customers. We hope to continue expanding our customer base with our strong track record and brand name."** Mr Chia added.

Staying Busy

The Group is currently working on several major projects which include: -

- S\$300 million contract to expand the oil terminal at Pulau Busing in Singapore
- EPC contract for construction of about 80 tanks, common pipelines, jetty topsides and other infrastructure of the shared lubricant storage facility in Tuas South, which is a joint venture by three oil majors
- EPC contract for lubricant blending plant for an oil major in Tuas South

- US\$250 million EPC contract for the Fujairah Oil Terminal in Fujairah, UAE

Rotary will continue to actively explore business opportunities in Singapore, ASEAN and the Middle East. It also seeks other viable business opportunities that complement its existing activities so as to expand its sources of incomes and revenues in the longer term.

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About Rotary Engineering Limited (SGX Stock Code : R07)

Rotary Engineering Limited (罗德里工程有限公司) is one of the region's oil and gas infrastructure services company with extensive international experience, offering EPCM services to the oil and gas, petroleum, petrochemical and pharmaceutical industries.

Headquartered in Singapore, Rotary has established a strong presence in the Asia Pacific and the Middle East, and continues to make its mark as a global player.

Established in 1972, Rotary has forged a reputation built on its hallmark traits of providing quality services, within budget and on-time delivery. Today, the Group boasts a total strength of about 7,000 employees, which includes a highly and multi-skilled workforce that forms the mainstay of its core EPCM services.

Singapore remains a focus for the Group while it actively seeks business opportunities overseas. The Group has subsidiaries in Malaysia, Thailand, Indonesia, India, China, Australia, Saudi Arabia and the United Arab Emirates.

The Group has won numerous awards and accolades. It was the winner for "Most Transparent Company" in the Construction Category at the Securities Investors Association (Singapore)'s Investors Choice Awards 2007, 2011 and 2012. It was also the winner in the Enterprise category in 2008. Mr. Roger Chia Kim Piow (谢金标), Rotary's Chairman and Managing Director, won in the Businessman category for 2011 at the Singapore Business Awards which was jointly organised by the Business Times and DHL Worldwide Express Singapore. He has also won the Joint Best Chief Executive Officer for 2008 in the "\$300 million to less than \$1 billion in market capitalisation" category at the Singapore Corporate Awards 2009. Most recently, Rotary won the Singapore Corporate Awards for Best CFO in the "\$300 million to less than \$1 billion in market capitalization" category in July 2014.

Rotary is ISO 9000, ISO14000, OHSAS certified and is listed on the Mainboard of the Singapore Exchange since 1993.

For more information about Rotary Engineering, please visit www.rotaryeng.com.sg

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