

HYFLUX LTD
Company Registration No: 200002722Z

**BID FOR 500,000 M3/DAY SEAWATER DESALINATION PROJECT IN MAGTA,
ORAN, WESTERN ALGERIA**

Hyflux Ltd (“Hyflux”) makes the following announcement in response to media reports that have come to its knowledge.

Hyflux submitted a bid to build a seawater desalination plant on a design-own-operate-transfer (DBOOT) basis with a designed capacity of 500,000 m³/day in Magta, Oran region, western Algeria. This plant will be the world's largest seawater desalination project using membrane technology and in terms of volume production. The construction period is about 3 years, calculated from the date of the project achieving financial close.

The project value is approximately US\$500 million. Hyflux has been advised that it is the most competitive bidder amongst 5 other international bidders, but the official result of the successful bidding has not yet been released by the relevant Algerian authority.

Hyflux will make further announcements upon receipt of definitive information and as soon as practicable.

BY ORDER OF THE BOARD

Sam Ong

Deputy Chief Executive Officer

Submitted on 1 April 2008 to SGX-ST