

For the business press

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### **Siemens invests EUR 25 million to expand its Singapore location to become the center for water and wastewater technologies in Asia**

**With investments of EUR 25 million, technology transfers, and research and development projects, Siemens is expanding its Singapore location within the next five years into a competence center for water and wastewater technologies in the Asia-Pacific region. Roger Radke, Head of the Water Technologies Division in Siemens' Industrial Solutions and Services (I&S) Group, said to the press in Singapore, "The natural water resources in Asian countries are inadequate to ensure the further development of industry and communities. Water treatment and recycling technologies are essential prerequisites for continuing growth and prosperity in Asia." Siemens signed a Memorandum of Understanding with PUB, Singapore's national water agency for collaboration in R& D projects in water and used water treatment. ,**

This expansion of Siemens Singapore into a technology hub for innovative water and wastewater treatment for Asia-Pacific will be backed up by a research, development and engineering center that will be set up to work together with universities, the PUB and environmental authorities. This will involve investing EUR 25 million over the next five years. Siemens and PUB will jointly work on exploring innovative solutions to meet technological needs through R&D activities, test bedding and early adoption of new technologies.

Mr Ko Kheng Hwa, Managing Director of the Singapore Economic Development Board, said, "Siemens Water Technologies' choice of Singapore as the site for its global water R&D Centre is a ringing endorsement of Singapore's growing R&D capability and our

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ambition to become a Global Hydrohub. The Centre will be a major boost to EDB's efforts, in partnership with PUB and other agencies, to build a strong global water industry cluster comprising a wide range of local and foreign companies engaged in R&D, engineering, manufacturing and headquarters operations."

Siemens and, PUB will also jointly develop and bring technologies onto the market, as well as cooperating on projects outside Singapore on a business basis. "In the last 40 years, Singapore has gradually evolved from a nation with limited water resources to a hotbed for water technologies. Through continuous investment in research and technology and development of major national water projects such as NEWater, the Deep Tunnel Sewerage System and Marina Barrage, Singapore has successfully leveraged on technology to meet our challenges in water supply. There are 50 local and international water companies in Singapore but we want to grow this further and develop into a global hydrohub," said Khoo Teng Chye, PUB's chief executive who is concurrently also the executive director of the Environment and Water Industry Development Council (EWI).

Radke explained that, "There are many reasons in favor of the decision to expand the Singapore location to become Siemens' competence center for water and wastewater technologies." On the one hand, Siemens has resources and expertise in Singapore. On the other hand, Singapore offers an attractive infrastructure, and the government is targeting support on the development of water treatment technologies and solutions. And last but not least, Siemens has made a substantial contribution to the water industry in Singapore, which is exemplary for Asia.

Asian countries are beginning to look to Singapore as a model of sustainable water management. Despite not being blessed with an abundance of land or water, the Singapore population has access to good clean, drinking water. Through integrated water management, PUB has put in place a diversified and sustainable supply of water known as the Four National Taps – local catchment water, imported water, NEWater (recycled water) and desalinated water. Having separate systems for stormwater and used water collection also allows all used water to be collected for treatment and further purification into NEWater. NEWater is mainly supplied to industrial and commercial

customers, with a small amount blended with reservoir water. Desalinated water was introduced in Singapore at the end of 2005.

Radke said, "Today, almost two billion people in the world have no access to fresh drinking water. One third of the world population will be affected by a serious water crisis over the next 20 years." Singapore is already showing that these problems can be solved and, with safe and secure water and wastewater treatment, is laying the foundations for further economic and social development. He added, "We want to gain better penetration of the Asian market – using Singapore as an example, and as the future hub of innovative water treatment technologies. At the same time we can use Siemens' massive local presence in the neighboring countries to accelerate the technology transfer to industrial and municipal customers." He is expecting annual growth of about eight percent in the countries in the Asia-Pacific region. They make up some 20 percent of Siemens' total market for water and wastewater technologies of US\$44 billion. He emphasized, "Siemens regards itself as well equipped to participate in the growth in Asia." In this region, Siemens Water Technologies already has a production and development center for membrane filters in Australia that is active worldwide. Siemens' presence in China was strengthened last year by the construction of a factory for producing wastewater treatment plants in Tianjin and the takeover of the engineering corporation CNC Water Technology in Beijing.

Radke stressed that, "We are also expanding Singapore into a hub for water treatment technologies with the object of bringing products that have been tried and tested in the USA and Europe more quickly onto the Asian market." The tasks of the Singapore Business and Technology Center therefore include central buying and selling, engineering and the development and execution of projects. Siemens has brought together a 40-strong team which is offering products, systems and services for municipal water supply to Malaysia, Indonesia, Thailand, Vietnam, Korea, Japan and the Philippines. He said, however, that the emphasis would lie on industrial solutions, with which Siemens was expecting growth above the market average of ten percent over the next few years. Siemens would be concentrating on the sectors: oil and gas, refineries, the chemical and pharmaceutical industries, food and beverage production, and semiconductor manufacture.

**Siemens Water Technologies** delivers cost-effective, reliable water and wastewater treatment systems and services to municipal, industrial, commercial and institutional customers worldwide. The division “Water Technologies” is part of Siemens' **Industrial Solutions and Services Group (I&S)** which is a system and solution provider for industrial and infrastructure facilities and global service provider for the plant and projects business covering planning, installation, operation and the entire life cycle. In fiscal 2006 (to September 30), I&S employed a total of 36,200 people worldwide and achieved total sales of EUR 8.819 billion.

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