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**Chiyoda to Begin Demonstration Project on Energy-Saving Water Recycling System in Saudi Arabia**  
**- Consignment from NEDO -**

Chiyoda Corporation (TSE: 6366; ISIN: JP3528600004), Japan's leading engineering and construction firm, today announces that it will commence the related works for a demonstration project on an energy-saving water recycling system in Saudi Arabia. This Demonstration Project was sponsored by the New Energy and Industrial Technology Development Organization (NEDO) of Japan and the Saudi Industrial Property Authority (MODON)<sup>\*1</sup>; the related works were entrusted to Chiyoda by NEDO.

1. Client : New Energy and Industrial Technology Development Organization (NEDO), Japan
2. Scope of Work : Engineering, procurement, construction assistance and demonstration of operating the system that will treat and recycle wastewater discharged from Dammam<sup>\*2</sup> First Industrial City in Saudi Arabia
3. Contract Amount : Approximately 1 billion yen
4. Schedule : Demonstration work to be completed in January 2015

The water recycling system will be built in Dammam<sup>\*2</sup> First Industrial City, a city operated by MODON. The project aims to demonstrate successful operation of the system which will treat approximately 5,000 ton/day of wastewater discharged from 120 operators/entities in the City, and reclaim 3,500 ton/day of industrial water by exploiting membrane technologies (MBR<sup>\*3</sup> and RO membranes<sup>\*4</sup>). The Demonstration Project will also verify the effectiveness of energy-saving through the system.

The industrial water recycling system is expected to contribute significantly to the effective use of valued water resources, especially among water deficient countries such as Saudi Arabia.

Chiyoda is promoting the business for industrial water recycling system as one of its new

business fields. Chiyoda's proposal for this demonstration work was agreed by NEDO with further endorsement by MODON, leading to the materialization of the Demonstration Project.

Chiyoda regards the project as a stepping stone to apply the above system not only in Saudi Arabia but also in other countries where there is urgent need for the effective use of water resources. Chiyoda aims to develop this business field, with an eye to operating the systems, in addition to securing engineering, procurement and construction contracts.

\*1 Saudi organization established in 2001, responsible for the development of industrial cities in the Kingdom of Saudi Arabia.

\*2 Capital of Saudi Arabia's Eastern Province

\*3 An MBR, or membrane bioreactor, is a facility that decomposes organic substances using activated sludge and separates sludge from water using immersion-type membrane equipment.

\*4 RO (reverse osmosis) membranes are finer than those of an MBR, and remove soluble salt and residual materials from the MBR.

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