



Chiyoda Corporation and Ezra Holdings Limited enter into MOU to establish 50:50 Joint Venture, EMAS CHIYODA Subsea

- ◆ Chiyoda will invest in Ezra's Subsea Services business, EMAS AMC, to form EMAS CHIYODA Subsea – a 50:50 Joint Venture
- ◆ Partnership with Chiyoda creates opportunity for EMAS AMC to expand its subsea-to-surface offering and provide more value to clients and partners
- ◆ Collaboration with EMAS AMC creates huge opportunity for Chiyoda to rapidly accelerate its expansion of Offshore & Upstream business portfolio

SINGAPORE ◆ 27 AUGUST 2015

For immediate release

Ezra Holdings Limited ("Ezra") and **Chiyoda Corporation** ("Chiyoda") today announced that they have signed a binding Memorandum of Understanding ("MOU") for Chiyoda to invest in Ezra's Subsea Services business, EMAS AMC, to form EMAS CHIYODA Subsea – a 50:50 Joint Venture.

About Ezra and Chiyoda

Founded in 1992, Ezra is a leading contractor and provider of integrated offshore solutions to the oil and gas industry. Under the EMAS branding, Ezra operates in more than 16 locations across six continents spanning Africa, the Americas, Asia, Australia and Europe.

Chiyoda is a world leading Front End Engineering Design (FEED) and Engineering, Procurement and Construction (EPC) company in the oil and gas industry, with a history of almost 70 years of project experiences world-wide.

Value proposition

EMAS AMC has established itself as a leading subsea Engineering, Procurement, Construction and Installation ("EPCI") contractor with world class construction vessels such as the *Lewek Constellation*.



Through this partnership, EMAS CHIYODA Subsea will be able to undertake larger and more complex offshore EPCI projects through a combination of capabilities and resources in the following areas:

- i. Project management capability backed by technologically advanced assets
- ii. Global network of engineering centres
- iii. Supply chain management capability and global vendor networks
- iv. Wider global client networks
- v. Research and development capabilities in engineering and construction technologies
- vi. Financial strength

Chiyoda's involvement will begin early in the concept development phase of offshore projects together with EMAS CHIYODA Subsea, where the ability to influence cost is the greatest. EMAS CHIYODA Subsea will then use its technologically advanced fleet and operational expertise to deliver these solutions offshore.

Mr Shogo Shibuya, President and CEO of Chiyoda, said, "This is a very important milestone for us. It has been Chiyoda's corporate strategy to strengthen the offshore upstream portfolio as Chiyoda's next core business.

"With the establishment of EMAS CHIYODA Subsea, we are in a position to provide comprehensive services to our clients, from early phase concept study to EPCI, throughout the lifecycle of any offshore oil and gas project. Chiyoda is excited about this new opportunity and glad that we can jointly work with an excellent subsea player, EMAS AMC."

Mr Lionel Lee, Group CEO and Managing Director of Ezra, said, "This JV will allow us to realise our vision of being a trusted partner and leader in the subsea construction business. It will enable us to undertake large complex EPCI projects, as well as full field developments, which combine onshore and offshore facilities. Chiyoda will be able to lend tremendous support in many areas of our business operations."

The closing of the joint venture transaction¹ is subject to, amongst other things, the approval of Ezra's shareholders and the satisfaction of other customary closing conditions. Assuming these conditions are met, the transaction is expected to close by the end of 2015.

¹ Please refer to www.sgx.com and www.jpix.co.jp/english/ for the regulatory announcements dated 27 August 2015 released by Ezra and Chiyoda for more information.



ABOUT EZRA HOLDINGS LIMITED

www.emas.com ♦ SGX mainboard listing: December 2005

EMAS – a leading global contracting group providing offshore/subsea construction, marine, production and well intervention services – is Ezra’s operating brand. With offices across six continents, it delivers solutions to the oil and gas industry by combining its global footprint and proven engineering skills with a diverse offering of premium assets and services designed to fully meet clients’ needs.

Operating in unison, Ezra’s core divisions are able to execute a full spectrum of seabed-to-surface engineering, construction, marine and production services globally.

EMAS AMC is a global EPCIC service provider of comprehensive subsea-to-surface solutions for the offshore oil and gas industry, especially in the SURF and Subsea Tie-Back sector. Core business services include subsea installation of umbilicals/power cables, pipelines as well as platforms, FPSO and floater installations.

Other businesses include EMAS Marine, which manages and operates offshore support vessels; EMAS Energy, which provides well intervention and drilling services both onshore and offshore; and TRIYARDS, a leading fabricator of specialised offshore vessels with yards in Singapore, Houston and Vietnam.

ABOUT CHIYODA CORPORATION

www.chiyoda-corp.com/en/index.html

Chiyoda, headquartered in Yokohama, Japan, has constantly leveraged its experience and far-reaching global network to give it an unrivalled advantage and has been at the forefront of the relentless drive for innovative plant design and world-class project execution. Chiyoda has designed and constructed LNG plants accounting for more than 40 percent of the world’s total LNG capacity.



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August 27, 2015

Name of the Company: Chiyoda Corporation
Representative: Shogo Shibuya, President & CEO
(Stock code: 6366, the First Section of the Tokyo Stock Exchange)
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Chiyoda Corporation acquires shares and undertake subscription shares of foreign subsea engineering company, which will become an equity-method affiliated company

Chiyoda Corporation (“Chiyoda”; Headquarters: Yokohama/ President: Shogo Shibuya), today announced that it has signed a binding Memorandum of Understanding with **Ezra Holdings Limited** (“Ezra”), a leading contractor and provider of integrated offshore solutions to the oil and gas industry to invest in Ezra’s Subsea Services business, **EMAS AMC, and form EMAS Chiyoda Subsea** (“ECS”) (tentative).

Chiyoda will acquire shares and undertake subscription shares of ECS. ECS will succeed EMAS AMC’s business and become an equity-method affiliated company of Chiyoda.

1. Outline of EMAS Chiyoda Subsea (before the acquisition):

(1) Trade name	EMAS Chiyoda Subsea (tentative)	
(2) Location	United Kingdom	
(3) Representative	Lee Chye Tek Lionel (Chairman and CEO)	
(4) Main business	Subsea EPCI business	
(5) Capital	Undecided	
(6) Establishment	December 31, 2015 (tentative)	
(7) Shareholder and shareholding ratio	Ezra 100.0%	
(8) Relationships between Chiyoda and ECS	Capital relationship	Chiyoda has no capital relationship with ECS required to be stated. No associated person or company of Chiyoda has any capital relationship with any associated person or company of ECS required to be specifically stated.
	Personnel relationship	Chiyoda has no personnel relationship with ECS required to be stated. No associated person or company of Chiyoda has any personnel relationship with any associated person or company of ECS required to be specifically stated.
	Business relationship	Chiyoda has no business relationship with ECS required to be stated. No associated person or company of Chiyoda has any business relationship with any associated person or company of ECS required to be specifically stated.
(9) Financial results	(ECS is not yet established)	
Reference	EMAS AMC’s results for Fiscal year 2014 Total Assets: 1,711 million US dollars Net Sales: 1,045 million US dollars	

2. Outline of the other party whose shares to be acquired:

(1) Name	Ezra Holdings Limited	
(2) Address	15 Hoe Chiang Road, #28-01 Tower Fifteen, Singapore	
(3) Representative	Lee Chye Tek Lionel (Group CEO and Managing Director)	
(4) Main business	Offshore/subsea construction, marine, production and well intervention services	
(5) Capital	490.0 million US dollars	
(6) Establishment	1992	
(7) Net assets	1,185.8 million US dollars (Fiscal year ending August 31, 2014)	
(8) Total assets	3,363.0 million US dollars (Fiscal year ending August 31, 2014)	
(9) Shareholder and shareholding ratio	Lee Chye Tek Lionel 23.19%	
(10) Relationship between Chiyoda and the person	Capital relationship	Chiyoda has no capital relationship with Ezra required to be stated. No associated person or company of Chiyoda has any capital relationship with any associated person or company of Ezra required to be specifically stated.
	Personnel relationship	Chiyoda has no personnel relationship with Ezra required to be stated. No associated person or company of Chiyoda has any personnel relationship with any associated person or company of Ezra required to be specifically stated.
	Business relationship	Chiyoda has no business relationship with Ezra required to be stated. No associated person or company of Chiyoda has any business relationship with any associated person or company of Ezra required to be specifically stated.

3. Ratio of shares to be acquired, acquisition cost and the ratio of shares held before and after the acquisition:

(1) Ratio of shares held before the acquisition	Ownership ratio: 0.0%
(2) Acquisition cost	Purchase of shares : 150.0 million US dollars (*) Undertaking of subscription shares : 30.0 million US dollars (*)
(3) Ratio of shares held after the acquisition	Ownership ratio: 50.0%

Note: The sale consideration and subscription price may be changed in accordance with the provisions of definitive agreements.

4. Time schedule:

(1) Binding memorandum of understanding	August 27, 2015
(2) Execution of the definitive agreement	September 30, 2015 (tentative)
(3) Establishment	December 31, 2015 (tentative)

5. Future outlook

ECS will become an equity-method affiliated company of Chiyoda after the completion of the transaction.

Chiyoda expects that there will be limited impact on Chiyoda's consolidated financial results for the fiscal year ending March 31, 2016 by the transaction.