

## Large-Scale Petrochemical Project Awarded by China's BASF-YPC

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Toyo Engineering Corporation

Toyo Engineering Corporation (TOYO) (President and CEO: Yutaka Yamada) has been awarded by BASF-YPC Company Limited of Nanjing, China a cost reimbursable contract for EPsCm\* works related to the construction of its petrochemical plant on the Integrated Petrochemical Site II (IPS-II) project. BASF-YPC is a joint venture of BASF SE, of Germany, and Sinopec Corporation.

BASF-YPC initiated in 2000 the IPS-I project, large-scale petrochemical complex featuring 600,000MTPA ethylene plant in Nanjing, China. This IPS-II project aims to meet the increasing demand in China adding and expanding the capacity of 14 process units as well as the utility and offsite facilities. TOYO's scope of work covers EPsCm\* on a cost-reimbursable contract. The completion of the project is expected in the second half of 2011.

TOYO has constructed an acrylic acid ester and oxo alcohol plants in the IPS-I project. TOYO's reliable performance in project execution, quality and schedule management led to the additional contract on the IPS-II project.

In implementing the project, TOYO will form an integrated project team with Fluor Corporation, of the United States, and Daelim Industrial Company Limited, of Korea, to manage the project. In addition, TOYO will form a Global Toyo team comprising Toyo-Japan, Toyo-China, and Toyo-Korea for four of the process units.

China has continued to make large-scale capital investments in petrochemical facilities using both foreign and domestic financing since the global financial crisis hit in fall of 2008. TOYO plans to effectively utilize its more than 35 years of experience in doing business in China and its local resources, led by Toyo-China, to continue engineering business in this country.

\* EPsCm: Engineering, procurement services, and construction management.

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