News Release



TOYO Awarded Ammonia Project in Indonesia

February 28, 2013 Toyo Engineering Corporation

Toyo Engineering Corporation (TOYO, President and CEO Katsumoto Ishibashi) has been awarded a contract to build an ammonia plant for PT Panca Amara Utama (PAU), a subsidiary of PT. Surya Esa Perkasa Tbk. (SEP), one of Indonesia's leading LPG producing companies. The project involves construction of Ammonia Plant & related utility facilities for a 2,000 tons per day capacity plant in Luwuk, Central Sulawesi. The contract has been awarded to TOYO on a turnkey basis, covering Engineering, Procurement, Construction (EPC), and commissioning services. The ammonia process will be based on technology by KBR (Kellogg Brown & Root) of the U.S.A. TOYO will carry out the project together with PT Inti Karya Persada Tehnik (IKPT), an Indonesian engineering firm part of the TOYO group. The plant is scheduled to be completed in the third quarter of 2015.

The project plan is to produce ammonia as a feedstock for downstream chemicals such as fertilizer, acrylonitrile, caprolactam and ammonium nitrate using natural gas produced from the Senoro and Toili natural gas fields in Central Sulawesi. The aim of the project is to realize effective utilization of domestically produced gas with enhanced value-add.

Since the 1970s, TOYO has implemented many plant construction and revamping projects in Indonesia. From the initial stage of project planning, TOYO has consistently collaborated with clients with various proposals and studies to accelerate project realization. TOYO's experience and related contributions have led it to receive the contract through single resource negotiation.

In Indonesia, TOYO is currently constructing a large fertilizer plant in Bontang, East Kalimantan, and also received in December 2012 an order for another fertilizer project to be built in Palembang, South Sumatra.

Demand for fertilizer is growing, especially in emerging countries, due to increasing demand for food that mirrors the expanding growth in global population. A lot of new fertilizer plants are now in the planning stages in countries including Indonesia. As a urea technology licenser and as an EPC contractor of fertilizer plant projects, TOYO will strive to extend its business to meet increasing demand in those countries.

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Project Outline

■ Client: PT Panca Amara Utama (PAU)

■ Contractor: collaboration with Toyo Engineering Corporation and PT Inti Karya Persada Tehnik

(IKPT)

■ Site: Luwuk, Central Sulawesi, Sulawasi island, Indonesia

■ Units: Ammonia (2,000 per day, ammonia technology by KBR, U.S.A.) and utility facilities

■ Scope: Turnkey contract for engineering, procurement, construction, and commissioning

services

■ Completion: the third quarter of 2015 (scheduled)

Note

PT Panca Amara Utama (PAU) is an ammonia production firm, 59.98% of whose shares are held by PT Surya Esa Perkasa Tbk (SEP), one of Indonesia's leading LPG producing company that produces LPG and condensates from natural gas. SEP's is majority owned by Mr. Theodore P. Rachmat, Mr. Garibaldi Thohir, and Mr. Vinod Laroya.

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