



HYFLUX LIMITED

Company Registration No.: 200002722Z
(Incorporated in the Republic of Singapore)

INCREASE IN SHAREHOLDING IN HYFLUX CEPARATION B.V.

Hyflux Ltd (“**Hyflux**”) is pleased to announce that it has increased the shareholding in its Netherlands incorporated subsidiary, Hyflux CEPARATION B.V. (“**HCBV**”), upon acquiring the remaining 30% of HCBV’s issued shares from CERamic PARTners B.V. and Wafilin B.V., for approximately SGD 1,600,000. This acquisition was completed on 19 January 2009, upon which HCBV became a wholly owned subsidiary of Hyflux.

HCBV is a leader in the area of ceramic membranes technology. The company’s InoCep™ membrane was a Category Winner in the Aquatech Innovation Awards in 2006, providing for effective and environmentally friendly separation solutions to a wide range of non water industries. HCBV and the other CEPARATION subsidiaries in Europe are part of Hyflux’s global platform in membrane technologies development and application.

Commenting on the development, Ms Olivia Lum, Group CEO and President of Hyflux said: “This transaction demonstrates Hyflux’s continuous commitment in the research of membrane technologies, its application and commercialisation; and further strengthens Hyflux’s existing R&D capabilities and builds upon its leadership position as the largest R&D centre for membrane and material sciences in Asia outside of Japan.”

The acquisition price is funded by internal source and is not expected to have any material impact on the consolidated net tangible assets and earnings per share of Hyflux for the current year. None of the directors and substantial shareholders of Hyflux have any interest, direct or indirect in the purchase transaction.

BY ORDER OF THE BOARD
HYFLUX LIMITED

Sam Ong, Deputy CEO, CFO
Submitted on 20 January to SGX-ST