



nogaholding's subsidiary, Bahrain National Gas Expansion Company, signs US\$ 98.7 million EPC contract with JGC Gulf International as Bahrain seeks to more than double its gas processing capacity

New Storage and Pipeline facility Engineering, Procurement and Construction (EPC) contract as part of the new expansion project to bolster gas processing capacity to 653 million standard cubic feet per day

Manama, 05 October 2016: Bahrain National Gas Expansion Company, (BNGEC), a fully owned subsidiary of nogaholding, the investment and business development arm of Bahrain's National Oil and Gas Authority (NOGA), has signed engineering, procurement and construction (EPC) contract worth US\$ 98.7 million with JGC Gulf International, a subsidiary of Japan Gas Corporation (JGC), Japan, to construct an additional storage and pipeline facility. This EPC contract forms the second part of the Bahrain Gas Plant project (BGP Part 2) at BNGEC.

The signing ceremony was held under the patronage of H.E. Shaikh Mohammed bin Khalifa bin Ahmed Al Khalifa, Bahrain's Minister of Oil, at the Ritz Carlton Hotel and Spa on 4th October 2016. The event was attended by His Excellency Mr. Kiyoshi ASAKO, Ambassador of Japan in Bahrain and senior management from both companies. The agreement was signed by Dr. Shaikh Mohammed bin Khalifa Al Khalifa, Chief Executive, BNGEC and Mr Yuji Tanaka, President and CEO, JGC GULF International Ltd.

H.E. Shaikh Mohammed bin Khalifa bin Ahmed Al Khalifa, Minister of Oil, in his keynote address said: "On the occasion of the signing of this EPC contract, I would like to thank nogaholding, BNGEC/Banagas and Tatweer project management teams for their support on this project. I would also like to congratulate JGC Gulf International for winning this project. This BNGEC expansion is another significant milestone for Bahrain in the energy sector, and we are confident that JGC Gulf International will be able to deliver this project on time and within the allotted budget."

Commenting on the signing Dr. Dhafer Al Jalahma, Chairman of BNGEC and Acting Chief Executive of nogaholding said: "The signing of this strategic contract with JGC, a world-class engineering, procurement and construction contractor, who brings a solid industry reputation and track record to the table, is in line with nogaholding's strategy to invest in and grow key projects within the portfolio under its management. Once BGP is completed, the combined capacity of BNGEC and Bahrain National Gas Company (Banagas) is expected to increase to 653 million standard cubic feet per day, which will not only bolster gas processing capacity but will contribute significantly to boosting Bahrain's economy in the long run."



Mr Yuji Tanaka, President and CEO of JGC GULF International Ltd. said: “As EPC contractor for BGP Part 1, it gives us the pleasure and honor to be selected for BGP Part 2. We are excited to be working with BNGEC on this expansion project and committed to completing this project to the highest industry standards, within the scheduled time frame and allotted budget. Our strong track record, extensive expertise and excellent reputation in the industry will further strengthen our long-standing relationship with BNGEC. We were responsible for the construction of the operating plants of Banagas and BNGEC in the 1980’s and 1990’s and continue to be well poised in bringing that experience and expertise, as we begin the construction process of this new expansion project.”

The Storage and Pipeline EPC (BGP Part 2) will involve the installation of a new pipeline system to transport gas from the compressor stations to the new gas processing train; a pipeline system to return residue gas for reinjection and a 21 km additional Butane pipeline to Sitra. The scope of this contract also includes modifications of the storage facilities in Sitra in order to accommodate additional production from the new gas processing train.

This project will include a land reclamation phase and the installation of two additional storage tanks: 200,000bbls for Propane and 100,000bbls for Butane, together with ancillary equipment. The construction work for the second EPC will soon be underway and is expected to be completed in 24 months, with the commissioning of the overall BGP project expected by Q4 2018.

Earlier this year, BNGEC had signed BGP Part 1 EPC contract with JGC Corporation, Japan, for the gas processing train for recovering high-value-added products (propane, butane, and naphtha) contained in the associated gas with a capacity of 350 million standard cubic feet per day (MMSCFD). BNGEC and Bahrain National Gas Company “Banagas”, (75 per cent owned by nogaholding) undertake associated gas processing in Bahrain. Currently, having a combined processing capacity of 303 MMSCFD, both companies operate in close coordination and have multiple shared resources for its operational facilities. With the new Project, the combined capacity is expected to increase to 653 MMSCFD.

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About nogaholding

nogaholding the investment and business development arm of the National Oil and Gas Authority (NOGA) of the Government of the Kingdom of Bahrain was established in 2007 and plays a key role in the implementation of NOGA’s strategies. The company aims to create shareholder value by the successful management of portfolio of the Government of the Kingdom of Bahrain’s shareholdings in oil, gas and petrochemical assets. nogaholding plays a core role within the economy of the Kingdom of Bahrain and has substantial expansion plans which are expected to include an investment up to in excess of US\$7 billion across several ventures.

nogaholding’s portfolio includes: The Bahrain Petroleum Company (BAPCO), The Bahrain National Gas Company (Banagas), The Bahrain National Gas Expansion Company (BNGEC), The Bahrain Aviation



Fuelling Company (BAFCO), The Bahrain Lube Base Oil Company (BLBOC), The Gulf Petrochemical Industries Company (GPIC), Tatweer Petroleum, Skaugen Gulf Petchem Carriers (SGPC) and Bahrain LNG W.L.L (established recently).

About JGC

JGC is a world-class engineering, procurement and construction contractor with a successful track record of carrying out similar projects in the Middle East. JGC has carried out various EPC projects in the field of oil & gas / refinery / petrochemical for the services throughout the project, from planning to construction, and operation and maintenance (O&M).

JGC Gulf International Co. Ltd. Is a subsidiary of JGC and performs the following roles to maximise client's benefit - an EPC Contractor for Industrial Plants/Facilities, a Consultant for Project Management, a FEED Contractor and an Advisor for Industrial Investment.

Photo caption:

For more information about nogaholding please see <http://www.nogaholding.com>

For further information, please contact:

Hill + Knowlton Strategies Bahrain

Neena Punnen

Account Manager

Tel: +973 1753 3532

Email: Neena.punnen@hkstrategies.com