

AG&P to develop lower-cost, fast-turnaround infrastructure solutions to deliver gas to off-grid customers in the Philippines

New approach will help overcome hurdles to serving the rapidly growing power and civil infrastructure sectors across the archipelago

DAVAO, Philippines, July 22, 2017 – Atlantic, Gulf & Pacific Company (AG&P), the 117-year old leading Philippines-based infrastructure company, is building on its established modularization business to pave the way for delivery of LNG to power companies and industrial customers that are not connected to existing gas pipelines. Applying its innovative LNG supply chain solutions, designed and constructed locally in the Philippines, AG&P will efficiently distribute LNG from its source to off-grid end-users across the archipelago with speed and at lower capital cost.

Speaking at the Infrastructure and Connectivity summit at the annual ICON Investment Conference in Davao City, AG&P's Chairman, Mr. Jose P. Leviste Jr. said: "The demand for LNG continues to grow both at home and worldwide as countries seek to replace oil and coal with LNG as a cleaner and cheaper fuel. However, uptake has been a challenge because of a lack of the requisite infrastructure and investment to establish a viable supply chain. AG&P is stimulating the market by simplifying the decision for the customer to switch to cost-competitive LNG through its unique approach which combines standardized design, manufacturing, financing and development for import terminals, trucks and vessels for LNG transportation and other distribution assets, offered under one roof."

AG&P delivers LNG or gas directly to customers, such as large and small power plants, fertilizer plants, refining and petrochemical facilities, transportation fleets, cement and glass companies and ship bunkering operations.

AG&P has unparalleled local construction experience and an outstanding track record in delivering infrastructure solutions to local and global gas and power projects. Currently, AG&P is the only major Philippine company selected to undertake critical works for one of the largest coal-fired thermal power plants, located in northern Luzon. AG&P was chosen in January 2017 because of its outstanding safety record, the ability to mobilize a highly skilled workforce to the project site, our commitment to train and qualify local manpower and our exceptional quality. The project is expected to be completed by September 2019.

Established in 1900, AG&P helped shape the modern face of the Philippines, building 90% of the country's pre-war bridges – including the first steel bridge over the Pasig River in Manila – and the first lubricating oil refinery in the Philippines. Mr. Leviste said AG&P wanted to play an equally significant part in delivering innovative solutions for the next phase of the country's growth and development, with a focus on energy and industrial infrastructure.

About AG&P

AG&P is a proud Filipino company that has earned a strong reputation for innovation, flawless execution, commitment to safety and care for the communities where it operates. The company is now expanding its horizons by focusing on the distribution of LNG to meet the growing demand for LNG as a secure, affordable and cleaner source of power in the world's emerging economies, with a focus on the Philippines.

AG&P is now at the forefront of the LNG infrastructure revolution with the aim of providing tolled gas to customers via integrated LNG receiving terminals and the supply chains that emanate from them. From sourcing gas to last-mile delivery, AG&P designs, manufactures, finances, leases, operates and maintains regasification and storage terminals, LNG transportation vessels and demand-stimulated assets.

In 2016, the company invested PHP 1.5 billion (USD \$32.5 million) to expand its state-of-the-art manufacturing facilities in Batangas, comprising more than 150 hectares of land across two yards each with a trade-free zone and deep-sea port. The facilities are amongst the largest in Asia with each yard able to produce up to 60,000 tons of fabricated steel and 600 dia-inches of fabricated piping, delivering 125,000 tons of assembled modules annually.

In 2016, the company was awarded the "Outstanding Global Player Award" from the Department of Trade and Industry (DTI) at the Philippine Trade Training Center, Roxas Boulevard, Pasay City. The Philippine Overseas Construction Board (POCB) selected AG&P in recognition of its outstanding performance and contribution to the export sector through its overseas manpower deployment services.

AG&P has deployed thousands of highly skilled Filipino teams to worksites globally, including Angola, Russia, Nigeria, Iraq, Kazakhstan and Australia to execute turnkey scopes of work across oil and gas, power, mining, water, civil and industrial sectors. AG&P's craftsmen and professionals – welders, mechanical technicians, scaffolders, riggers, pipe and structural fitters, electrical and instrumentation technicians, painters, supervisors, quality control engineers and project managers - are trained to adhere to the highest international standards and comply with all local regulations.

In July 2017, AG&P surpassed its own world-safety record notching up 44 million consecutive safe man-hours without lost time incident (LTI) and 75 million man-hours with only one minor incident in nine years. AG&P has never had a workplace fatality.

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For more information about AG&P's LNG capabilities visit <http://www.agp.ph/>.

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