



MEDIA RELEASE

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For immediate release

MISC and AET to merge chemical and product tanker fleets

KUALA LUMPUR - MISC Berhad – one of the world’s leading international energy logistics groups – announces that it is to merge its chemical fleet with the clean petroleum products (CPP) fleet operated by its wholly owned petroleum subsidiary, AET.

Under new arrangements, AET will take over the 13 chemical vessels and one LPG tanker currently owned/operated by MISC and combine them with its own fleet of eight CPPs to create a new, single entity.

Announcing the move, MISC President/Group CEO, Mr Yee Yang Chien said:

“There are significant synergies to be gained from merging the two fleets and creating a consolidated products business. Our chemical and CPP fleets have many customers in common and this merger enables us to offer them added value through additional capacity and flexibility.”

“The integration will also allow us to continue to expand our customer base and develop a range of long-term partnerships in the sector. With growth forecast in the petrochemical industry, particularly in the US and Arabian Gulf, along with the current low oil price environment, we are confident that we will see a strengthening of exports and a higher demand for product tankers in the future”, he added.

The new arrangements involve transferring MISC’s seven “*Bunga A*” class vessels (38,000 dwt) which are owned by the company along with six “*Bunga L*” class (19,900 dwt) and one LPG vessel (20,613 dwt) which are all currently operated on long-term bareboat charters. These vessels will combine with AET’s eight CPP tankers. No changes will be made to the flag or classification society and MISC Berhad will continue to provide technical management for the chemical tankers and LPG vessel.

Captain Rajalingam Subramaniam, President & CEO of petroleum subsidiary, AET welcomed the new arrangements:

“The CPP and chemical businesses share similar market drivers and are both poised for sustainable growth in emerging markets, it makes absolute sense to operate these ships as a combined fleet. An integrated fleet allows us to optimise and triangulate the three core chemical markets – organic, vegetable and special – and provide greater options and flexibility to our customers. We believe we can achieve much higher vessel utilisation with a larger fleet by having access to a greater cargo pool as well as having the ability to secure opportunistic fixtures.

For our customers, I am confident of being able to deliver an enhanced service which maintains the high levels of quality and customer service they have come to expect from AET.”

- ENDS -



Notes to editors

About MISC

MISC Berhad (MISC), a subsidiary of PETRONAS, was incorporated in 1968 and is one of the world's leading international energy shipping and maritime conglomerates.

The principal businesses of MISC comprise energy shipping and its related activities; owning and operating offshore floating solutions; marine repair and conversion; engineering and construction works; and maritime education and training.

Its modern fleet includes 25 LNG carriers, 82 clean and crude petroleum vessels, 13 chemical ships, 1 LPG tanker and 13 offshore floating facilities. Together, this fleet moves around 9% of the global LNG requirement and delivers customised solutions to the world's leading oil companies.

Aside from its shipping business, MISC operates the only yard in Malaysia capable of constructing complex offshore structures and marine facilities. Additionally, its Malaysian Maritime Academy (ALAM) - a maritime and cadet training facility based at Malacca - is ranked amongst the top 10% in the world.

MISC employs more than 10,000 employees from all corners of the globe.

www.misc.com.my

About AET

AET specialises in the global ocean transport of petroleum and operates a fleet of 82 vessels comprising 12 VLCCs, 4 Suezmaxes, 1 Panamax, 50 Aframax, 4 DP shuttle tankers, 8 CPPs and 3 LR2 tankers. Its current orderbook includes 2 Suezmax, 4 Aframax and 2 LR2 tankers.

The company is headquartered in Singapore, with commercial centres in Singapore, London and Houston together with a specialist offshore lightering unit in Galveston, Texas.

AET is the petroleum unit of Malaysian energy logistics group, MISC Berhad.

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