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Yokogawa Wins Contract to Provide Upstream Measurement and Control Facilities for Large Crude Oil and Natural Gas Development Project in Sakhalin

Yokogawa Electric Corporation announces that it has been awarded contracts to supply the complete upstream measurement and control facilities for the Sakhalin II crude oil and natural gas development project in the Sakhalin Region of the Russian Far East. These follow earlier contracts for the project's downstream measurement and control facilities. Under the latest contracts, which have been awarded by Sakhalin Energy and Sumitomo Corporation, Yokogawa will deliver control, monitoring and safety systems, the Plant Resource Manager Plant asset management package, and other systems for two offshore platforms, the onshore production facilities, and the pipelines.

Sakhalin II is a very large energy development project, with a total budget of US\$10 billion. The project is being led by Sakhalin Energy Investment Company Ltd., whose shareholders are Royal Dutch/Shell Group, Mitsui & Co., Ltd., and Mitsubishi Corporation. It will enable the year-round extraction of crude oil and natural gas in northern Sakhalin and its transport via pipelines to southern Sakhalin. There the crude oil will be shipped to utility customers from a crude oil export facility and the gas will be converted to liquefied natural gas (LNG) at an LNG production facility that will be among the largest of its kind in the world, with two liquefaction trains that will have a combined annual production capacity of 9.6 million tons. Another world first for this LNG facility is that it will be the first of its kind to implement the latest FOUNDATION™ fieldbus technology on a full scale. It is scheduled to begin operation in 2007.

Will de Groot, Managing Director of Yokogawa System Center Europe, says “We have made optimum use of the various integrated technology platforms for the Sakhalin project, such as Foundation fieldbus, the CENTUM CS3000 Distributed Control System, the ProSafe PLC Safety System, the Fast/Tools SCADA package, and the STARDOM network-based control system. This has been coupled with our capability to execute the project from production locations in Japan, Singapore, The Netherlands and Malaysia, which again demonstrates Yokogawa's ability to master major automation projects. With award of this Sakhalin II project, Yokogawa will take steps to set up a local support base on Sakhalin island for training, commissioning, and maintenance work, involving Russian resources. This will contribute to both business and the community.”

A major reason why Yokogawa has won these contracts for the Sakhalin II project's measurement and control facilities is the excellent reputation that its FOUNDATION fieldbus technology has won over the years. Yokogawa has earned the trust of its customers thanks to the proven track record of its FOUNDATION fieldbus products in large-scale plants, as well as its project implementation capabilities.

About Yokogawa

Yokogawa's global network of 29 manufacturing facilities, 101 affiliate companies, and over 500 sales and engineering offices spans 29 countries. Since its founding in 1915, the US\$3 billion company has been engaged in cutting-edge research and innovation, securing more than 4,500 patents and registrations, including the world's first distributed control system and the first digital sensors for flow and pressure measurement. Industrial automation and control, test and measurement, information systems and industry support are the core businesses of Yokogawa. For more information about Yokogawa, please visit our web site at www.yokogawa.com.