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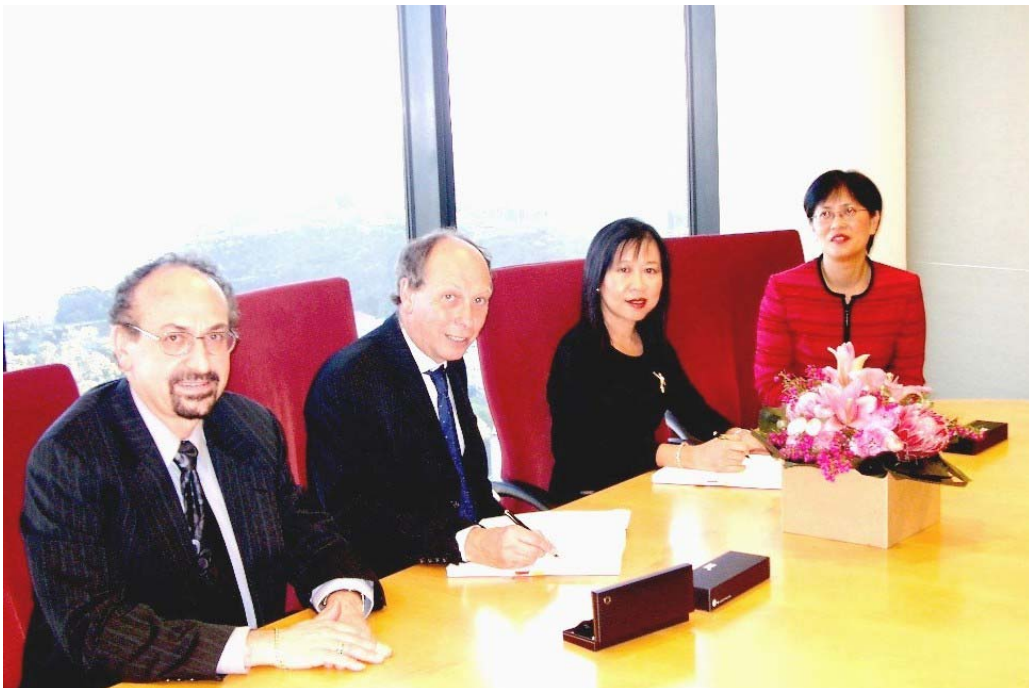
SEMBCORP MARINE'S SEMBAWANG SHIPYARD AND JURONG SHIPYARD SECURED BREAKTHROUGH LONG-TERM LNG REFIT CONTRACT FROM AUSTRALIA'S NORTHWEST SHELF PROJECT

Singapore, October 27, 2004 : SembCorp Marine Ltd (SembCorp Marine) is pleased to announce the award of a long-term contract from the North West Shelf venture (NWS) to provide ship dry-docking, refit, and other marine services, for their fleet of LNG ships. This breakthrough contract signifies the first time that a major LNG consortium has committed itself to a long-term maintenance and refit contract in the region. At a time when Singapore is preparing itself to be a major hub and player in the LNG sector, the selection of SembCorp Marine as a refit partner of NWS, is a great boost to the Singapore marine industry and reinforces the Shipyard Group's leadership position in LNG refits.

The contract, signed in Perth, Australia, by Mr Nick Harrison, General Manager of North West Shelf Shipping and Ms Lee-Lin Wong, Executive Director and General Manager of Sembawang Shipyard Pte Ltd, commits the retrofitting and dry-docking of a number of NWS Liquefied Natural Gas (LNG) carriers to SembCorp Marine's Sembawang Shipyard and Jurong Shipyard for a five-year term with an option for extension of the contract. Sembawang Shipyard and Jurong Shipyard are subsidiary shipyards in the SembCorp Marine Group. The NWS venture owns and operates nine LNG ships which require dry docking services every 30 months. Approximately half of the refits will be performed by SembCorp Marine, while the remainder of the refits will be performed in the facilities of the original Japan Consortium builders, who have a separate

agreement with NWS to provide similar type of services. In addition to the conventional refit scope work, a number of other major tasks are planned for the next five (5) years, including among others, the replacement of halon fire fighting systems with environmentally friendly alternatives, TBT paint removal, and vessel life extension.

The signing of the long-term contract marks a major milestone in the collaborative relationship between NWS and SembCorp Marine as it commits both partners to co-operating in the area of ship-repair and related services with the key objective of achieving short and long-term mutually compatible goals in HSE (Health, Safety and Environment), quality, timely delivery, cost and technology advancement.



From left, Mr Savas Athanasiadis, Technical Manager of NWS, Mr Nick Harrison, General Manager of NWS, Ms Lee-Lin Wong, Executive Director and General Manager of Sembawang Shipyard and Ms K K Wee, Assistant General Manager (Business) of Sembawang Shipyard, signing the long-term refit contract in NWS's office in Perth, Australia.

“We have worked with SembCorp Marine over the years, the first being the refit of **Northwest Shearwater** and **Northwest Swift** in Sembawang Shipyard in 2001 and 2002 respectively and most recently the **Northwest Swallow** and

Northwest Swan, earlier this year. The NWS venture firmly believes that for any partnership to be successful, it must be forward-looking with a clear and well defined focus. We look forward to working with SembCorp Marine in achieving safe, high quality and on-time delivery maintenance targets for our fleet of nine LNG carriers”, said Mr Nick Harrison, General Manager of NWS Shipping.

"This prestigious award is a major milestone achievement for SembCorp Marine’s Sembawang Shipyard and Jurong Shipyard as it is the first long-term LNG refit contract between a world renowned LNG ship operator with a Singapore shipyard group. We are honoured and grateful to be chosen by NWS as their Singapore based partner. We have worked with the shipping entities of the various NWS owners for 5 years and this award thus gives great satisfaction to our team. This is also a strong affirmation from the large LNG operators of SembCorp Marine’s capabilities in the highly specialised LNG refit market. We are confident that with NWS, we will work towards enhancing long-term partnership through value creation and leveraging our complementary skills and capabilities to improve and enhance the operating performance of NWS’s fleet and SembCorp Marine”, said Ms Lee-Lin Wong, Executive Director and General Manager of Sembawang Shipyard.

With the signing of this contract, NWS LNG vessels are scheduled to undergo maintenance drydocking and repairs including several major upgrades in SembCorp Marine’s Sembawang Shipyard and Jurong Shipyard, at an estimated US\$45 million (S\$75 million) over 5 years. The **Northwest Seaeagle** will be the first vessel to be drydocked under the contract, first in the series of 3 LNG carriers scheduled for refits in 2005.

The long-term LNG refit contract is not expected to have any material impact on the net tangible assets and earnings per share of SembCorp Marine for the year ending December 31, 2004.

Northwest Swallow in
Sembawang Shipyard
in June 2004



About SembCorp Marine

SembCorp Marine is the marine engineering arm of SembCorp Industries, Asia's foremost engineering services group. A leading global marine engineering group, SembCorp Marine specialises and is internationally renowned for its expertise in ship repair, shipbuilding, ship conversion, rig construction and offshore oil and gas engineering. SembCorp Marine has a combined docking capacity of 2.3 million deadweight tonnes (dwt) and offers the largest marine engineering facilities east of the Suez.

SembCorp Marine's businesses are conducted globally through seven strategically located shipyards around the world, including two key shipyards; Sembawang Shipyard and Jurong Shipyard.

Sembawang Shipyard has one of the largest integrated ship repair facilities in Southeast Asia. The shipyard's world-class reputation is based on the company's commitment to high quality standard, Health, Safety and Environment standard, timely delivery, superior customer service and innovative solutions. The shipyard has five docks totalling 775,000 dwt with adjacent engineering facilities. It has almost four kilometres of continuous deep and sheltered berthage of up to 14 metres in depth.

Jurong Shipyard is renowned for offering a "one-stop total service" in ship repair, newbuilding, ship conversion and offshore engineering. Sprawling over a total land area of 65 hectares in 2 locations, Jurong Shipyard operates four graving docks with a total capacity of 1,100,000 dwt and berthing quays stretching over a total length of 2,728 metres with a maximum draft of 9 metres.

About North West Shelf Venture

NWS is an unincorporated joint venture, equally owned by BP, BHP Billiton, ChevronTexaco, MIMI (a joint Mitsubishi and Mitsui company), Shell and Woodside companies.

The NWS fleet consists of 9 LNG carriers built for the Australia-Japan (and more recently South Korea) trade route. To symbolize the project's strong link between Japan and Australia, the North West Shelf LNG carriers are all named after birds which are either permanent inhabitants or regular visitors to both Australia's North West and Japan. The vessels are ***Northwest Sanderling, Northwest Swallow, Northwest Swift, Northwest Snipe, Northwest Shearwater, Northwest Sandpiper, Northwest Seaeagle, Northwest Stormpetrel*** and ***Northwest Swan***.

Each of the first eight (8) 93,000 tonne ships is equipped with four insulated spherical tanks providing a total cargo capacity of 125,000 cubic metres (57,000 tonnes) of LNG. The newest ship, ***Northwest Swan***, is of the membrane design with a cargo capacity of 138,000 cubic meters (63,000 tonnes) and was delivered in March 2004 by a Korean yard. The vessels are propelled by steam turbines designed to provide clean, flexible and economic operation; using 'boil off' and forced gas from their LNG cargoes as a primary fuel.