

Immediate Release

**Sembawang Shipyard Signs Long Term Contract
With Tschudi & Eitzen Holding AS, Norway**

Singapore, 16 January 2002 – Sembawang Shipyard Pte Ltd (SembShip), Singapore, a subsidiary of SembCorp Marine Ltd, today announces the signing of a long-term contract, entitled Favoured Customer Contract, with Tschudi & Eitzen Holding AS, Norway.

The contract, signed in Singapore, by Mr. John Hughes, Managing Director of Tschudi & Eitzen Ship Management AS, and Mr Heng Chiang Gnee, Managing Director of Sembawang Shipyard Pte Ltd, commits the retrofitting and dry-docking of Tschudi & Eitzen Holding's owned and managed vessels to Sembawang Shipyard for the foreseeable future.

Sembawang Shipyard is proud to be chosen as Tschudi & Eitzen Holding's exclusive partner in Singapore for the dry-docking and repairs of its owned and managed vessels. Established since 1883, Tschudi & Eitzen is now a diversified international ship-owning, ship-operating, ship-management and marine services group. It is one of the world's largest ship-management companies. Currently, Tschudi & Eitzen operates a fleet of 220 vessels worldwide, comprising 71 fully / partially owned vessels, 56 vessels in commercial management / time charter, and external management of 97 vessels for external owners. The vessels are managed through the group's ship management companies in Oslo (Norway), Copenhagen (Denmark), Tallinn (Estonia), Mumbai (India) and Singapore.

The signing of the long-term contract marks a major milestone in the collaborative relationship between Tschudi & Eitzen and Sembawang Shipyard as it commits both partners in co-operating in the area of ship-repair and related services with the key objective of increasing mutual competitive advantages. Through joint planning and information sharing, the partners would leverage on their complementary resources to achieve sustainable targets in the areas of quality, HSE (Health, Safety and Environment), cost and technology advancement.

Tschudi & Eitzen and Sembawang Shipyard have a long history of co-operation, dating back to the early 1980s. The first Tschudi & Eitzen vessel repaired by Sembawang Shipyard was ore / bulk / oil carrier, **SIBOTO**, in March 1982. To-date, Sembawang Shipyard is proud to have drydocked and repaired 56 vessels for Tschudi & Eitzen Group of companies.

"We have successfully worked with Sembawang Shipyard over the years and we have seen how efficient, responsive and co-operative the shipyard is towards Owners. As such, Tschudi & Eitzen is very pleased to enter into a long-term arrangement with Sembawang Shipyard to pursue our common objectives of maximising the performances of both our companies. We are confident that the new partnership with Sembawang Shipyard would provide the springboard for both organisations to seek innovative ways to add value to each other's operations", said Mr. Axel Eitzen, Chairman of Tschudi & Eitzen Holding AS.

"The signing of the Favoured Customer Contract with Tschudi & Eitzen marks another significant achievement for Sembawang Shipyard in our quest to develop long-term partnerships with our customers through value creation and leveraging on our complementary skills and capabilities to improve the performances of both companies. Sembawang Shipyard has successfully changed the mindset of its people in the last three years such that the shipyard is able to transform the way ship-repairing is being carried out. In so doing, the shipyard is able to create value for its customers. Although Tschudi & Eitzen and Sembawang have successfully co-operated on many projects in the past, the Favoured Customer Contract is a major step forward for both organisations towards a long-term programme for continuous development in the operating performance of Tschudi & Eitzen's fleet. We are proud and honoured to have been chosen by Tschudi & Eitzen as their exclusive shipyard in Singapore," said Heng Chiang Gnee, Managing Director of Sembawang Shipyard Pte. Ltd.

With the signing of this contract, an estimated 8 vessels from Tschudi & Eitzen's owned / managed fleet are expected to drydock in Sembawang Shipyard in 2002.



*Signing ceremony—From left, Mr Heng Chiang Gnee, Managing Director of Sembawang Shipyard
and Mr John Hughes, Managing Director of Tschudi & Eitzen Shipmanagement AS*

Presently, Sembawang Shipyard has Alliance agreements with Shell International Trading & Shipping, U.K., BP Shipping, U.K., BHP Transport & Logistics, Australia and Jo Tankers AS, Norway.



*69,500 dwt tanker, **Sitavera** upon completion in Sembawang Shipyard in September 2001*

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