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## PRESS RELEASE

### SEMBAWANG SHIPYARD SECURES UPGRADING AND REPAIR CONTRACTS WORTH S\$110 MILLION

**Singapore, 13 September 2010:** Sembcorp Marine's subsidiary Sembawang Shipyard has secured major upgrading and repair contracts worth S\$110 million, reinforcing its reputation as a world-leading ship-repair yard.

#### Upgrading of Passenger / Ferry Ships

Sembawang Shipyard, an internationally renowned ship repairer of cruise ships in the Far East, was recently awarded two upgrading contracts for passenger / ferry ships.

The first contract involves an upgrading project from Interislander, a division of Kiwirail Limited, New Zealand for the lengthening and dry-docking repairs of its Ro-Pax Ferry, **Aratere**. Contracted for S\$32 million, the **Aratere** is expected in the shipyard in March 2011, whereby a new bow section and a newly fabricated 29.25 metre mid-body section will be fitted to the existing 150-metre ferry. Other major upgrading works include the outfitting and refurbishment of existing passenger areas on the two upper decks.

Upon completion of its upgrading and lengthening, the newly enhanced **Aratere** will continue to operate in New Zealand waters, offering the most modern and high-tech cruise experience across the Cook Strait, through some of New Zealand's most impressive landscapes.

Another contract was recently awarded by Carnival Australia for the upgrading and refurbishment of its latest cruise ship, the **Pacific Pearl**. This is the second upgrading project for Carnival Australia, part of Carnival Corporation, the world's largest cruise-ship owner and operator, following the successful refurbishment of **Pacific Jewel** in November 2009.

The scope of work includes the repairs to life boats and tender boats, installation of 4 new tender boats/davits, fabrication and installation of a new teen centre at deck.

The **Pacific Pearl** is expected to arrive at the shipyard in November 2010 and following her three-week upgrade, she will make her way to Auckland for her

official naming on December 21, 2010, prior to her maiden visit to Sydney to commence her first Australian season.

### **LNG Carrier Repair Contracts**

As the world's number 1 shipyard for LNG repairs, Sembawang Shipyard was also recently awarded repair contracts for a series of LNG carriers. These include the following:

- (a) A contract for the repairs of 5 membrane LNG carriers was awarded by China LNG Shipping (International) Company Limited (CLSICO), Hong Kong. CLSICO is a joint venture between China Merchants Group, Cosco Dalian and BP Shipping Limited. Signed recently in Hong Kong by Mr Paul Oliver, General Manager of CLSICO, and Ms Lee-Lin Wong, Executive Director of Sembawang Shipyard, this contract covers the repairs of 5 LNG carriers from December 2010 to 2012. The first vessel, the ***Dapeng Moon*** is expected to arrive in December 2010.
- (b) The second contract is from K Line Shipmanagement, Japan, for the repairs of 3 LNG carriers, ***Tanggung Jaya***, ***Tanggung Foja*** and ***Tanggung Palung***. ***Tanggung Jaya***, the first in a series of three vessels, is expected in the shipyard in December 2010.

The shipyard is also currently working on the longevity project for the ***Northwest Snipe*** from Favoured Customer Contract (FCC) partner, North West Shelf Shipping Service Company. The six participants in the North West Shelf Shipping Service Company are BHP Billiton Petroleum (North West Shelf) Pty Ltd, BP Developments Australia Pty Ltd, Chevron Australia Pty Ltd, Japan Australia LNG (MIMI) Pty Ltd, Shell Development (Australia) Pty Ltd and Woodside Energy Ltd.

Besides the above contracts, another major contract secured recently by Sembawang Shipyard is the life extension of a cargo ship, ***Iron Monarch***, owned by Bluescope Steel (AIS) Pty Ltd, Australia and managed by Teekay Shipping (Australia) Pty Ltd.

The above contracts are not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of Sembcorp Marine for the year ending December 31, 2010.

### **About Sembawang Shipyard**

Sembawang Shipyard, a wholly owned subsidiary of Sembcorp Marine, 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 standards, Health, Safety and Environment standards, timely delivery, superior customer service and innovative solutions.

Besides its proven expertise in the sectors of tankers, bulk carriers and container / cargo vessels, the shipyard is also recognised as a specialist in the niche markets such as LNG carrier repairs, passenger ship conversion / upgrading, FPSO conversion, offshore conversion and newbuilding, damage repairs and repair of chemical tankers, liquefied gas carriers and navy ships.



Contract signing in Hong Kong: (from left) Ms Lee-Lin Wong, Executive Director, Sembawang Shipyard Pte Ltd, and Mr Paul Oliver, General Manager, China LNG Shipping (International) Company Limited (CLSICO).

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