

PRESS RELEASE

SEMBCORP MARINE'S SEMBAWANG SHIPYARD SIGNS LONG-TERM SHIP-REPAIR ALLIANCE CONTRACT WITH TEEKAY MARINE SERVICES, CANADA

Singapore, March 30, 2011: Sembawang Shipyard, a wholly-owned subsidiary of Sembcorp Marine has signed a long-term alliance contract with Teekay Marine Services, Canada, to provide ship-repair, refurbishment, upgrading and related marine services for its fleet of 137 ships. Teekay Marine Services is a subsidiary of Teekay Corporation, an international leader in energy shipping which serves the world's leading oil and gas companies.

This long-term maintenance and refit alliance contract signed in Vancouver, by Captain Graham Westgarth, President of Teekay Marine Services and Ms. Wong Lee Lin, Executive Director of Sembawang Shipyard, commits to offer the repairs, refurbishment and upgrading of Teekay's fleet of vessels docking in Singapore to Sembawang Shipyard. It also supports joint planning, information and experience sharing, thus leveraging complementary resources to achieve sustainable targets in the areas of HSSE (Health, Safety, Security and Environment), quality, cost-efficiency and timely deliveries. This partnership will lead to process-based improvements in refits and ship maintenance using best practices of both companies.

Captain Graham Westgarth, President of Teekay Marine Services said, "This ship-repair alliance is between two companies which are keen on having continuous improvement in their organisations thus enhancing their competitiveness. The alliance will benefit both organisations as we will maximize our ships' trading days through safe repairs, better planning, quality enhancement and maximization of resources utilization. Through such processes, we will be able to carry out our dry dockings and upgrades in a safe, efficient and cost-effective way. The selection of Sembawang Shipyard as our exclusive alliance partner in Singapore is in line with Teekay's global refit strategy to work towards achieving such continuous improvement in repair processes and implementing best practices across Teekay's entire fleet. Sembawang Shipyard is internationally recognised for its safety track record and as one of the most technically competent and efficient repair yards in the world. We have had many positive experiences with Sembawang Shipyard, which laid the foundation for us to enter into this long-term partnership arrangement with the Shipyard. More than these, the alliance is about trust and commitment between our two companies. We thus look forward to a long and successful partnership with Sembawang Shipyard."

Ms. Wong Lee-Lin, Executive Director of Sembawang Shipyard said "Teekay is a world leader in global shipping and we are indeed pleased to be Teekay's chosen partner. The Teekay-Sembawang Shipyard alliance is the result of a close collaborative relationship between two like-minded organisations with the intent of accomplishing mutually compatible goals. This innovative alliance enables synergistic value creation resulting from the co-sharing of knowledge, skills and experiences on the technical repairs, the operation of the ships and systems improvements. Sembawang Shipyard has a good track record in delivering alliance benefits to our partners. Our alliance structure and processes will bring about continuous improvements in the way Teekay ships are being repaired and upgraded. We look forward to a

long-term partnership which will deliver visible mutual benefits to both companies, especially in the areas of HSSE, quality, planning and cost efficiency.”

With the signing of this long-term contract, Sembawang Shipyard can anticipate the refit and/or upgrade of 6 to 8 Teekay vessels each year. In February 2011, Sembawang Shipyard repaired Teekay’s shuttle tanker, **Navion Savonita**, which is operated by Teekay Brazil. There are three other vessels scheduled for repairs in Sembawang Shipyard in the first half of 2011.

The above contract is 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, 2011.

About Teekay Corporation

Teekay Marine Services is a subsidiary of Teekay Corporation, a recognized international leader in energy shipping and responsible for approximately 10 percent of the world’s seaborne oil transportation. Teekay Corporation has built a significant presence in the liquefied natural gas shipping sector through its publicly-listed subsidiary, Teekay LNG Partners L.P., is further growing its operations in the offshore oil production, storage and transportation sector through its publicly-listed subsidiary, Teekay Offshore Partners L.P., and continues to expand its conventional tanker business through its publicly-listed subsidiary, Teekay Tankers Ltd.

Operationally headquartered in Vancouver, Teekay Corporation has offices in 16 countries and over 6,100 seagoing and shore-based employees. Its ship management services – currently for a fleet of over 148 vessels – reflect the industry’s highest operations and vessel maintenance standards – in technical support, marine human resources, and a range of specialized services. A global network of Teekay experts supports all these services. Teekay’s reputation for safety, quality and innovation has earned it a position with its customers as The Marine Midstream Company.

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 passenger ship conversion/upgrading/repairs, LNG carrier repairs, FPSO conversion, offshore conversion and new building, damage repairs and repair of chemical tankers, liquefied gas carriers and navy ships.

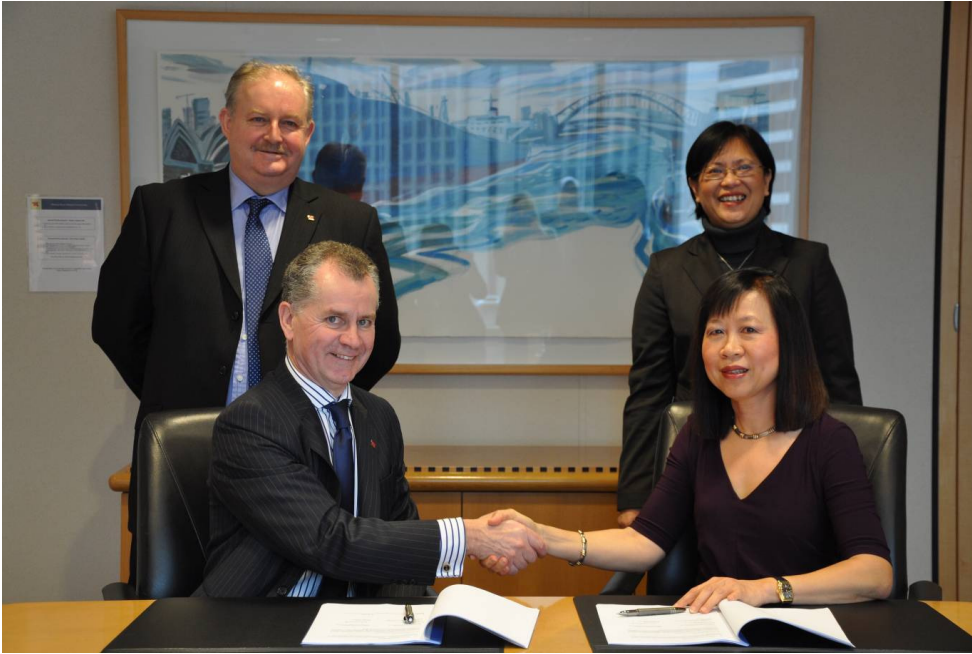
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Signing ceremony: 1st row from left, Captain Graham Westgarth, President of Teekay Marine Services and Ms Wong Lee Lin, Executive Director, Sembawang Shipyard Pte Ltd. 2nd row from left, Mr. Fred Richardson, Director Global Drydocking, Strategy & Management, Teekay Marine Services and Ms K.K. Wee, General Manager (Business), Sembawang Shipyard Pte Ltd.