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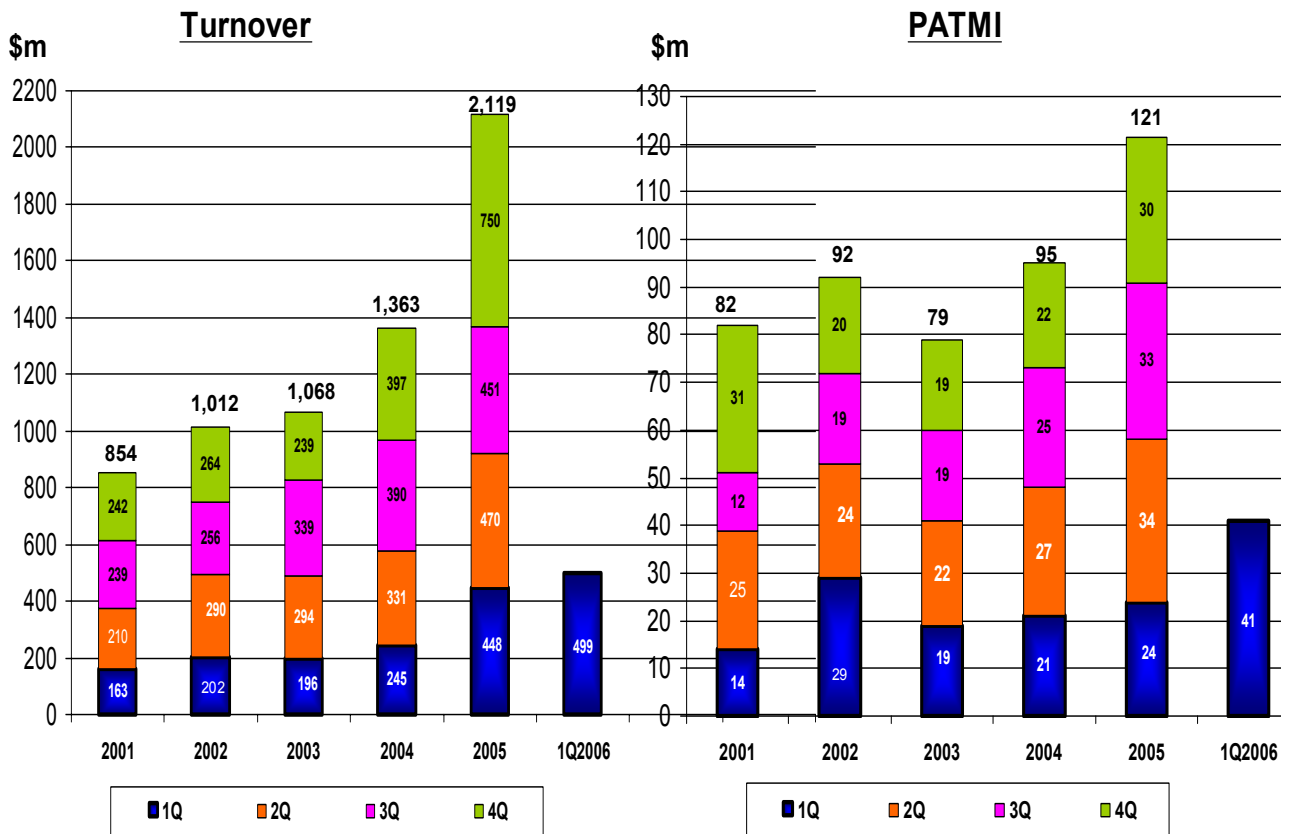
SEMBCORP MARINE DELIVERS STRONG 72% GROWTH IN PROFIT FOR 1Q 2006 WITH HIGHEST CONTRIBUTIONS FROM RIG BUILDING & SHIP REPAIR SECTORS

FINANCIAL HIGHLIGHTS

\$'m	1Q 2006	1Q 2005	% Change
Turnover	499.1	447.7	12
Operating Profit	50.7	23.6	115
EBITDA	60.8	31.8	91
Profit before tax	56.1	30.5	84
PATMI	40.8	23.8	72
PATMI, exclude non-operating expense	47.0	23.8	97
Earnings per share (cents)			
- Basic	2.81	1.67	68
- Diluted	2.75	1.64	68

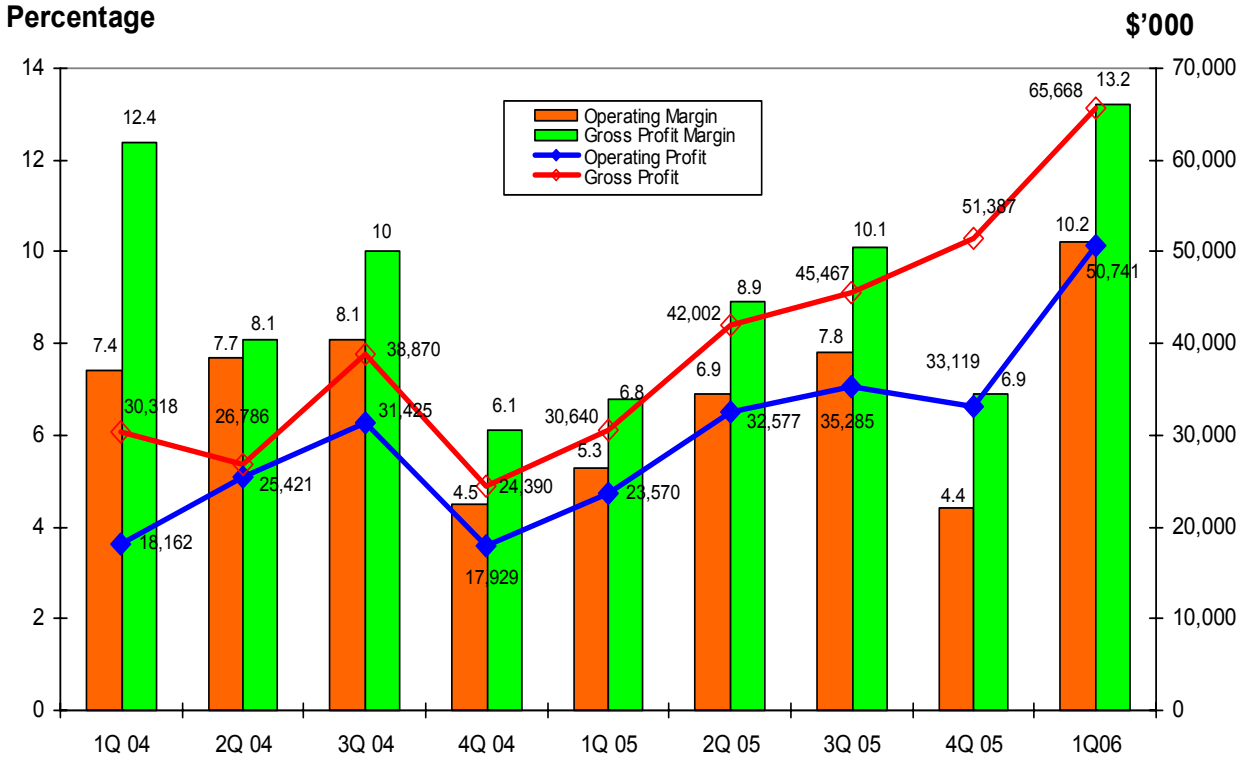
- Group turnover increased by 12% from \$447.7 million in 1Q 2005 to \$499.1 million in 1Q 2006. Work-in-progress in rig building and the ship repair business contributed to the increase in group turnover. Conversion revenue was lower due mainly to the near completion of the marine hull conversion of turnkey FPSO P-54 project while the new conversion projects secured are still in the early stages of production and are not taken up in 1Q 2006
- Group operating profits increased 115% from \$23.6 million in 1Q 2005 to \$50.7 million in 1Q 2006
- EBITDA increased 91% to \$60.8 million
- Group pre-tax profits increased by 84% from \$30.5 million in 1Q 2005 to \$56.1 million in 1Q 2006. The increase was attributed to better operating margins from rig building and ship repair business as well as better contribution from associated companies
- PATMI increased 72% from \$23.8 million in 1Q 2005 to \$40.8 million in 1Q 2006. Excluding one-off non operating expense of \$6.1 million, PATMI increased by 97% to \$47.0 million
- EPS increased 68% to \$2.81 cents per share in 1Q 2006

QUARTERLY TURNOVER & PATMI (2001 to 1Q 2006)



- Turnover grew by 12% to \$499.1 million in 1Q 2006 as compared with \$447.7 million in 1Q 2005 attributable mainly to increase in rig building and ship repair business
- PATMI at \$41.0 million in 1Q 2006 is the highest ever achieved in a quarter. It is also at a record high based on historical records. Compared with 1Q 2005, it grew by 72% from \$23.8 million to \$40.8 million in 1Q 2006.

QUARTERLY OPERATING MARGIN & OPERATING PROFIT (2004 to 1Q 2006)

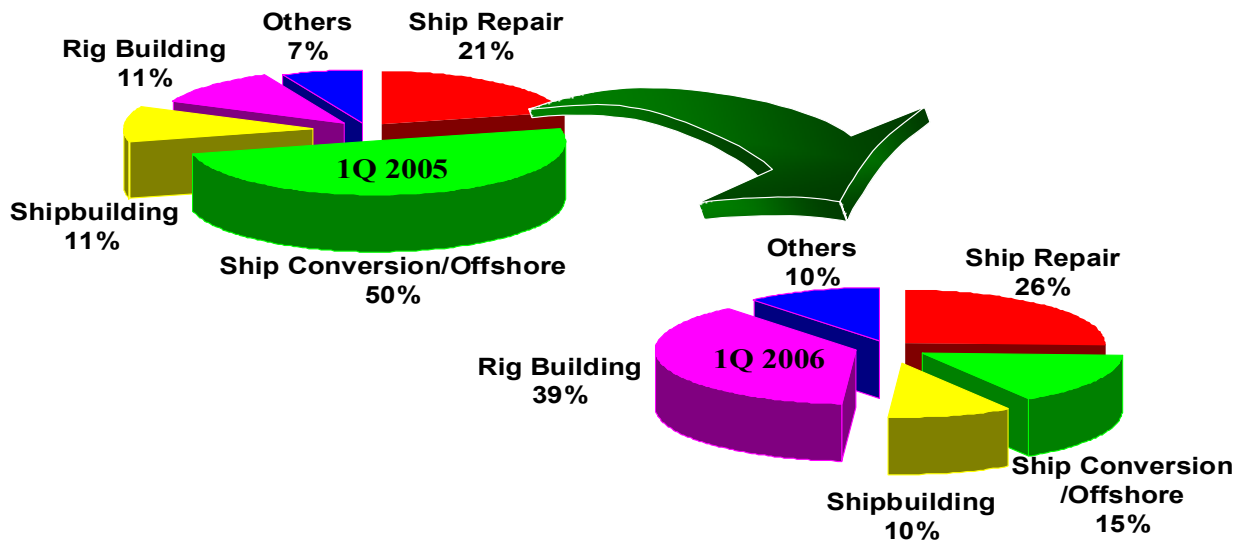


- Gross profit and gross profit margin show increasing trends
- Gross profit increased from \$51.4 million in 4Q 2005 to \$65.7 million in 1Q 2006
- Similarly, gross margin also increased from 6.9% to 13.2% in 1Q 2006
- Operating profit and operating margin show increasing trend
- Operating profit increased from \$33.1 million in 4Q 2005 to \$50.7 million in 1Q 2006
- Operating margin also increased from 4.4% in 4Q 2005 to 10.2% in 1Q 2006

TURNOVER BY SECTORS

Sector	1Q 2006 (\$'m)	1Q 2005 (\$'m)	+/(-) (\$'m)	+/(-) %
Ship Repair	130.2	96.1	34.1	35.5
Shipbuilding	46.9	51.4	(4.5)	(8.8)
Ship Conversion & Offshore	75.7	223.1	(147.4)	(66.1)
Rig Building	194.5	47.9	146.6	306.1
Others	51.8	29.2	22.6	77.4
Total	499.1	447.7	51.4	11.5

REVENUE CONTRIBUTIONS BY SECTORS (1Q 2005/1Q 2006)



- The rig building and ship repair sectors registered the strongest growth at 39% and 26% respectively for 1Q 2006
- Ship conversion/offshore sector is lower due mainly to the marine hull conversion of turnkey FPSO P-54 project nearing completion while the new conversion contracts secured in 2005 and early 2006 are still in the early stages of production

SECTOR OPERATIONS REVIEW

SHIP REPAIR

	1Q 2006	1Q 2005	% Change
Revenue contributions (\$'m)	130.2	96.1	36
Number of Vessels	81	80	1
Average value per vessel (\$'m)	1.61	1.20	34

- Ship repair revenue increased 36% to \$130.2 million in 1Q 2006
- Average value per vessel increased from \$1.20 million to \$1.61 million in 1Q 2006, an increase of 34%
- Number of vessels repaired increased by 1% to 81 in 1Q 2006 as compared with 80 vessels for the same period last year

SHIPBUILDING

No. Completed in 1Q 2006	1	<ul style="list-style-type: none"> • 2nd unit 2,600 TEU container vessel for Wan Hai Lines
No. of projects in work-in-progress stages	5	<ul style="list-style-type: none"> • 3rd unit 2,600 TEU container vessel for Wan Hai Lines • 4th unit 2,600 TEU container vessel for Wan Hai Lines • 1st unit 2,600 TEU container vessel for Reederei F Laeisz • 2 units 4,950 dwt tankers for Kuwait Oil Tanker
Projects in planning and engineering stage	3	<ul style="list-style-type: none"> • 5th & 6th units 2,600 TEU container vessel for Wan Hai Lines • 2nd unit 2,600 TEU container vessel for Reederei F Laeisz
Percentage completion (\$'m)	\$46.9	

- Shipbuilding revenue declined 9% from \$51.4 million in 1Q 2005 to \$46.9 million in 1Q 2006
- The decline was due to the completion of the 2nd unit of 2,600 TEU container vessel with the 3rd and 4th units of the 2,600 TEU container vessels still in early stages of production

SHIP CONVERSION & OFFSHORE

No. Completed in 1Q 2006	1	<ul style="list-style-type: none"> • P-50 Topsides installation & integration
No. of projects in work-in-progress stages	4	<ul style="list-style-type: none"> • P-54 FPSO Marine Conversion • P-54 Topsides Fabrication • P-54 Compressor modules • PRA-1 FPSO conversion for Modec
Projects in planning and engineering stage	4	<ul style="list-style-type: none"> • ConocoPhillips Topsides Installation & Commissioning • Heavy Loft Derrick Pipelay vessel for SapuraCrest • RJS FSO conversion for Modec • BW Enterprise FPSO conversion
Percentage Completion (\$'m)	\$75.7	

- The ship conversion and offshore sector registered a decline of 66% from \$223.1 million in 1Q 2005 to \$75.7 million in 1Q 2006
- The decline was mainly due to the marine hull conversion of turnkey FPSO P-54 project near completion with three other projects in various work-in-progress stages
- 4 other projects are still in the planning and engineering stages

RIG BUILDING : JACK-UP RIGS

No. Completed in 1Q 2006	nil	
Number of projects in work-in-progress stages	5	<ul style="list-style-type: none"> • 1st unit Jack-up for Kristiansand Drilling • 2nd unit Jack-up for WilPower • 3rd unit Jack-up for Petrojack I • 4th unit Jack-up for Apexindo • 5th unit Jack-up for Deep Drilling Invest
Projects in planning and engineering stage	6	<ul style="list-style-type: none"> • 6th unit Jack-up for WilSuperior • 7th unit Jack-up for Seatankers • 8th unit Jack-up for PetroJack II • 9th unit Jack-up for Japan Drilling • 10th unit Jack-up for Petrojack III • 11th unit Jack-up for Awilco
Newly secured projects secured in 2006 to-date	4	<ul style="list-style-type: none"> • 12th unit Jack-up Aban Lloyd • 13th unit Jack-up for Sinvest • 14th unit Jack-up for JackInvest 1 • 15th unit Jack-up for Awilco
Percentage Completion (\$'m)	\$172.5	

- Revenue for jack-up rig for 1Q 2006 at \$172.5 million
- 1st unit jack-up rig for Kristiansand Drilling not taken up due to equity participation
- 5 jack-up rigs are in various work-in-progress stages of production
- 6 jack-up rigs are in planning and engineering stages
- 4 other jack-ups were secured in 2006 to-date

RIG BUILDING : SEMI-SUBMERSIBLE RIGS

No. Completed in 1Q 2006	nil	
Number of projects in work-in-progress stages	1	<ul style="list-style-type: none"> • Lower semi-submersible hull for Atlantia Offshore
Projects in planning and engineering stage	3	<ul style="list-style-type: none"> • 1st unit semi-submersible rig for SeaDrill • 2nd unit semi-submersible rig for SeaDrill • 3rd unit semi-submersible rig for PetroMena
Newly secured projects secured in 1Q 2006	1	<ul style="list-style-type: none"> • 4th unit semi-submersible rig for PetroMena
Percentage Completion (\$'m)	\$22.0	

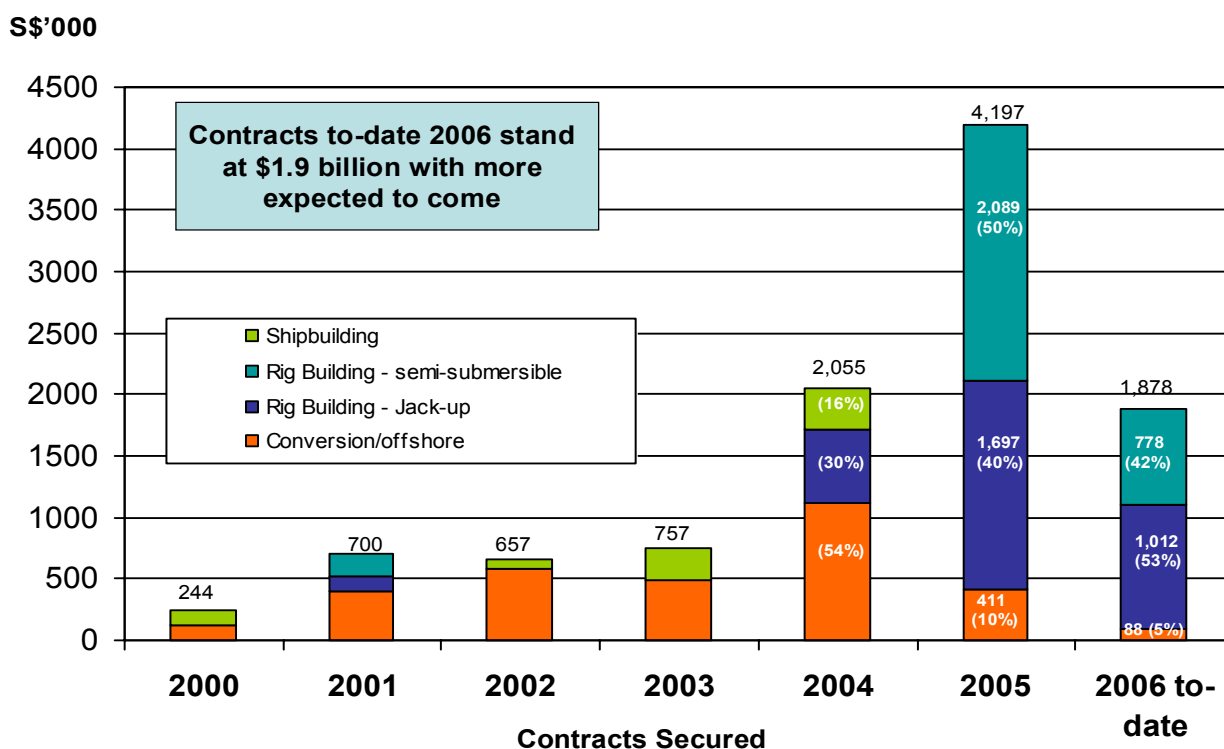
- Only 1 unit of the lower semi-submersible hull for Atlantia Offshore taken at work-in-progress stages
- 3 units of semi-submersible rigs are in planning and engineering stages and no revenue recognition for these projects
- 1 unit of semi-submersible rig secured in 1Q 2006

CONTRACTS SECURED : 2006 vs 2005 (January to April)

- Strong contract flows in 2006 to-date (\$1.9 billion) as compared with 2005 for same period (\$1.6 billion)

Month	2006		2005	
	Value (\$m)	Details	Value (\$m)	Details
January	\$ 288 \$ 88	<ul style="list-style-type: none"> • 1 unit Baker Marine Pacific Class 375 Jack-up rig for Aban Lloyd Chiles • 1 FPSO conversion – BW Enterprise for Bergesen Worldwide Offshore 	\$ 217	<ul style="list-style-type: none"> • 1 unit Baker Marine Pacific Class 375 Jack-up rig for PT Apexindo
February	\$ 228	<ul style="list-style-type: none"> • 1 unit Baker Marine Pacific Class 375 Jack-up rig for Sinvest ASA 	\$ 161 \$ 123 \$ 82 \$ 194	<ul style="list-style-type: none"> • Fabrication & integration of topsides production modules for newbuild FPSO for ConocoPhillips China • Design & construction of a self-propelled DP2 Heavy Lift Pipelay vessel for SapuraCrest Petroleum Berhad • Fabrication of a deep draft semi-submersible hull for Atlantia Offshore • 1 unit Baker Marine Pacific Class 375 Jack-up rig for Deep Drilling Invest
March	\$ 778	<ul style="list-style-type: none"> • 1 unit Friede & Goldman ExD design semi-submersible rig for PetroMena ASA 	\$ 196	<ul style="list-style-type: none"> • 1 unit Baker Marine Pacific Class 375 Jack-up rig for WilSuperior, a subsidiary of Awilco Offshore ASA
Total for 1Q 2006	\$1,382		\$ 973	
April	\$ 266 \$ 230	<ul style="list-style-type: none"> • 1 unit Baker Marine Pacific Class 375 Jack-up rig for JackInvest I • 1 unit Baker Marine Pacific Class 375 Jack-up rig for Awilco Offshore 	\$ 212 \$ 209 \$ 215	<ul style="list-style-type: none"> • 1 unit Baker Marine Pacific Class 375 Jack-up rig for Seatankers • 1 unit Baker Marine Pacific Class 375 Jack-up rig for PetroJack II • 1 unit Baker Marine Pacific Class 375 Jack-up rig for Japan Drilling
Total	\$ 496		\$ 636	
Overall Total to-date	\$1,878		\$1,609	

CONTRACTS SECURED : 2000 TO 2006 (JANUARY TO APRIL 2006)



TOTAL ORDER BOOK (EXCLUDE SHIP REPAIR)

- Order Book remains strong at a record high of \$6.8 billion, including new contracts secured as at April 2006

Sector	S\$m	Contract Value carried forward from December 31, 2005 plus new contracts secured as at to-date	Taken 1Q 2006	Balance	Percentage of Total Order Book
Shipbuilding		298	47	251	4
Ship Conversion & Offshore		1,071	76	995	15
Rig Building					
- Jack-up		2,960	172	2,788	40
- Semi-submersible		2,811	22	2,789	41
Total		7,140	317	6,823	100

SCHEDULE OF DELIVERY & COMPLETION OF PROJECTS (exclude ship repair)

- Shipbuilding and ship conversion/offshore earnings visibility strong in 2006
- We expect to secure more

Projects	Year	2005	2006	2007	2008	2009	2010
Shipbuilding							
1 st unit 2,600 TEU container (Wan Hai Lines)							
2 nd unit 2,600 TEU container (Wan Hai Lines)							
3 rd unit 2,600 TEU container (Wan Hai Lines)							
4 th unit 2,600 TEU container (Wan Hai Lines)							
5 th unit 2,646 TEU container (Wan Hai Lines)							
6 th unit 2,646 TEU container (Wan Hai Lines)							
1 st unit 2,600 TEU container (R F Laeisz)							
2 nd unit 2,600 TEU container (R F Laeisz)							
1 st unit 4,950 dwt tanker (Kuwait Tanker)							
2 nd unit 4,950 dwt tanker (Kuwait Tanker)							
Completion		1	6	3			
Ship Conversion & Offshore							
P-50 integration & commissioning							
P-54 marine conversion							
P-54 Topsides Fabrication							
P-54 Compressor Modules							
P-54 Integration and Commissioning							
ConocoPhillips Topsides							
Heavy Lift Derrick Pipelay Vessel							
PRA-1 FPSO conversion							
RJS FSO conversion							
BW Enterprise FPSO conversion							
Completion		1	4	3	1		

- Strong earnings visibility for jack-up and semi-submersible rigs till 2009
- We expect to secure more

	2005	2006	2007	2008	2009	2010
Jack-up						
1 st Jack-up (Kristiansand Drilling)						
2 nd Jack-up (Wilpower)						
3 rd Jack-up (Petrojack I)						
4 th Jack-up (Apexindo)						
5 th Jack-up (Deep Drilling Invest)						
6 th Jack-up (Wilsuperior)						
7 th Jack-up (Seatancker)						
8 th Jack-up (Petrojack II)						
9 th Jack-up (Japan Drilling)						
10 th Jack-up (Petrojack III)						
11 th Jack-up (Awilco)						
12 th Jack-up (Aban)						
13 th Jack-up (Sinvest)						
14 th Jack-up (JackInvest 1)						
15 th Jack-up (Awilco)						
Completion (15 jack-ups on order)	(0)	(3)	(5)	(7)		
Semi-submersible						
Lower semi-submersible hull (Atlantia)						
1 st Semi-submersible (SeaDrill)						
2 nd Semi-submersible (SeaDrill)						
3 rd Semi-submersible (PetroMena)						
4 th Semi-submersible (PetroMena)						
Completion (4 units)	(0)	(1)	(0)	(2)	(2)	
Total (17)	0	4	5	9	2	

OUTLOOK

Total contracts secured in 2006 to-date stands at \$1.9 billion as compared with \$1.6 billion for the corresponding period.

Total outstanding order book, excluding ship repair, stands at \$6.8 billion with deliveries and completion till 2009.

Going forward, the Group expects the current year's overall performance to be stronger than FY2005, based on the scheduled completion of projects

The ship repair sector remains strong despite a competitive environment.

For the ship conversion and offshore sector, market fundamentals for Floating Production Storage and Offloading (FPSO) vessels and Floating Storage and Offloading (FSO) vessels continue to be strong, driven mainly by high oil prices and increased exploration and production activities.

Rig building continues to provide robust demand due to high worldwide utilization rates, unprecedented high charter rates as well as an ageing rig fleet worldwide.

Overall, the market outlook for all sectors in the marine and offshore industry remains strong.

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