PRESS RELEASE

FY2012 NET PROFIT AT $538 MILLION, EARNINGS PER SHARE AT 25.8 CENTS AND RETURN ON EQUITY AT 22.2%

Singapore, February 21, 2013: Sembcorp Marine recorded a full year net profit of $538 million amid challenging operating environment in 2012. Earnings per share for the Group were 25.8 cents while Return on equity was 22.2%.

Group net profit at $538 million in 2012 was 28% lower as compared with $752 million a year ago. On a quarterly basis, 4Q 2012 net profit at $167 million was 27% lower as compared with $229 million in 2011. Excluding the non-operating items, the Group's net profit at $500 million was 29% lower as compared with $700 million in 2011 while net profit in 4Q 2012 at $126 million was 29% lower than the $177 million recorded for the corresponding period last year.

Group operating profit in 2012 was $554 million as compared with $737 million in 2011. On a quarter to quarter basis, operating profit in 4Q 2012 was $148 million as compared with $201 million in 2011.

Group turnover for FY2012 was $4,430 million, which was 12% higher as compared with $3,960 million in 2011. Overall, the higher turnover was attributable mainly to higher revenue recognition from offshore platform projects and more rig building projects achieving initial progressive recognition in 4Q 2012 with turnover increasing by 38% from $998 million in 4Q 2011 to $1,378 million in 4Q 2012.

Financial Highlights

Year / Description ($'m)	4Q 2012	4Q 2011	% Change	FY 2012	FY 2011	% Change
Turnover	1,378	998	38	4,430	3,960	12
Gross Profit	174	217	(20)	695	866	(20)
EBITDA	176	226	(22)	648	823	(21)
Operating Profit	148	201	(26)	554	737	(25)
Pre-tax Profit	163	223	(27)	630	860	(27)
Net Profit	167	229	(27)	538	752	(28)
Net Profit, exclude NoI	126	177	(29)	500	700	(29)
EPS, basic (cents)	8.00	10.99	(27)	25.81	36.13	(29)
NAV (cents)				116.80	115.92	

For the rig building sector, 4Q 2012 turnover at $870 million was 44% higher as compared with $602 million for the same period in 2011 with the initial recognition of the Group's first drillship. This together with three other jack-up rigs contributed to the higher turnover in 4Q 2012. On a full year basis, turnover in 2012 at $2,356 million was 7% higher as compared with $2,205 million in 2011.

The ship conversion and offshore sector also registered a 46% increase in turnover from $226 million in 4Q 2011 to $330 million in 4Q 2012 attributable to seven projects achieving progressive revenue recognition and the delivery of a FPSO unit during the period. For full year 2012, it was $1,395 million, up 30% from $1,073 million in 2011.

Turnover from the ship repair sector in 4Q 2012 was $167 million, an increase of 5% as compared with $159 million for the same period in 2011. For FY 2012, it was $642 million, comparable to $644 million in 2011.

DIVIDEND

The Directors are pleased to recommend a total final one-tier tax-exempt cash dividend of 8 cents per share for the financial year ended 31 December 2012 comprising:

i) A final ordinary one-tier tax-exempt cash dividend of 6 cents per share &

ii) A final special one-tier tax-exempt cash dividend of 2 cents per share

Including the interim one-tier tax-exempt cash dividend of 5 cents per share paid on 31 August 2012, the total dividend will be 13 cents per share, which translates to a payout ratio of 50% for 2012.

The proposed final and special cash dividend, if approved at the Annual General Meeting to be held on 19 April 2013, will be paid on 13 May 2013.

OUTLOOK

The Group has a net order book of $13.6 billion with completion and deliveries stretching into 2019. This includes $11 billion in contract orders secured in 2012 and a $900 million contract secured since the start of 2013, excluding ship repair contracts. Moving ahead, the Group remains focused on operational efficiency, productivity improvements, safety management and the timely deliveries of these record orders to its customers.

Amid the fragile global economic environment, the long-term industry fundamentals for the Offshore Oil and Gas sector remain sound underpinned by high oil prices and projected increases in offshore exploration and production (E&P) spending. Demand for rigs is expected to remain strong given the ageing rig fleet and the increasing focus by oil companies for new, safer and efficient rigs and rigs capable of operating in harsh environment.

There is continued demand for repair, upgrading and life extension work, in particular in the niche segments of LNG carriers, passenger/cruise vessels and offshore vessels. Demand for the Group's big docks remains strong as the alliance and long-term customers continue to provide a stable and steady base-load.

The Group continues to receive healthy enquiries for the various segments although competition remains keen with effects on margin.

Progress of New Yards

Integrated Tuas New Yard, Singapore

Sembcorp Marine's Phase I of the Integrated New Yard Facility, which spans 73.3 hectares, is on track to be commercially operational in the second half of 2013. Equipped with leading-edge technology, the new yard will be capable of servicing a wide range of vessels, including VLCCs, new generations of mega containerships, LNG carriers and passenger ships. It will also be geared to meet the stringent safety and quality requirements of vessels and to comply with new regulatory and environmental standards.

Estaleiro Jurong Aracruz, Brazil

Construction work on Estaleiro Jurong Aracruz, Sembcorp Marine's first overseas Integrated New Yard Facility in Brazil, has commenced. The 82.5-hectare wholly-owned locally incorporated shipyard, which broke ground in December 2011, is scheduled for completion by end 2014.

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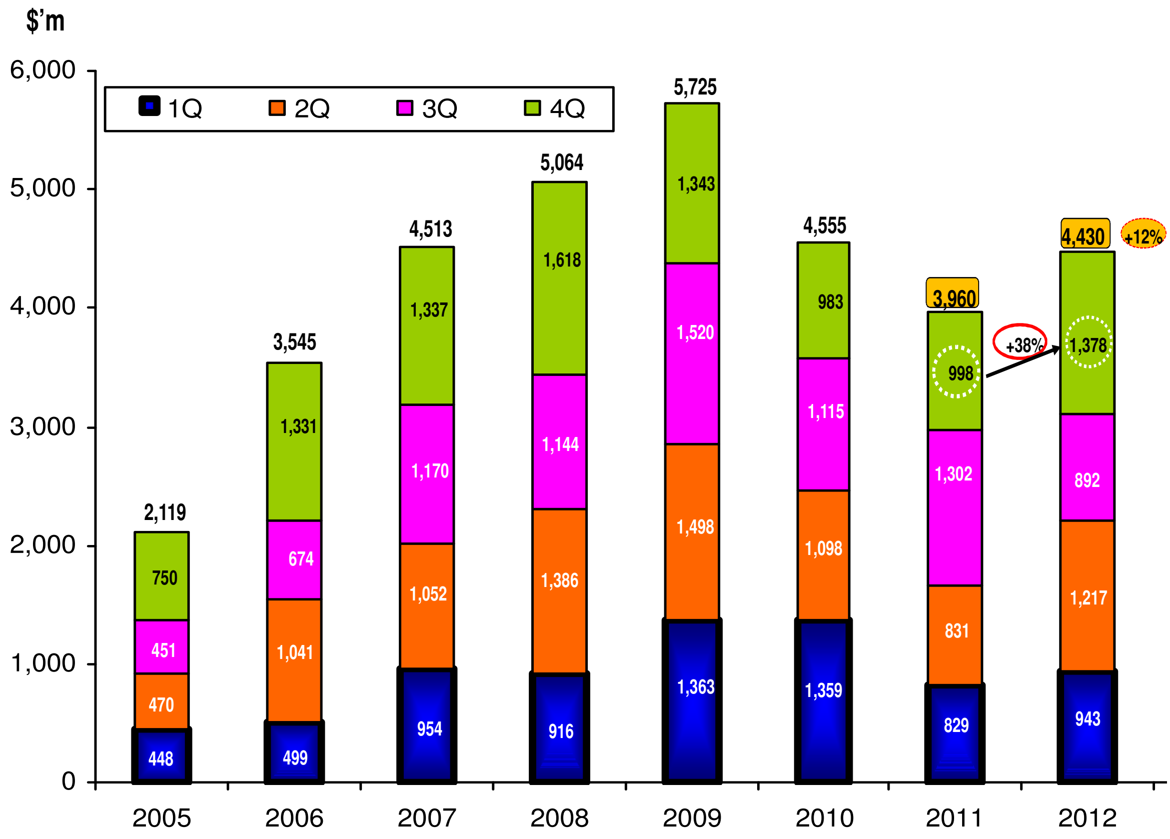
APPENDIX

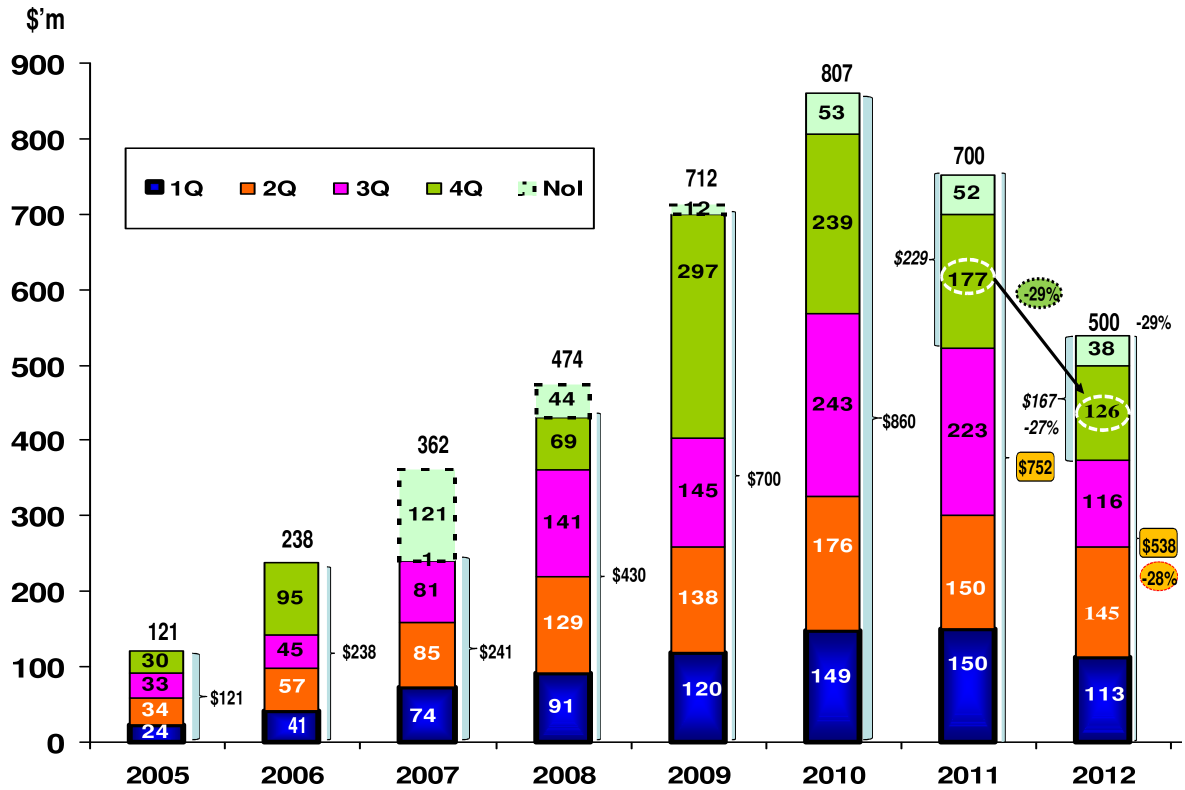
TURNOVER



- Group turnover for 2012 increased 12% from $3,960 million in 2011 to $4,430 million attributable mainly to increased contributions from the ship conversion & offshore and rig building sectors

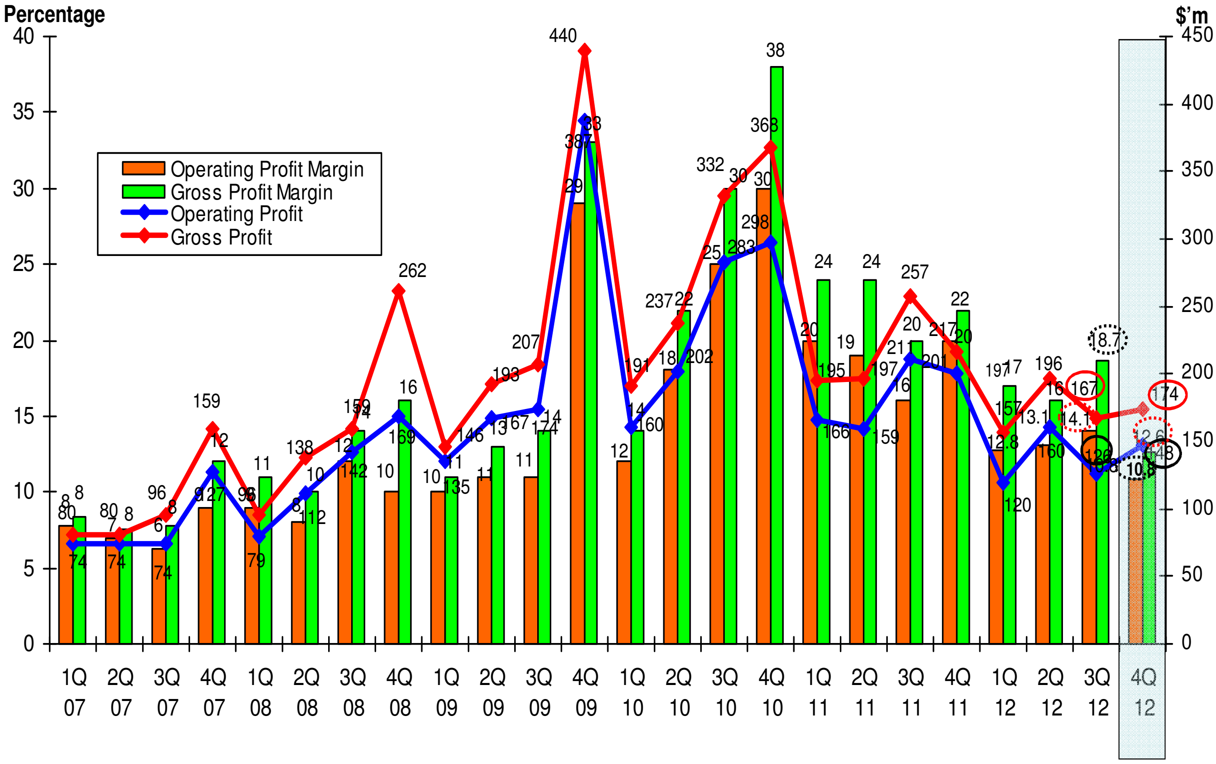
- On a q-on-q basis, Group turnover at $1,378 million was 38% higher as compared with $998 million in 2011 due to more projects in the rig building and ship conversion & offshore sectors achieving initial progressive recognition

NET PROFIT



- Net profit at $538 million in 2012 was 28% lower than the $752 million in 2011
- Excluding the non-operating items, net profit at $500 million was 29% lower as compared with $700 million a year ago
- On a quarterly basis, 4Q 2012 net profit at $167 million was 27% lower as compared with $229 million in 2011
- Excluding the non-operating items, 4Q 2012 net profit at $126 million was 29% lower as compared with $177 million in 2011

GROSS & OPERATING PROFIT MARGIN

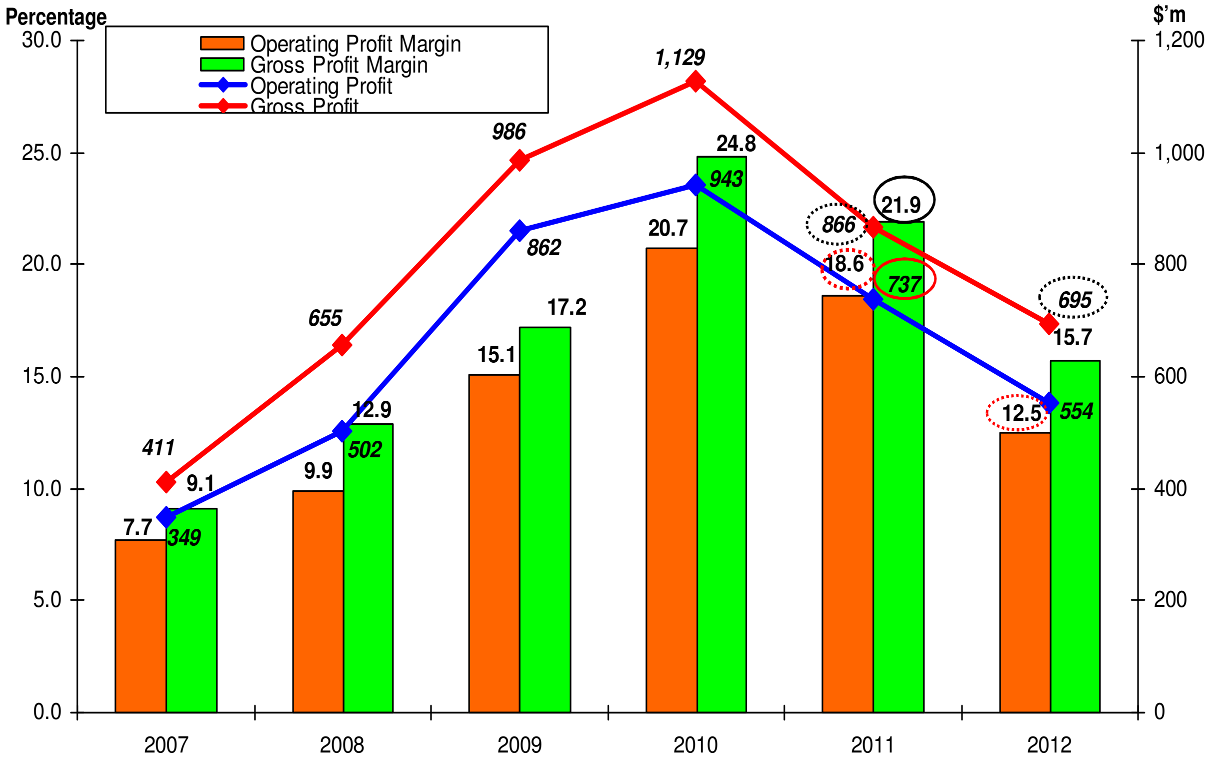


- Quarterly margin is dependent on the product/business mix and value, type of design (new or repeated) and timing in recognition of projects, in particular in the ship conversion & offshore and the rig building sectors

- Operating margin for 4Q 2012 was 10.8% with gross profit margin at 12.6%

- 4Q 2012 operating margin at 10.8% was lower than 3Q 2012's 14.1% due to the margin recognition for rig projects with new design. 4Q 2012 saw the initial recognition of the Group's first drillship

YEARLY GROSS & OPERATING PROFIT MARGIN



- On a yearly basis, operating margin in 2012 was 12.5% with Gross Profit Margin at 15.7%
- The volatility of the quarterly and overall yearly operating margin is due to the product/business mix and dependent on the value, designs (new or repeated) and timing in recognition of projects in the ship conversion & offshore and the rig building sectors

PERFORMANCE OF ASSOCIATES & JVs (Profit before tax)

Year / Description ($'m)	4Q 2012	4Q 2011	% Change	FY 2012	FY 2011	% Change
Cosco Shipyard Group	9.7	13.0	(25)	42.2	54.1	(22)
Pacific Workboats	3.4	1.6	113	10.8	5.9	83
Others	1.4	1.7	(18)	3.3	2.9	14
Share of Associates & JVs Results	14.5	16.3	(11)	56.3	62.9	(10)

- Contributions from Associates and JVs declined 11% q-on-q
- On a full year basis, the decline was 10%

POSITIVE CASHFLOW

Year / Description ($'m)	FY 2012	FY 2011	% change
Cashflow from operation before working capital changes	670.7	852.6	(21)
Net cash inflow from operating activities	207.5	326.2	(36)
Net cash outflow from investing activities	(526.7)	(477.1)	10
Net cash outflow from financing activities	(231.9)	(765.0)	(70)
Cash & cash equivalents	1,408.9	1,989.6	(29)
Net Cash (net of borrowings)	1,075.9	1,954.5	(45)
Progress Billing > WIP	*884.0*	*352.4*	*151*

- Net cash position continues to remain healthy at $1.1 billion

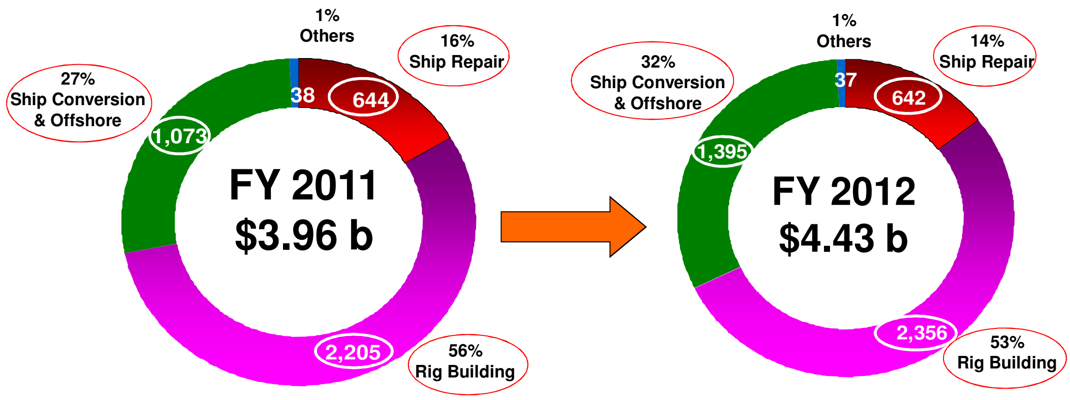
CAPITAL, EVA, GEARING AND ROE

Year / Description ($'m)	FY 2012	FY 2011	% change
Shareholders' Funds	2,438.5	2,414.3	1
Net Cash	1,075.9	1,954.5	(45)
ROE (%)	22.2	30.0	(26)
Net Asset Value (cents)	116.8	115.9	1
RoTA	9.9	14.6	(32)
Economic Value Added	383.6	582.5	(34)

- ROE at 22.2%
- Economic Value Added (EVA) at $384 million
- The Group will continue to strive towards delivering creditable performance and value creation to shareholders
- We will continue to maintain a strong balance sheet

TURNOVER CONTRIBUTIONS BY SECTORS

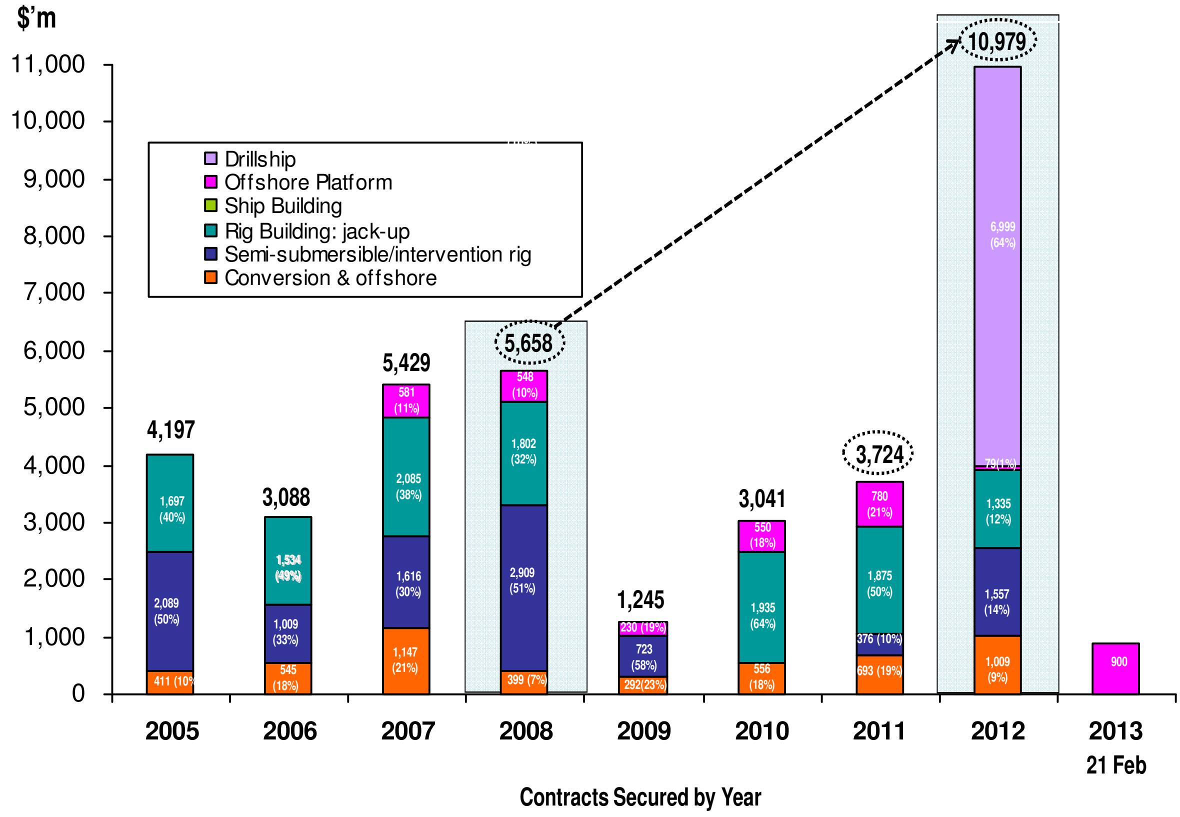
By Value & Percentage Contributions



Turnover ($'m)	4Q 2012	4Q 2011	% Change	FY 2012	FY 2011	% Change
Ship repair	167	159	5	642	644	-
Rig building	870	602	44	2,356	2,205	7
Ship Conversion/offshore	330	226	46	1,395	1,073	30
Others	11	10	5	37	38	(4)
TOTAL	1,378	998	38	4,430	3,960	12

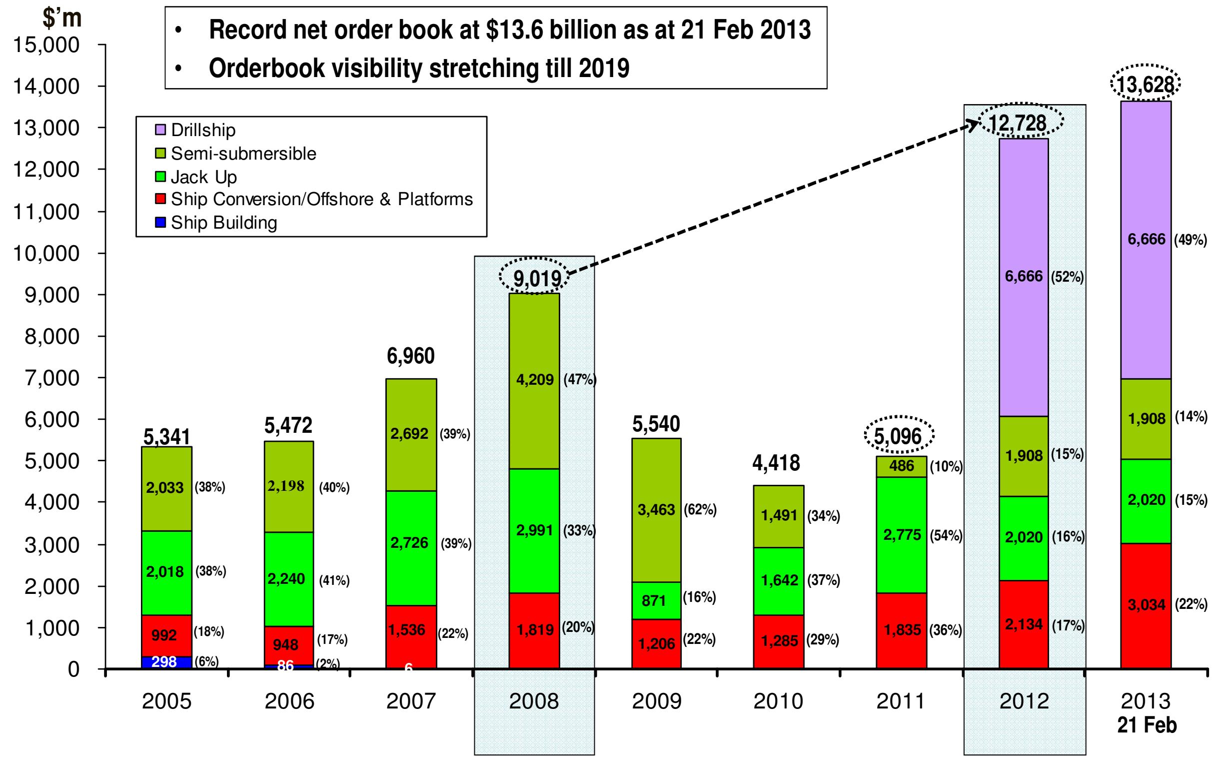
- Total turnover for 2012 at $4,430 million was 12% higher as compared with $3,960 million in 2011
- The rig building sector was the largest contributor, constituting 53% of total turnover in 2012 followed by ship conversion & offshore sector at 32%, ship repair at 14% and others at 1%
- The higher turnover in 2012 as compared with 2011 was attributable to more projects from the ship conversion & offshore and rig building sectors achieving progressive revenue recognition
- On a quarterly basis, the fourth quarter of 2012 saw the initial recognition of the first drillship. This together with 3 jack-ups contributed to the higher turnover in 4Q 2012
- The ship conversion and offshore sector saw the highest contributions from $1,073 million in 2011 to $1,395 million in 2012, an increase of 30%
- FY 2012 ship repair turnover at $642 million was comparable to $644 million recorded in 2011

CONTRACTS SECURED BY YEAR (excluding ship repair)



- Contracts secured for 2012 stood at a record high of $11.0 billion. This is the highest as compared with the last high of $5.7 billion achieved in 2008
- The Group's wholly-owned shipyard in Brazil, Estaleiro Jurong Aracruz secured a total of 7 drillships worth a combined value of approximately $7.0 billion from Sete Brasil
- A total of 5 jack-up rigs worth a total value of $1.3 billion were secured during the year
- The Group also secured a deepwater semi-submersible well intervention rig, a harsh environment semi-submersible rig and an accommodation semi-submersible rig worth a combined value of $1.6 billion
- $1.0 billion worth of contracts were secured from the ship conversion & offshore sector while another $79 million was for fixed platform projects
- For 2013 to-date, the Group has secured a contract (LOI) worth $900 million for the engineering, procurement and construction of the Process, Drilling and Quarters Platform Topsides for the Ivar Aasen development in the North Sea

NET ORDER BOOK (excluding ship repair)



- Net order book (excluding ship repair) as at 31 December 2012 stood at $12.7 billion with completion and deliveries till 2019

- Including the new contracts (LOI) secured to-date as at February 2013, net order book stands at $13.6 billion

- Going forward, the Group expects to grow its order book

Disclaimer

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, exchange rate movement, cost of capital and capital availability, competition from other companies and venues for sale and distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes. The forward looking statements reflect the current views of Management on future trends and developments.