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PRESS RELEASE

SEMBCORP MARINE'S SEMBAWANG SHIPYARD SECURES FSO CONVERSION CONTRACT WORTH S\$56 MILLION FROM TEEKAY OFFSHORE PARTNERS FOR DEPLOYMENT IN THE NORTH SEA

Singapore, 22 April 2015: Sembcorp Marine's wholly-owned subsidiary Sembawang Shipyard has secured a Floating Storage and Offloading (FSO) conversion contract worth S\$56 million from Teekay for the Gina Krog Field in the North Sea.

Sembawang Shipyard will work closely with Teekay to convert the shuttle tanker *Randgrid* into an FSO. Major conversion works include installation of a new helideck, hull reinforcements, refurbishment of submersible turret loading (STL) compartment, installation of offshore crane, loading hose reel package, azimuth thruster and replacement of two generators, as well as associated piping and additional cabling works. The yard will also fabricate and install new living quarter decks on the vessel.

The vessel is expected to arrive at Sembawang Shipyard in June 2015, with completion in 11 months, after which the FSO Gina Krog will head towards the Norwegian North Sea under a charter contract between Teekay and Statoil.

Mr. Ong Poh Kwee, Deputy President of Sembcorp Marine and Managing Director of Sembawang Shipyard, said: "We are honoured to have been chosen by Teekay for this important conversion project. As on-time delivery is a priority, this fast track project will require our project team to demonstrate strong commitment to meet deadlines, innovative engineering solutions and close collaboration with the vessel owners to meet stringent North Sea offshore regulations."

Mr. Terje Rusdal, Vice President Marine & Offshore Projects, Teekay, said "As part of the project strategy, Sembawang Shipyard was selected by Teekay to be our partner shipyard during the challenging tender process. The shipyard has demonstrated its ability to work in tandem with us right from the project's initial phase, showing dedication and commitment to resolve challenges as a team. We are confident that this partnership will be the blueprint of a successful conversion project for both Teekay and Sembawang Shipyard."

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, 2015.

About Teekay Offshore Partners L.P.

Teekay Offshore Partners L.P. is an international provider of marine transportation, oil production and storage services to the offshore oil industry focusing on the fast-growing, deepwater offshore oil regions of the North Sea and Brazil. Teekay Offshore owns interests in shuttle tankers, floating production, storage and offloading (FPSO) units, floating storage

and offloading (FSO) units and conventional oil tankers. Teekay Offshore has rights to participate in certain other FPSO and shuttle tanker opportunities provided by Teekay Corporation (NYSE: TK) and Sevan Marine ASA (Oslo Bors: SEVAN). A majority of Teekay Offshore's fleet trades on long-term, stable contracts and it is structured as a publicly-traded master limited partnership. Teekay Offshore Partners' common units trade on the New York Stock Exchange under the symbol "TOO".

About Sembcorp Marine

Sembcorp Marine is a leading global marine and offshore engineering group with over 50 years of experience and proven capabilities in repair, specialised shipbuilding, building of high-specification jack-up rigs, fast-track construction of ultra-deepwater semi-submersible rigs, conversion of floating production and storage facilities as well as the engineering and construction of offshore platforms.

Headquartered in Singapore, Sembcorp Marine has a network of six shipyards in Singapore – Jurong Shipyard, Sembawang Shipyard, SMOE, PPL Shipyard, Jurong SML and Sembmarine Integrated Yard @ Tuas. The 73.3-hectare Sembmarine Integrated Yard @ Tuas Phase I facility commenced operations in August 2013. The Group's strategic presence spans Indonesia, China, India, United Kingdom and Brazil.

Sembawang Shipyard 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, FSO and FPSO conversion, offshore conversion and newbuilding, damage repairs and repair of chemical tankers, liquefied gas carriers and navy ships.

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