

## SEMBCORP MARINE ACQUIRES LMG MARIN AS

**Singapore, August 19, 2016:** Sembcorp Marine Ltd (the “Company”) is pleased to announce that its wholly-owned subsidiary, Sembcorp Marine Integrated Yard Pte. Ltd. (“SMIY”), has entered into a sale and purchase agreement with its existing shareholders to acquire a 100% equity stake in LMG Marin AS (“LMG”) for US\$20 million (the “Acquisition”).

LMG is a naval architecture as well as ship design and engineering house headquartered in Bergen, Norway, with offices in Poland and France. Established in 1943, its extensive design and engineering portfolio spans floating structures, platforms and a wide variety of ship types, such as drillships; floating production, storage and offloading vessels (FPSO); floating storage and offloading vessels (FSO); offshore support vessels (OSV); LNG carriers; LNG-powered ships; car ferries; and cruise ships.

LMG originated several key designs adopted by Sembcorp Marine, including the next-generation Espadon drillship design; the FSO design used in the ongoing construction of the Company’s newbuild FSO for deployment in the UK North Sea; as well as the Gravifloat modular LNG and LPG platform solutions that are a cost-competitive alternative to FSRU, FLNG and land-based terminals.

The Robusto FPSO hull design, customised for operation in Brazil and West Africa, is another notable LMG creation.

The consideration for the Acquisition, to be fully paid in cash by internally generated funds, was arrived at on a willing-buyer willing-seller basis, after taking into account (i) the estimated net tangible asset value of US\$3.8 million as at 31 July 2016, and (ii) intellectual property and patents of LMG.

Following the acquisition, LMG becomes an indirect wholly-owned subsidiary of Sembcorp Marine. It brings into the Company a cache of design patents and expertise in naval architectural design, engineering and technology development.

“Through the strategic acquisition of LMG, Sembcorp Marine further strengthens its intellectual property and knowledge to execute leading-edge design and engineering solutions for the global offshore and marine sectors,” said Sembcorp Marine President and CEO Wong Weng Sun. “This in turn supports our ongoing efforts to move up the value chain so that we can compete better and do more for our customers and partners.”

The Acquisition is not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of the Company for the year ending 31 December 2016.

None of the directors or controlling shareholders of the Company have any interest, direct or indirect, in the Acquisition.

### For further information, please contact:

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**About Sembcorp Marine**

Sembcorp Marine provides innovative engineering solutions to the global offshore and marine industry, drawing upon more than 50 years of track record. We focus on four key capabilities, namely, Rigs & Floaters; Repairs & Upgrades; Offshore Platforms; and Specialised Shipbuilding.

Our customers include major oil companies, drilling contractors, shipping companies as well as owners and operators of floating production units.

We operate shipyards strategically located in Singapore, India, Indonesia, the United Kingdom and Brazil.

Discover more at [www.sembmarine.com](http://www.sembmarine.com).