



AGENDA

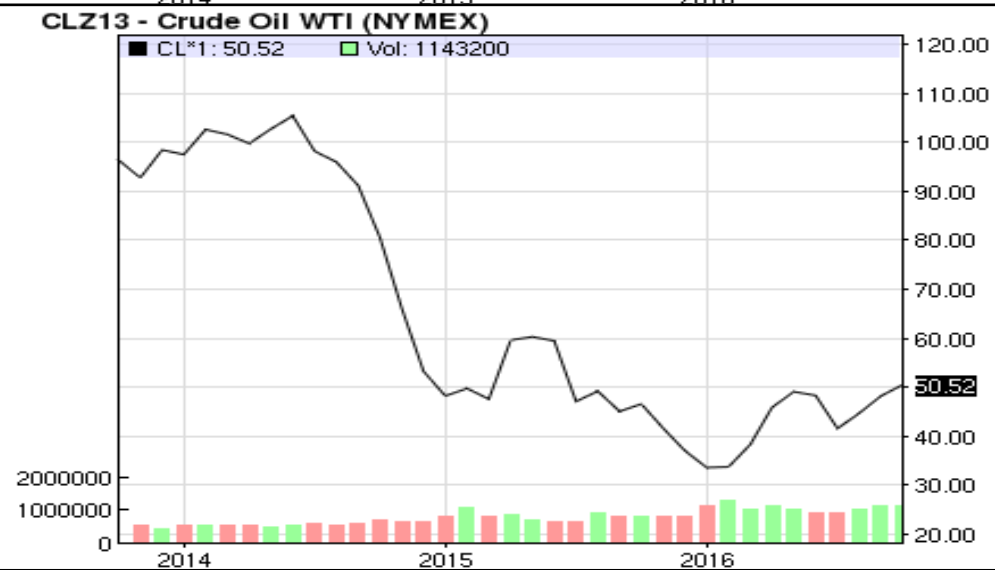
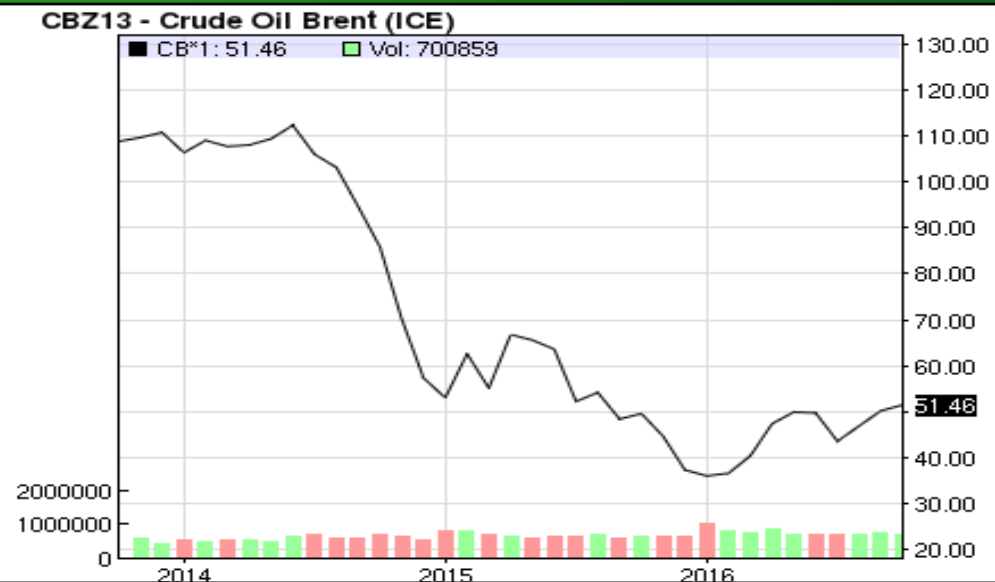
- ❖ **CEO Address**
- ❖ **CFO Financial Highlights**

CEO ADDRESS

- ❖ **Macro update**
- ❖ **Financial performance for 3Q & 9M 2016**
- ❖ **Operations Review**
- ❖ **Outlook and Prospects**

Macro environment remains weak

- ❖ General slowdown in economic growth and market volatility and uncertainty continues to impact sentiment.
- ❖ OPEC's deal to cut production has resulted in another oil price rebound to above USD50 per barrel.
- ❖ Demand outlook for offshore exploration and production activities remains lackluster as excess supply persists.
- ❖ Increased financial stress on companies across the entire upstream exploration and production value chain.



Source: Nasdaq

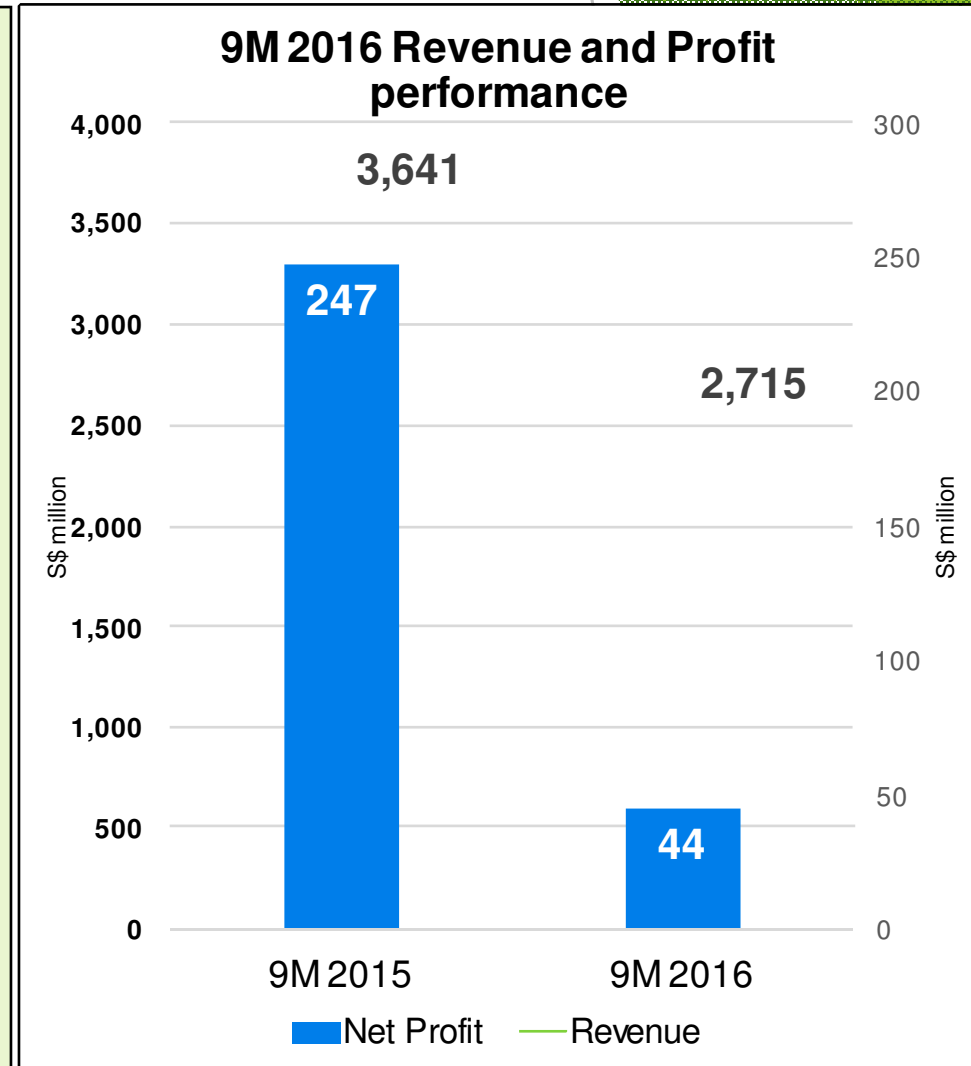
Financial Performance

Key Highlights for 9M 2016:

- ❖ Total revenue of S\$2.7 billion.
- ❖ Net Profit was S\$44.5 million.

Key Highlights for 3Q 2016:

- ❖ Total revenue of S\$888 million.
- ❖ Net Loss was S\$21.8 million.
- ❖ Excluding foreign exchange effects, Operating profit for 3Q 2016 was S\$51.8 million, higher than the S\$39.6 million in operating profit (before forex effects) for 3Q 2015.
- ❖ Generated Operating cash flow of S\$796 million; gearing improves to 1.03 times.



Operations Review

- ❖ **Key deliveries in 9M 2016 have improved overall cash flow and strengthened Sembcorp Marine's balance sheet.**
- ❖ **5 significant deliveries were made during 9M 2016.**

Deliveries in 2016 – Noble Lloyd Noble



World's largest jack-up for
Noble Corporation

Project: Harsh-environment GustoMSC CJ70 Jack-up built to Statoil's 'Category J' requirements; largest in the world and first of its kind to fully comply with both Norwegian and UK regulatory standards.

Delivery: July 2016

Operation: Statoil's Mariner field development, North Sea

Deliveries in 2016 – Safe Zephyrus

Delivered to Prosafe in 1Q 2016



Project: Construction of GVA 3000E DP3 Accommodation Semi-sub for Harsh-environment Operations for Charterer Det norske

Delivery: 1Q2016

Operation: Norway

Deliveries in 2016 – FPSO Prof. John EA Mills

Delivered to MODEC in 1Q 2016



Project: Repair and life extension, and conversion of a VLCC into a Floating Production Storage and Offloading (FPSO) vessel for *Tullow Oil*

Delivery: 1Q 2016

Operation: Tweneboa-Enyenra-Ntomme (TEN) field, Ghana

Deliveries in 2016 – Maersk Highlander



Delivered to
Maersk Highlander UK Ltd

Project: Construction of F&G JU 2000E Jack-up for Harsh-environment operations in the Culzean Field Development, in UK North Sea

Delivery: 2Q2016

Operation: Culzean Field, UK North Sea

Deliveries in 2016 – Ivar Aasen PDQ platform topsides

Delivered to Det norske oljeselskap ASA, Norway



Project: Engineering, Procurement and Construction of Process, Drilling and Quarters (PDQ) Platform Topsides for Ivar Aasen Development in the North Sea

Delivery: 2Q 2016

Operation: Ivar Aasen field, Norwegian North Sea

Other Key Activities

- ❖ **Good progress being made on execution of current order book.**
- ❖ **Key projects include:**
 - **Engineering & construction of world's largest semi-submersible crane vessel for Heerema;**
 - **Design and construction of Floating Storage and Offloading (FSO) vessel for MODEC;**
 - **Engineering, Procurement and Construction (EPC) of harsh environment topside modules for Maersk Oil, including a central processing facility, wellhead platform and living quarters platform;**
 - **FPSO conversion for Libra field;**
 - **LNG and Electrical sub-station modules;**
 - **Topsides modules construction and integration at EJA Yard in Brazil.**

Update on Sete Brasil

- ❖ **Sete Brasil filed for judicial restructuring on April 29, 2016 and submitted its restructuring plan on August 12, 2016; continues to discuss with its creditors, shareholders and other stakeholders to find an equitable solution.**
- ❖ **We announced on April 22, 2016 that we have commenced arbitration proceedings against several subsidiaries of Sete Brasil. These are ongoing.**
- ❖ **We are monitoring developments and continue to engage with Sete Brasil as necessary.**
- ❖ **We believe provisions of S\$329 million made in 4Q2015 for the Sete Brasil contracts remain adequate under present circumstances.**

Update on other drilling rig contracts

- ❖ **Several rigs due for delivery in our order book have been deferred. We have taken steps to protect our interests and are evaluating other courses of action, including sale to third parties.**
- ❖ **Standstill agreement with North Atlantic Drilling for the delivery of the West Rigel semi-submersible rig extended to January 6, 2017. Both parties are marketing the rig for charter or sale.**
- ❖ **Provisions of S\$280 million taken in 4Q 2015 for deferment and possible cancellation of rigs should remain adequate under current environment.**

Net orderbook at S\$8.4 billion

- ❖ **Net order book reasonably robust at S\$8.4 billion as at September 30, 2016. Excluding Sete Brasil projects, net order book stands at S\$5.2 billion.**
- ❖ **For 9M 2016, we secured S\$320 million in new orders for non-drilling solutions.**
- ❖ **In active discussions with potential customers and hopeful that new orders will be won during the year.**

Cost Management Measures: Human Resources

- ❖ **Since start of operations of Tuas Boulevard Yard and Transformation Initiative, steps taken and ongoing to optimise human resources, build and enhance their capabilities to increase efficiency and productivity.**
- ❖ **Reallocated excess manpower from drilling to non-drilling work without compromising safety and quality; terminated less efficient sub-contractors and allow natural attrition of employees.**
- ❖ **For EJA Yard, steps taken to reduce manpower commensurate with level of activities.**
- ❖ **Above measures resulted in reduction of 8,000 comprising employees and sub-contractor manpower.**
- ❖ **Continue to evaluate & optimise manpower requirements and take further measures as needed; selectively recruit talents to support new business, build capabilities and competencies in line with long term workforce sustainability strategy.**
- ❖ **Besides manpower optimisation, implemented salary freeze and adjustments to variable remuneration for management staff since 2015 to reduce operating costs.**

Yard Capex and Capacity Management

- ❖ **Phase 2 of Tuas Boulevard Yard (TBY) scheduled for completion in 1Q 2017; we will be better positioned to optimise yard capacities.**
- ❖ **Two of our yards in Singapore will be returned to the Government during 2017.**
- ❖ **Continue to leverage and maximise utilization of TBY while we review schedule for returning other yards in Singapore at or before lease expiry dates.**
- ❖ **EJA Yard will be fully completed by 4Q 2017; able to provide full complement of services, including dry docking of vessels, conversion and new building of FPSOs and other vessels.**
- ❖ **Yard infrastructure investments started in 2010; to-date most new yard capex expended.**
- ❖ **Going forward, new yard capex will only proceed if required for execution of secured contracts; non-essential capex deferred.**

Cashflow and Liquidity

- ❖ Majority of current S\$8.4 billion order book is based on progressive payment terms. Less than 20% of order book is for drilling rigs with back-ended payment terms.
- ❖ Need for fresh working capital to fulfil such orders will continue to decrease.
- ❖ Remain committed to actively manage balance sheet towards maintaining a healthy financial position through financial discipline and prudence.
- ❖ For 3Q 2016, we generated S\$796 million of operating cash flow for project deliveries and achievement of progress milestones.
- ❖ Our net gearing as at end September 2016 stands at 1.03 times, an improvement from the 1.11 times as at end 1H 2016.

Outlook and Prospects

- ❖ **Growth prospects for offshore and marine industry remains encouraging over the long term.**
- ❖ **New yard facilities and capabilities essential to meet present and future industry needs; flagship Tuas Boulevard Yard has helped unlock new opportunities; enabled the move up the value chain to secure more complex and larger contracts.**
- ❖ **International Maritime Organisation (IMO) announced coming into effect of ballast water convention in Sept 2017; bodes well for our repairs and upgrade business over the next few years for installation of ballast water management system and related services.**

Strategic Acquisitions

Strategic acquisitions to position Sembcorp Marine for the future:

- ❖ **Secured full ownership of PPL Shipyard by buying remaining 15% stake; enables us to fully align business management and strategies with Group.**
- ❖ **Identified market potential of gas value chain; investment in Gravifloat since 2014 enables us to offer suite of near-shore redeployable, modularised solutions.**
- ❖ **Acquired KANFA Aragon, a process design and engineering group specializing in floater solutions.**
- ❖ **Acquired Norway based LMG Marin AS, with broad based patents and expertise in naval architecture, ship design and engineering spanning floating structures, platforms, drillships, FPSO, FSO, LNG carriers, cruise ships, etc.**
- ❖ **Above further broadens and deepens our proprietary design and engineering capabilities, support ongoing diversification strategy across offshore and marine value chain, both within and outside oil and gas sector.**

Summary

- ❖ **Continue to focus on liquidity, cost and balance sheet management; manpower requirements actively managed in line with changing needs.**
- ❖ **Adopt disciplined approach to manage costs and finances to strengthen balance sheet, ensure adequate cash liquidity and improve gearing; key priority remains timely and effective execution.**
- ❖ **Sembcorp Marine has gone through several down-cycles and built a strong core to navigate tough times.**
- ❖ **Strategic investments in infrastructure and technology have enhanced our resilience to better position us to capture new opportunities.**
- ❖ **With strong support of key stakeholders, confident we will weather and ride the cyclical downturn and be well-placed to benefit from recovery ahead.**

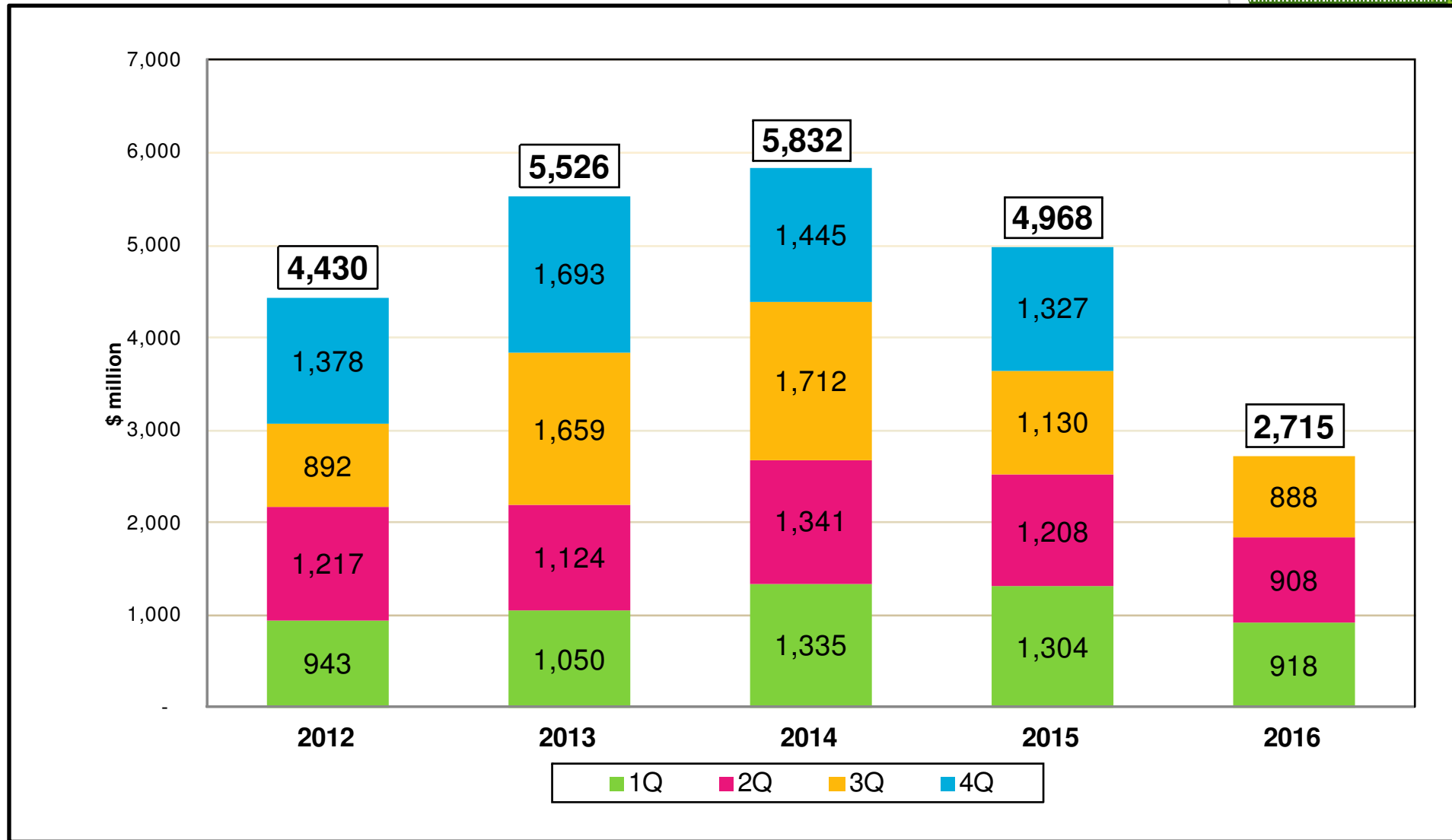
CFO Presentation

- ❖ **Earnings Performance**
- ❖ **Financial Position**

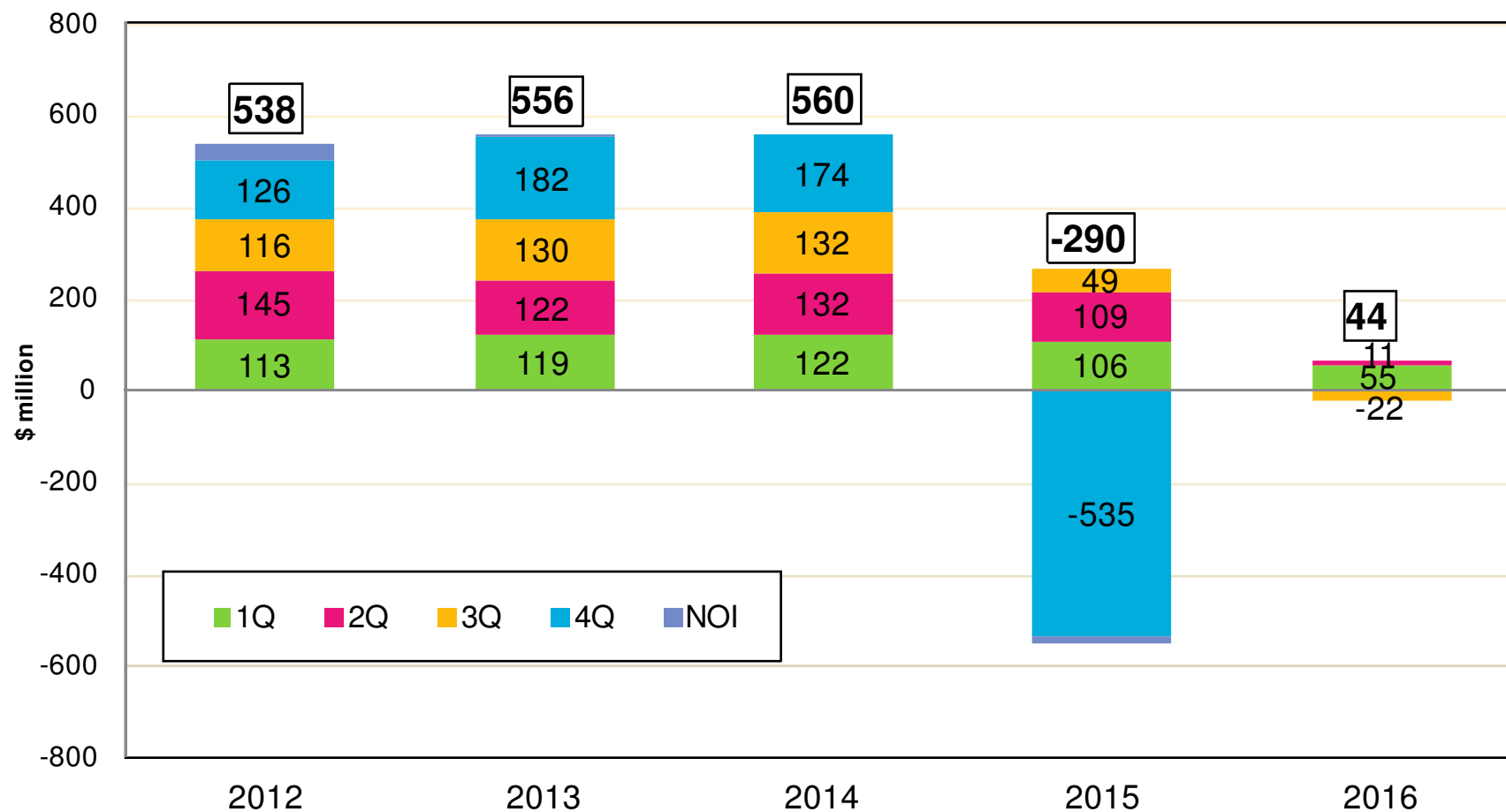
FINANCIAL HIGHLIGHTS

Period (S\$m)	3Q 2016	3Q 2015	% change	9M 2016	9M 2015	% change
Turnover	888	1,130	(21)	2,715	3,641	(25)
Gross Profit	71	91	(22)	258	459	(44)
EBITDA	68	107	(36)	264	454	(42)
Operating Profit	33	75	(56)	158	360	(56)
(Loss)/Profit before tax	(18)	23	n.m.	69	294	(76)
Net (Loss)/ Profit	(22)	32	n.m.	44	247	(82)
EPS (basic) (cts)	(1.04)	1.54	n.m.	2.13	11.84	(82)
NAV (cts)				119.38	*120.24	

9M 2016 TURNOVER: S\$2.7 billion

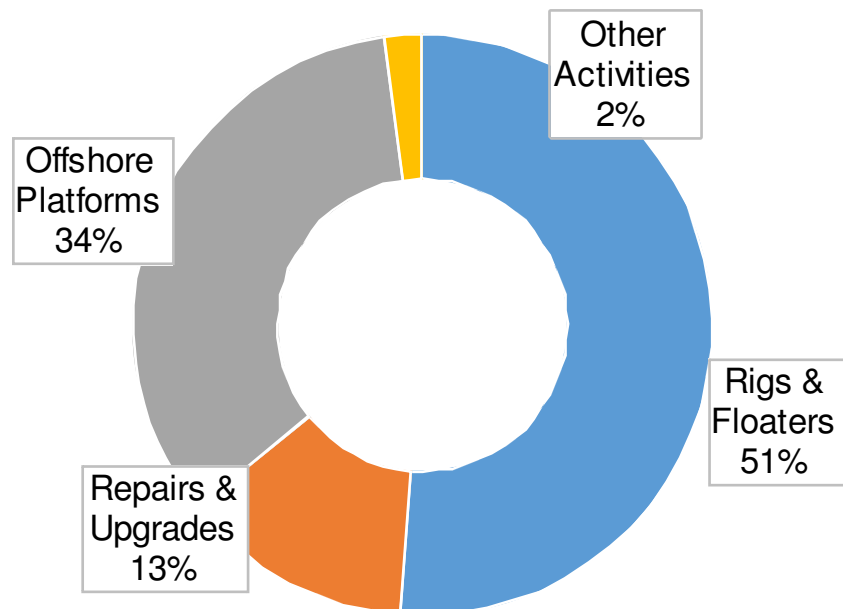


9M 2016 Net Profit at S\$44 million

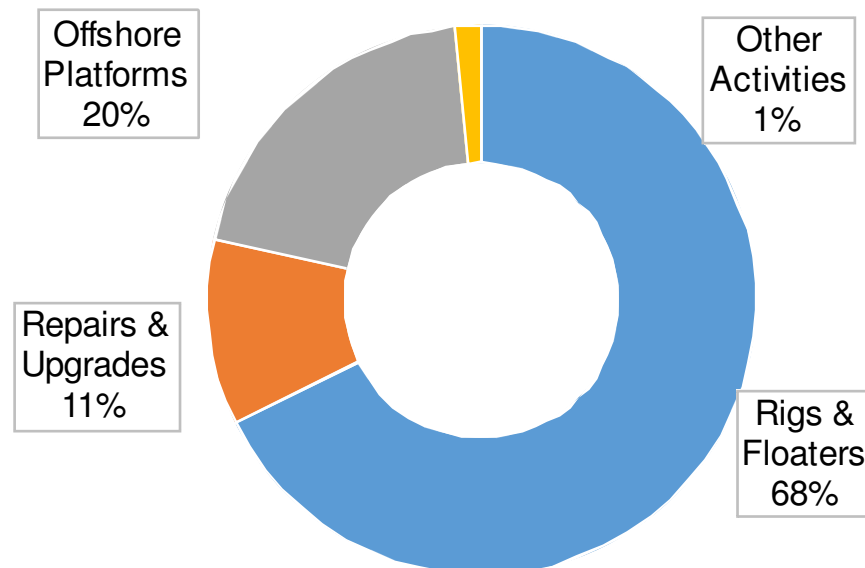


Business Review: Turnover by Segments

9M 2016 Turnover: \$2.7 billion

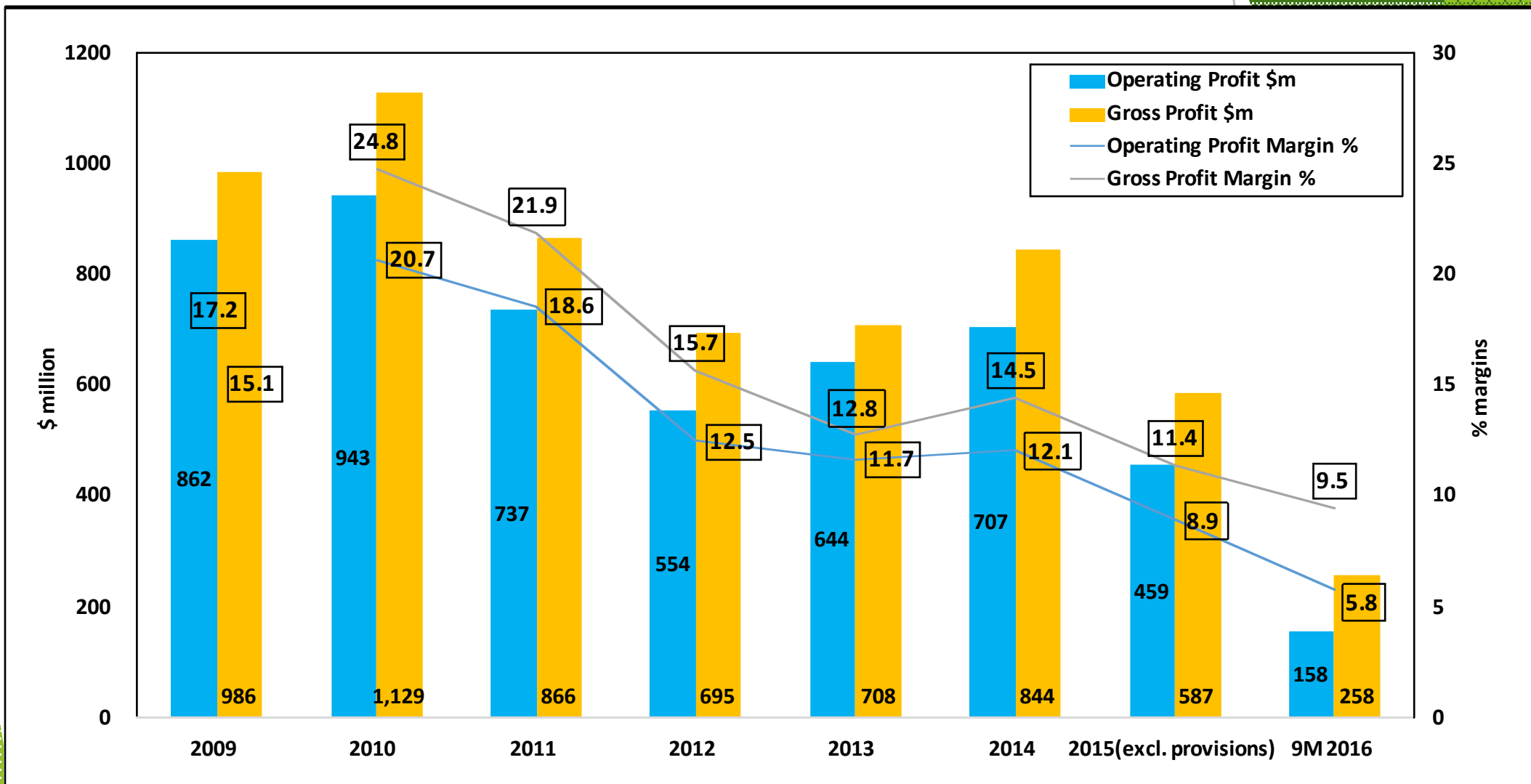


9M 2015 Turnover: \$3.6 billion



Turnover (S\$ million)	9M 2016	9M 2015	% change	3Q 2016	3Q 2015	% change
Rigs & Floaters	1,391	2,464	(44)	436	744	(41)
Repairs & Upgrades	350	397	(12)	105	131	(20)
Offshore Platforms	916	722	27	326	235	39
Other Activities	58	57	2	21	20	5
TOTAL	2,715	3,641	(25)	888	1,130	(21)

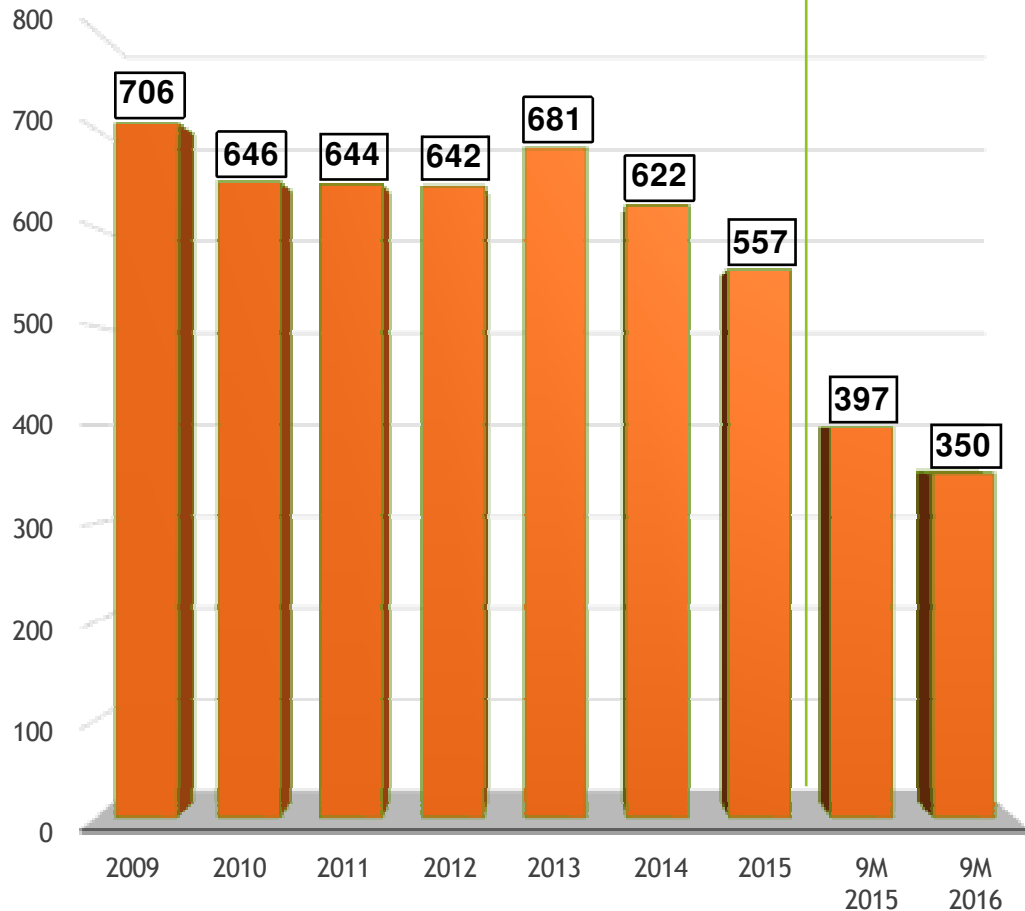
Gross and operating profit margins



Core Business: Repairs & Upgrades

- Repairs and Upgrades revenue declined 12% year on year to \$50 million on lower average revenue per vessel.

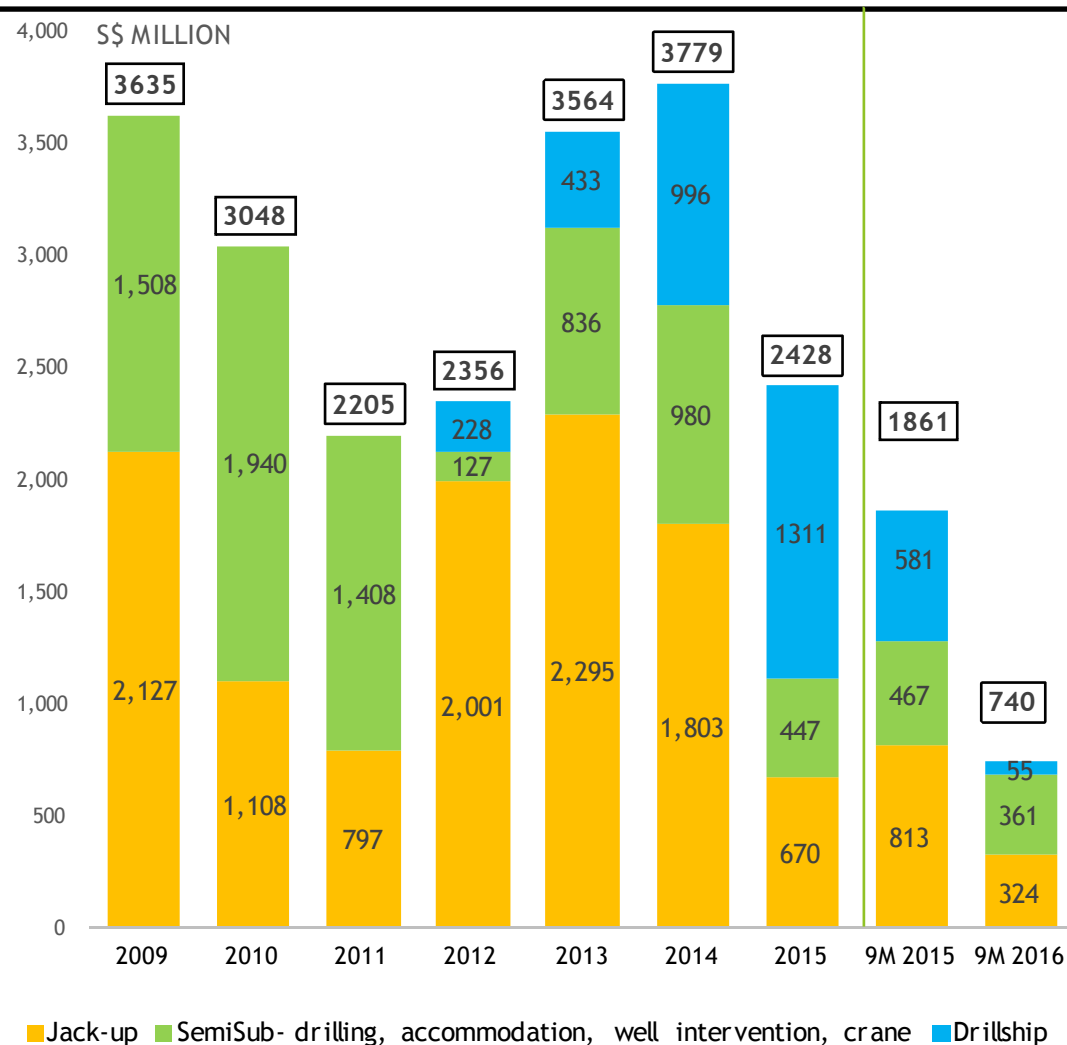
Ship repair revenue (\$million)



Year	9M 2016	9M 2015	% change
No. of vessels repaired	379	358	6
Average value per vessel (\$m)	0.92	1.11	(17)
Total repair revenue contribution (\$m)	350	397	(12)

Core Business: Rig Building

- Rig building revenue fell 60% yoy to S\$740 million in 9M 2016. Three deliveries made in 9M 2016.



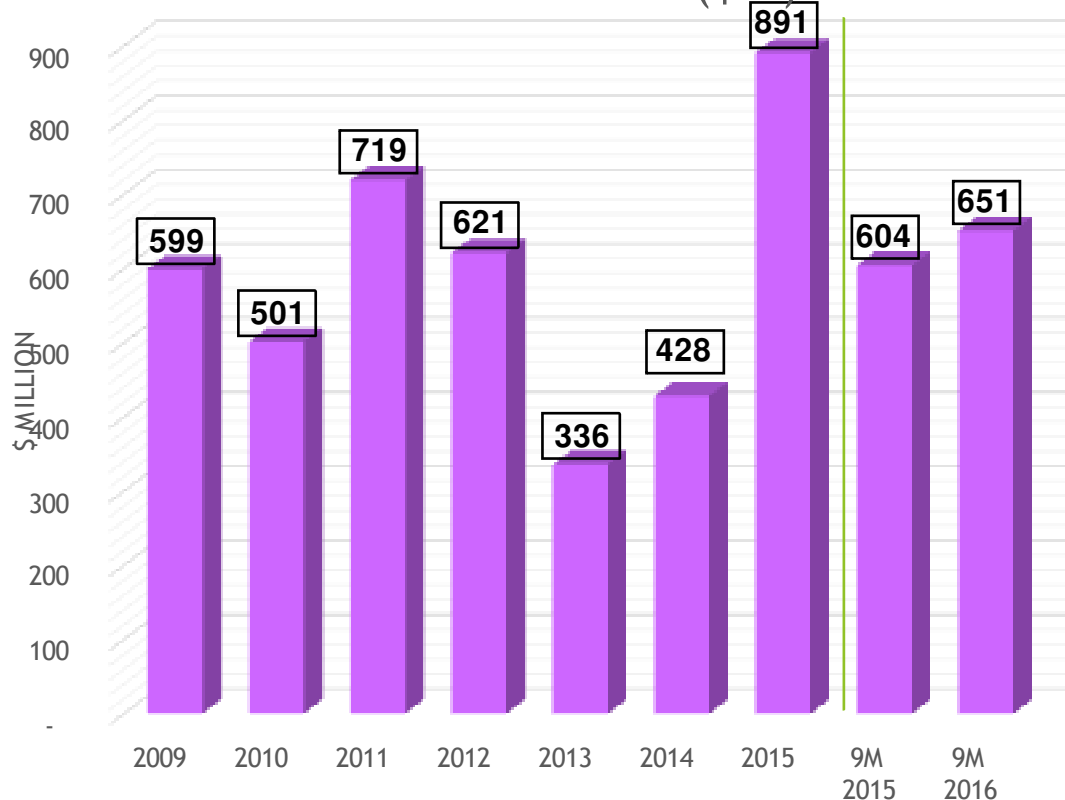
JACK-UP RIGS SCHEDULE		
No. of completed rigs YTD 2016	2	* Maersk Highlander to Maersk Drilling * Noble Lloyd Noble to Noble Corp
No. of projects in WIP stages	1	* BOTL/JDC Hakuryu 14 JU 2
No. of projects technically completed stage	5	* Oro Negro Vastus Jack-up * Perisai Pacific 102 Jack-up * Oro Negro Jack-up * Oro Negro Jack-up * Perisai Pacific 103 Jack-up

SEMI-SUBS & DRILLSHIPS SCHEDULE		
No. of projects delivered in 9M 2016	1	* Safe Zephyrus to Prosafe - accommodation semisub
No of projects in WIP or Suspended stage	12	* Helix semi-well intervention 1 (Q7000) * Drillship 1st unit, Sete Brasil, Arpodador * Harsh-environment CS60 semi-rig, Seadrill * Drillship 2 nd unit, Sete Brasil * Drillship 3rd unit, Sete Brasil * Drillship 4 th unit, Sete Brasil * 1st drillship for Transocean, JE III * 2nd drillship for Transocean, JE III * Heerema Offshore semi crane vessel * Drillship 5 th unit, Sete Brasil * Drillship 6 th unit, Sete Brasil * Drillship 7 th unit, Sete Brasil

Core Business: Floaters revenue robust

- Floaters revenue increased 8% yoy to \$651 million in 9M 2016
- One major delivery the FPSO Prof. John EA Mills to Modec for 9M 2016.
- 7 projects in work-in-progress stage.

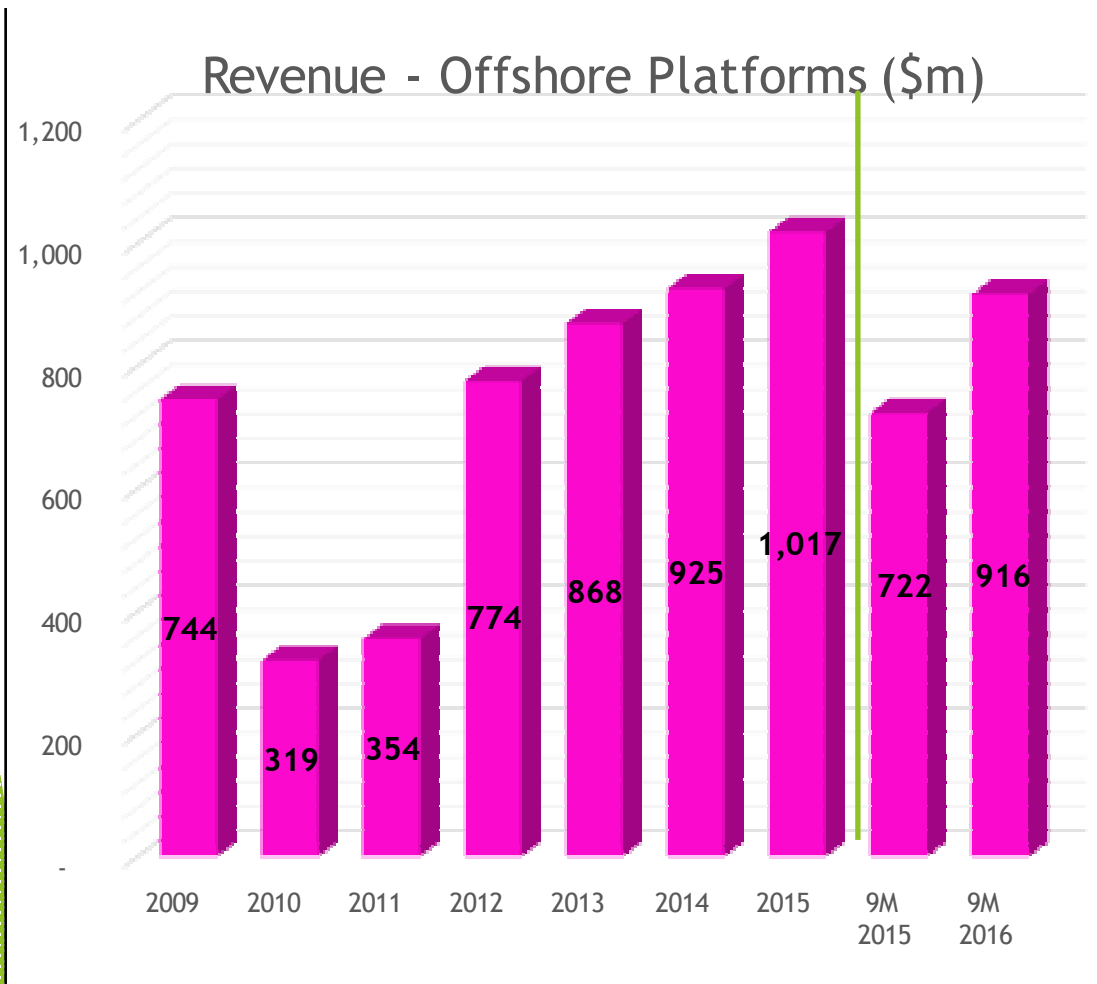
Revenue - Floaters (\$m)



Offshore conversions	No. of projects	Brief description
No. of Projects delivered in 9M 2016	1	* FPSO Prof. John EA Mills to Modec for Ghana Ten field
No. of projects in the WIP	7	* FSO Gina Krog * P68 FPSO for Petrobras * P71 FPSO for Petrobras * FPSO Norte - Kaombo (Olympia) * FPSO Libra * FPSO Sul - Kaombo (Antartica) * FSO newbuild – Modec for Culzean field

Core Business: Offshore Platforms sales in healthy uptrend

- Offshore Platforms revenue increased 27% year on year to \$916 million in 9M 2016
- 2 projects in work-in-progress stage.



Offshore Platforms	No. of projects	Brief description
Number of projects delivered in 9M 2016	4	* Ivar Aasen * Wheatstone * Siemens Dudgeon * Yamal PAU module
Number of projects in the WIP stage	2	* Maersk Culzean topsides * Yamal LNG Batch 3/4/5

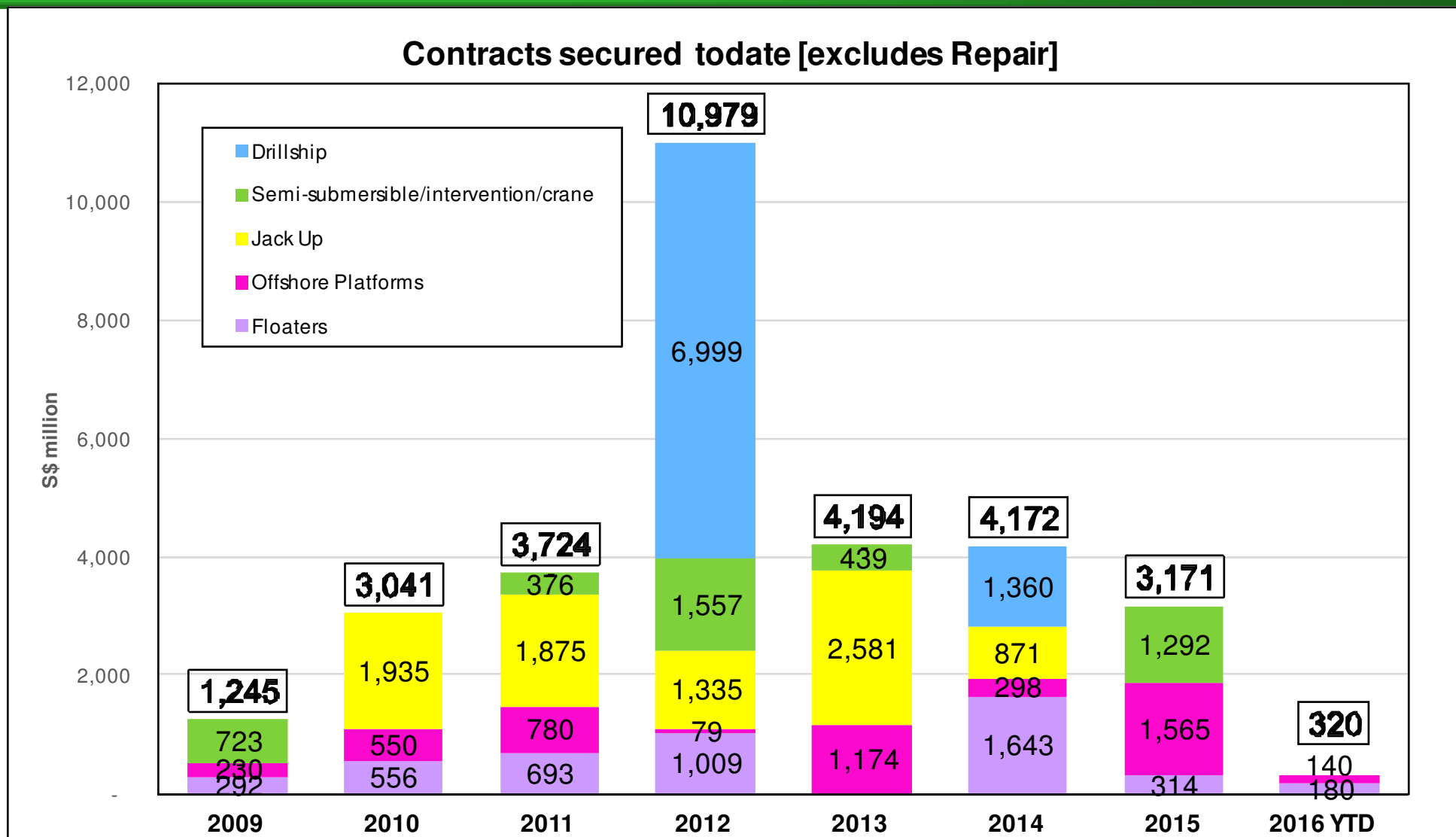
CAPITAL, GEARING & ROE

Group (S\$ million)	Sep-16	Dec-15	% change
Shareholders' Funds	2,494	2,511	(1)
Net Debt	2,615	2,751	(5)
Net Working Capital	1,687	1,220	38
Return on Equity (ROE) (%) (Annualised)	2.4	(10.6)	n.m.
Net Asset Value (cents)	119.4	120.2	(1)
Return on Total Assets (ROTA) (%) (Annualised)	1.5	(2.9)	n.m.
Economic Value Added	(294)	(809)	(64)

CASHFLOW

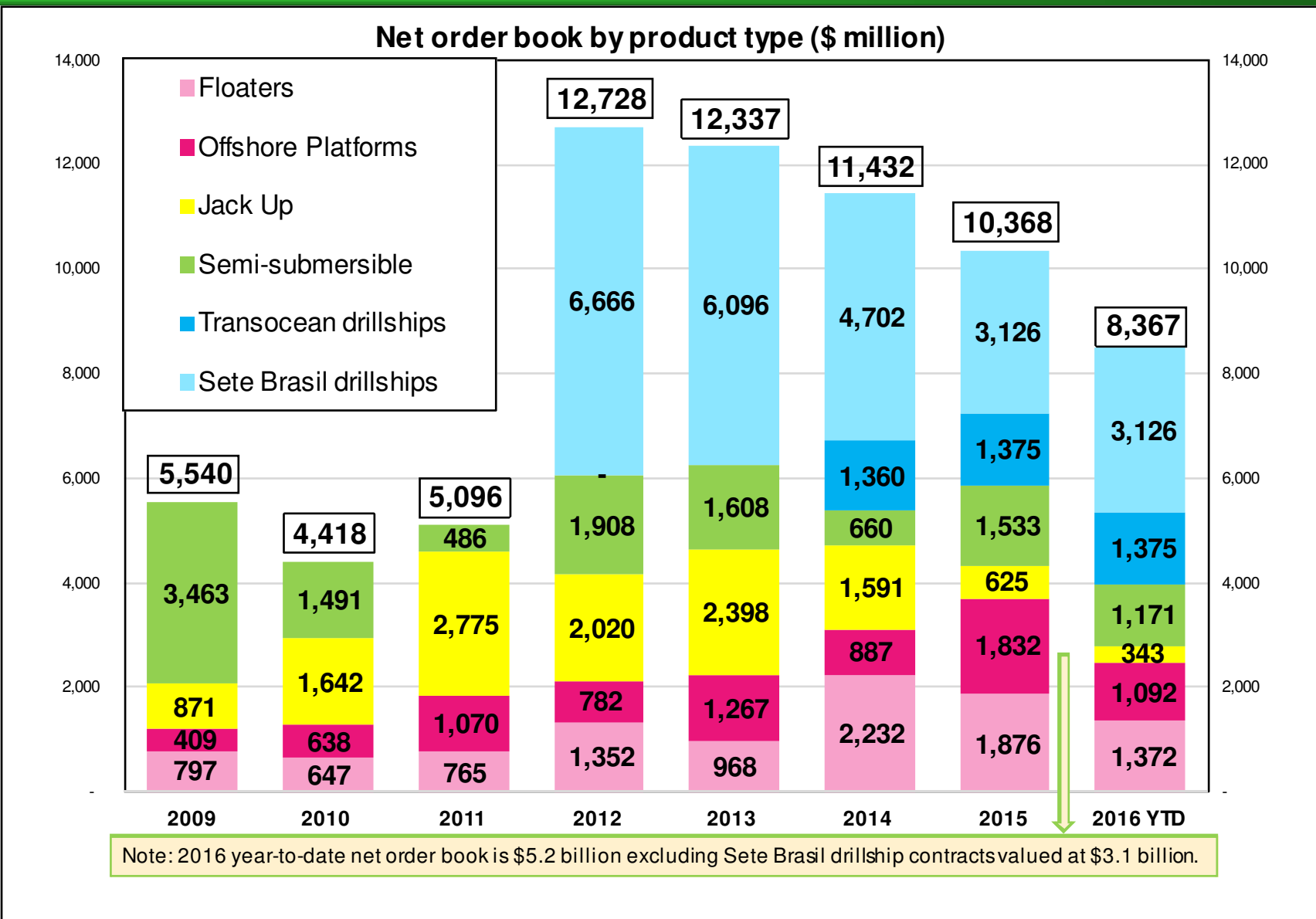
Group (S\$ million)	9M 2016	9M 2015	% change
Operating profit before working capital changes	245	503	(51)
Net cash flow from operating activities	722	(408)	n.m.
Net cash flow from investing activities	(342)	(726)	(53)
Net cash flow from financing activities	531	875	(39)
Cash & cash equivalents in balance sheets	1,493	827	81
Borrowings	4,108	2,849	44
Net Debt	2,615	2,022	29
Progress Billing > WIP	458	657	(30)

New Contracts Secured by Product Type (9M 2016: \$320 million)



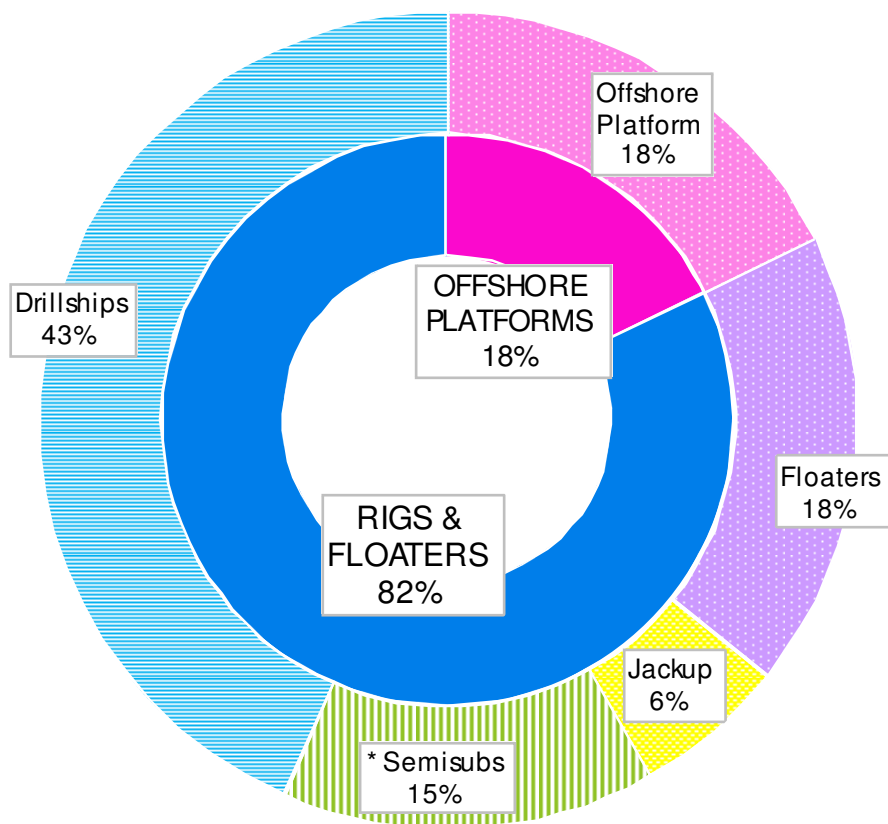
* Semisubmersibles include drilling, well intervention, accommodation and crane units

Net Order Book at \$8.4 billion

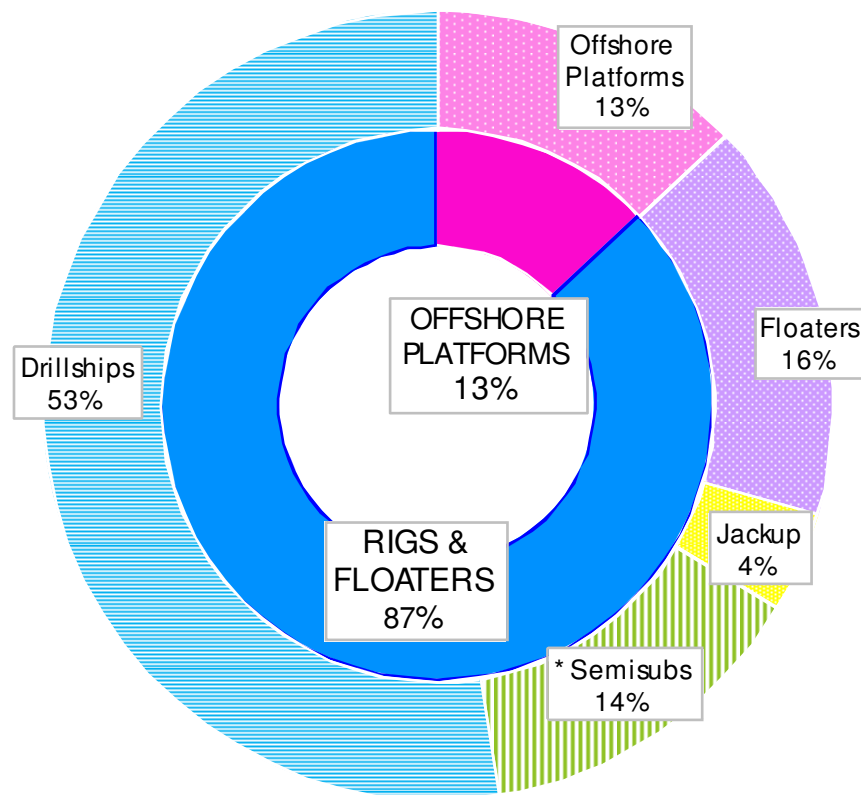


Net order backlog by division and product type

2015 – Total \$10.4 billion



2016 YTD – Total \$8.4 billion



* Semisubmersibles include drilling, well intervention, accommodation and crane units

9M 2016 Results Appendix

ROBUST BUSINESS MODEL

1963 – 1969

1970 – 1975

1976 – 1994

1995 – 2000

2001 – 2005

2006 – 2014

Transformation for Growth

Shipbuilding

- Building of standard RH design vessels
- Construction of 14,000 dwt Freedom Class vessel
- 1st vessel, Neptune Ruby



- Vessels size increased – over 40,000 dwt
- Repair of VLCCs, bulk carriers
- Steelwork renewals
- For VLCC the 210,822 dwt fueller



Ship Conversion & Offshore

- Jurbulisation
- Reconstruction of tankers
- Conversion of general cargo to container vessel
- Reeler ship conversion



- Construction of 90,000 dwt tankers
- Building of RH design vessels
- Construction of tug, barges and product tankers



- Repair of LNG & LPG tankers
- Chemical tankers
- C.D.W. (cable oil washing) and IGS (Inert Gas System) installations



Offshore Engineering & Construction

- Repair and upgrade of jack-ups
- Repair and upgrade of semi-submersibles



- Specialised conversion – power barge conversion – tanker to lightering vessel
- Offshore conversion – Conversion of tankers to FPSOs/PSOs



- Niche shipbuilding
- Construction of 37,000 dwt bulk carriers & product tankers
- Design & construction of 830 TEU container vessel



- Repair of war-damaged tankers
- Repair of passenger vessels
- Repair of navy vessels



Rig Building

- Construction of F&G ExD 5th generation semi-submersible drilling rigs
- Proprietary design & construction of Pacific Class 375 deep drilling jack-ups



- Fabrication of topside production modules
- JVs with SMDE on mega FPSO



- FPSO, PSO and FPS conversion
- EPIC (Engineering, Procurement, Installation & Commissioning) FPSO conversion



- Proprietary design & construction of container vessels, 1,078 TEU – 2,600 TEU
- Construction of cable-laying vessel



- Replacement of engine bedplates
- Gas tankers, passenger vessels & navy vessels
- Repair of double-hull VLCCs



Fixed & Floating Production Facilities

- Fixed Production Platforms
- Floating Production Facilities – FPSO, FPU, TLP, SPARS
- Minimum facilities platforms
- Offshore substations



- Proprietary design & construction: Jureng Espadon drillships, Pacific Class 400 jack
- Semi-submersibles: F&G ExD 6th generation, Bingo 9000, Moss Maritime CS50 M
- Moss Maritime CS60 drilling rigs
- Jack-ups: Gusto MSC C170, F&G JU2000E, F&G JU3000N drilling rigs
- Well intervention semi-submersibles – Accommodation semi-submersibles



- JVs with SMDE on mega FPSOs and topside production modules fabrication and in
- Modules assembly for onshore LNG facility
- Specialised construction of DP offshore vessels



- FSNL, FDPSP, FPS, FPSO and FSU conversions
- Accommodation & Repair Vessels conversion
- Specialised conversions



- Building of customised and specialised vessels
- Proprietary design & construction of Jubilee Class 2,646 TEU containerhips



- LNG tankers
- Container vessels
- FPSO upgrades
- Offshore upgrades



Ship Repair

- Single ship repair
- Vessel size less than 40,000 dwt
- Building of barges, tugs, water boats



FOUR KEY CAPABILITIES

2015 & beyond...

OUR FOUR KEY CAPABILITIES

Through harnessing our globally-integrated design and execution capabilities, we provide turnkey solutions for complex projects.

Product Areas:

- FPSO, FDPSO, FSO, FPU, FLNG, FSRU, MOPU conversions and newbuilds
- Drillships, semi-submersibles (drilling, accommodation and well-intervention), jack-up rigs, TLP and SPAR constructions



We assure customers with our on-time delivery, quality and exemplary HSSE standards. We tackle the most sophisticated and complex projects.

Product Areas:

- Offshore platforms
 - Integrated and process
 - Production, riser and drilling
 - Wellhead, power generation, manifold and accommodation
- Wind-farm substations
- LNG modules



We design and build high-performance, specialised vessels. We meet and exceed specifications and requirements.

Product Areas:

- Accommodation and crane barges
- Offshore support vessels
- Harbour- and ocean-going tugs
- Dredgers
- Research/seismic/multi-purpose vessels
- Heavy-lift pipelay vessels
- Carriers (container/heavy cargo/LPG/LNG)



We offer proactive and holistic solutions based on establishing deep relationships. We work across all types of vessel projects – from the routine to the most complex.

Product Areas:

- Repair, refurbishment, retrofitting, life extension and upgrading of vessels, marine and offshore structures and MODUs
- Jumboisation and de-jumboisation
- Ship-type conversion



Rigs and Floaters

Construction of proprietary Pacific Class 400 jack-up rig



Construction of Moss Maritime C350 MK II ultra-deepwater semi-submersible rig



Conversion of tanker to an FPSO



Proprietary design and construction of ultra-deepwater drillships



Construction of Friede & Goldman JU3000N jack-up rig



Construction of an accommodation semi-submersible rig



Conversion of tanker to FPSU



Specialised Shipbuilding

Construction of proprietary 2,646 TEU containership



Newbuild of a self-propelled DP-3 heavy lift pipelay vessel



Offshore Platforms



EPC of North Sea-ready living quarters, flare and bridge

Modularisation & integration of FPSO topside facilities



EPCI of central processing platform and wellhead platform



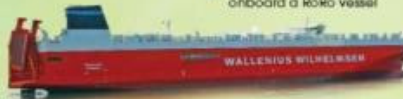
EPC of North Sea-ready accommodation topsides, telecom centre, control tower, helideck and bridges

Repairs & Upgrades



Repair and upgrading of an accommodation semi-submersible rig

Scrubber installation onboard a RoRo vessel



Repair of LNG carrier



Repair and upgrading of cruise ship

Repair of crude oil tanker

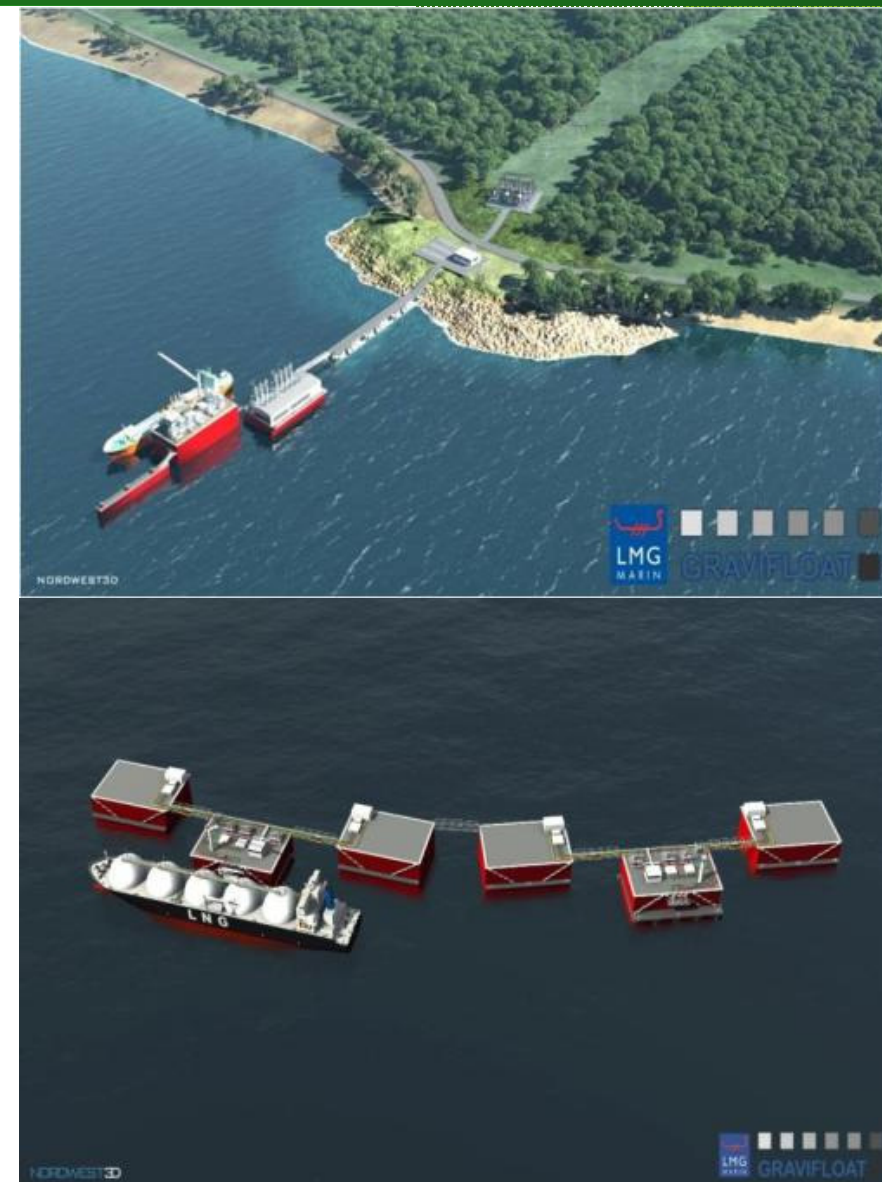


Repair works on containership



Increased stake in Gravifloat to 56% after buying an additional 44% for US\$38 million

- Under the agreement, the Company will eventually increase its stake by a further 44% to 100% through an equity purchase at the same price.
- Gravifloat was formed to design, deliver and operate re-deployable, gravity-based, modularised LNG and LPG Terminals for installation in shallow waters.
- Incorporated in Norway in 2006 as a spin-off of LMG Marin (a marine & engineering and naval architecture company), Gravifloat is headquartered in Bergen.
- Gravifloat technology allows the LNG terminal to be fully built and completed at a shipyard and installed in shallow waters to facilitate direct ship loading of LNG.
- It offers a more cost effective solution compared with FSRU (floating, storage and regasification units) and land terminals, and can be designed for both liquefaction and receiving terminal services.

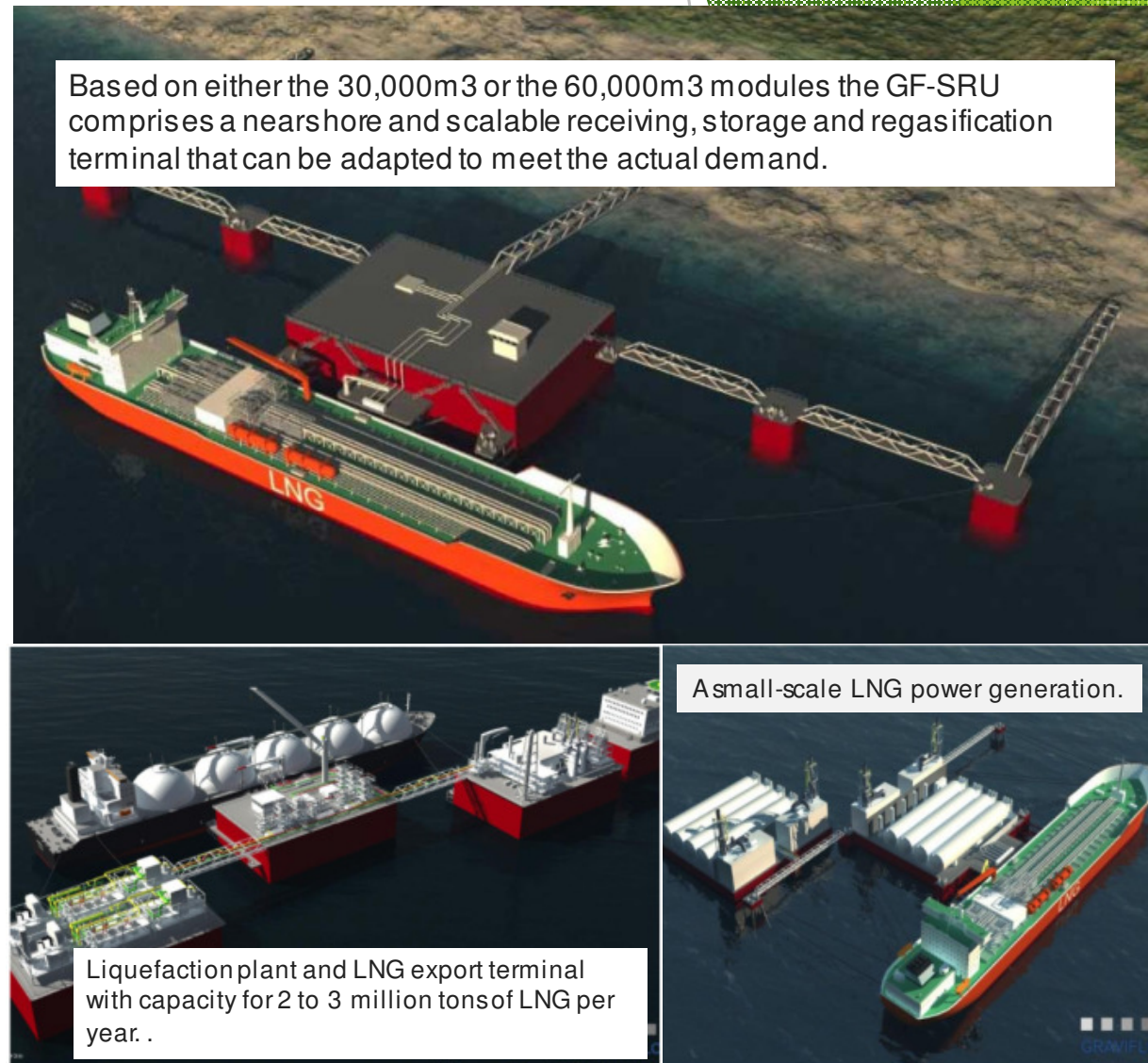


Growing non-drilling solutions - Gravifloat

The GF Design Platform can integrate with a variety of topsides to form a unit. Each unit can operate as a standalone platform, or be connected with other units, depending on type and scale required.

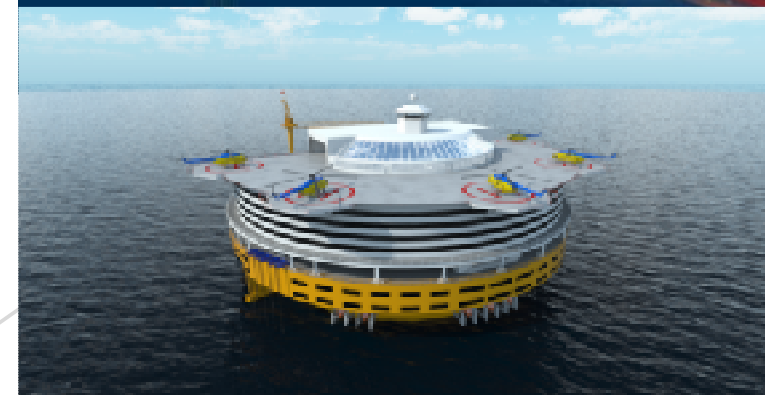
Various operations under the GF-Design: -

- GF-SRU – a storage and regassification unit
- GF-Power – a small scale LNG plant with CCGT plants, with integrated storage, regas and terminal functions
- GF-LNG – integrated LNG terminals, and liquefaction plant and LNG export terminal
- GF-Bunkering Terminal – storage for redistribution and/or bunkering



Sembcorp Marine to offer new tech solutions using circular hull form with SSP Offshore

- The Group signed a sales & purchase agreement with SSP Offshore to acquire substantially all its business assets for US\$21 million.
- Key assets of SSP Offshore include its flagship SSP Floater technology – the next-generation circular hull form – and the company’s entire portfolio of proprietary SSP® (Satellite Services Platform) solutions, including the *SSP Driller* for deep-water drilling, the *SSP Plus FPSO* for production and storage, and the *SSP Hub* for logistic hub applications.
- The acquisition of SSP Offshore assets is in line with the Group’s strategy of diversifying its product offerings and expanding into new market segments to further grow its offshore and marine business.



Sembcorp Marine wholly-owned subsidiary, Sembcorp Marine Integrated Yard Pte. Ltd. (“SMIY”) acquired 100% equity stake in LMG Marin AS (“LMG”) for US\$20 million.

- ❖ LMG is a naval architecture and 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 – EG. the next-generation Espadon drillship design; the FPSO design for its newbuild FPSO for deployment in the UK North Sea; and the Gravifloat modular LNG and LPG platform solutions .

- ❖ 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.



Espadon Drillship design developed by LMG Marin



Robusto FPSO hull design developed by LMG Marin



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.