



## **AGENDA**

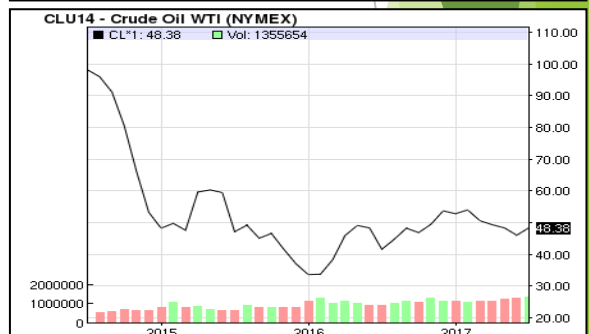
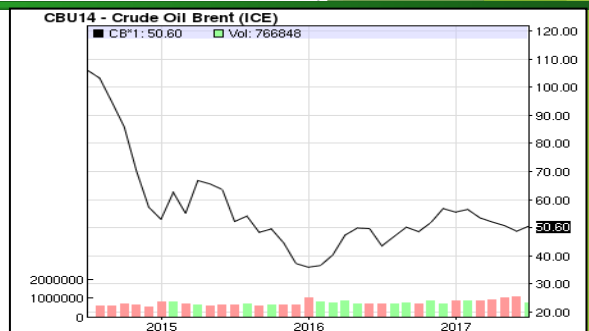
- ❖ **CEO Address**
- ❖ **CFO Financial Highlights**

## CEO ADDRESS

- ❖ Macro Environment update
- ❖ Financial performance for 1H 2017
- ❖ Operations Review
- ❖ Outlook and Prospects

## Macro environment – remains challenging

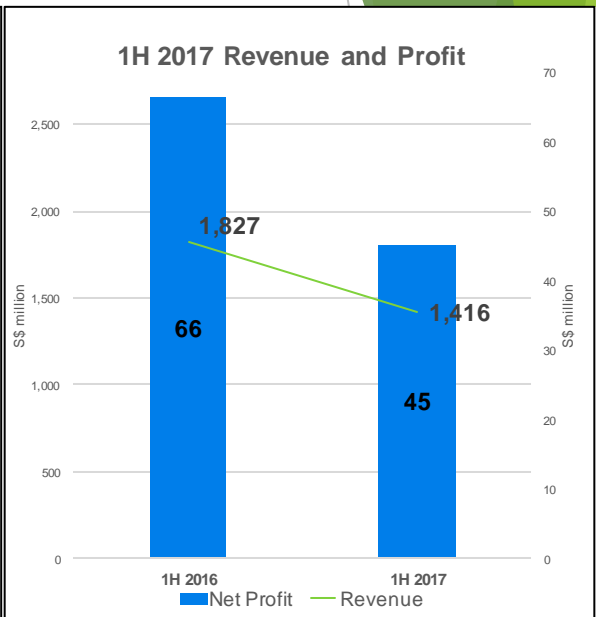
- ❖ Global economy remained on recovery path with investment, manufacturing and trade activities picking up. Confidence improving but growth outlook uneven.
- ❖ Operating conditions in offshore and marine sector continue to be challenging.
- ❖ Oil prices remain volatile, currently range bound between USD45-50 per barrel, as supply glut remains despite OPEC-led production cuts.
- ❖ Offshore rig day-rates have stabilised and utilization levels have begun to improve, but a more robust recovery will take longer.
- ❖ We are monitoring the macro-environment closely and are ready to respond to developments as they evolve.



Source: Nasdaq

## Key Highlights for 1H 2017:

- ❖ Total revenue of \$1.42 billion.
- ❖ Net Profit was \$45 million.



- ❖ Successful conversion of the Randgrid FSO in early July for Teekay. The vessel sailed away and is in transit to Gina Krog field in the Norwegian North Sea where it will operate under a charter with Statoil. Converted from a shuttle tanker, the Randgrid FSO is designed to operate for a minimum of 15 years of uninterrupted operations.
- ❖ Pioneiro de Libra FPSO, our first EPC FPSO conversion, arrived in Brazil waters in May after its successful delivery to Odebrecht and Teekay in March this year. FPSO now undergoing installation, hook-up and commissioning for operations at the Libra field development in Santos, Brazil.

## Review of Operations – Work in progress

- ❖ **Steady progress being made on ongoing projects, including :**
  - **Engineering & construction of world's largest semi-submersible crane vessel for Heerema;**
  - **Design & Construction of MODEC's newbuild harsh environment Floating Storage and Offloading (FSO) vessel for deployment at the Culzean field in the UK North Sea;**
  - **Engineering, Procurement and Construction (EPC) of Maersk Oil's Central Processing Facility, Wellhead Platform and Utilities & Living quarters platform;**
  - **Conversion of FPSO Kaombo Norte and FPSO Kaombo Sul for Saipem to be located offshore Angola.**

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## Review of Operations – Work in progress

- ❖ **Ongoing projects at our overseas yards include:**
  - **Construction of a power generation module and other infrastructure (part of our EPC project for Maersk Oil) at our SLP yard in UK.**
  - **FPSO topsides modules construction/integration for Petrobras P-68 at our EJA Yard in Brazil;**
  - **Additional work scope requested by customer relating to P-68 FPSO is also being finalized and scheduled for execution in 2H 2017 at our EJA Yard.**
- ❖ **Transocean, recently exited from jack-up segment, has also requested us to actively resume work for its two drillship orders. This will contribute to our ongoing yard activities in the foreseeable future.**

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## Review of Operations – Work in progress

- ❖ In 1H 2017 Repairs & Upgrades performed a total of 239 repairs and upgrades. Revenue per vessel improved slightly.
- ❖ For cruise ship segment, we completed a series of cruise ship repairs, refurbishment and conversions. Notable projects include the Pacific Explorer cruise ship conversion for P&O cruises, repair of Paul Gauguin for PG Cruise, as well as refurbishment of Mariner of the Seas for Royal Caribbean Cruises.
- ❖ For LNG vessel segment, completed repairs and upgrades for 15 LNG ships in 1H 2017. Further jobs secured for 2H 2017, on track to surpass total number of LNG vessels serviced in 2016.
- ❖ IMO two-year reprieve on Ballast Water Management Convention would delay uptick in business but medium term potential intact.
- ❖ Recent awards on delivery reliability, good safety, innovations, environment affirm our commitment towards excellence.

## Successful deliveries in 1H2017

### FPSO Pioneiro de Libra



**Project:** Conversion of shuttle tanker to an FPSO, including detailed engineering, installation and integration of topside modules, installation of external turret and power generation, accommodation upgrading as well as extensive piping and electrical cabling works  
**Customer:** OOGTK Libra GmbH & Co KG, joint venture between Odebrecht Oil & Gas and Teekay Offshore  
**Delivery:** 1Q 2017  
**Operation:** Libra field, Santos Basin, Brazil

## Sail away of Randgrid FSO for Gina Krog field

### Randgrid FSO



**Project:** Conversion of shuttle tanker into an FSO, including fabrication and installation of new living quarters, hull reinforcements, refurbishment of submersible turret loading (STL) compartment, installation of new helideck, offshore crane, loading hose reel package and azimuth thruster, replacement of two generators, as well as piping and cabling works.

**Customer:** Teekay

**Delivery:** 2Q.2017

**Operation:** Gina Krog Field, Norwegian North Sea, on charter by Statoil

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## Ongoing Projects – Semi-sub crane vessel

### Heerema Semi-submersible Crane Vessel



**Project:** Engineering and construction of a newbuild semi-submersible crane vessel

**Customer:** Heerema Offshore Services B.V.

**Expected Delivery:** 2Q.2019

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## Ongoing Projects – FSO newbuild

### Maersk Culzean FSO Newbuild



**Project:** Turnkey FSO newbuilding comprising engineering, procurement, construction and commissioning, including installation and integration of turret and topside modules  
**Customer:** MODEC  
**Expected Delivery:** 1Q.2018  
**Operation:** Maersk Oil's Culzean field, UK North Sea

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## Ongoing Projects – Offshore topsides facilities

### Maersk Culzean Platform EPC Project



**Project:** Engineering, procurement, construction and onshore pre-commissioning of Central Processing Facility plus 2 connecting bridges, Wellhead Platform and Utilities & Living Quarters Platform Topsides  
**Customer:** Maersk Oil North Sea UK  
**Expected Delivery:** 2Q.2018  
**Operation:** Culzean field, UK North Sea

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## Steady flow of vessels at Repairs & Upgrades

### REPAIRS & UPGRADES



## Steady flow of vessels at Repairs & Upgrades

### REPAIRS & UPGRADES





## **Sete Brasil drillships**

- ❖ **Sete Brasil continued discussions with its creditors on its judicial recovery plan. General meeting of creditors scheduled for August 2017.**
- ❖ **We are monitoring the developments closely and continue to engage with Sete Brasil as necessary to understand its restructuring plan.**
- ❖ **We believe provisions of \$329 million made in FY2015 for the Sete Brasil contracts remain adequate under present circumstances.**

## **Rig Delivery Deferrals**

- ❖ **We continue to work with our customers for solutions on delivery deferrals of their rigs.**
- ❖ **All these rigs have been technically completed and accepted by respective customers. A number of potential customers have emerged and we are in discussions for them to acquire or take over delivery of these assets.**
- ❖ **Standstill agreement with North Atlantic Drilling for the delivery of the West Rigel semi-submersible rig extended to 6 January 2018. Both parties will continue to market the rig for sale or charter.**
- ❖ **Provisions of \$280 million taken in FY2015 in case of prolonged deferment or possible cancellation of rigs are adequate under present circumstances.**

## Net orderbook at \$6.7 billion

- ❖ Net order book stands at \$6.7 billion with \$75 million in new orders secured in 1H 2017 (all non-drilling solutions). Excluding Sete Brasil projects, net order book totals \$3.6 billion.
- ❖ Additional work scope requested by customer relating to the P-68 FPSO is also being finalized and will contribute to our order book in 2H 2017.
- ❖ Active enquiries for non-drilling solutions and we are in ongoing discussions with various parties for potential projects in the floaters, production platform, LNG and specialised shipbuilding segments.
- ❖ Progress continues to be made in the development of our proprietary GraviFloat technologies for near-shore gas infrastructure solutions. In close discussions with several potential customers and we remain hopeful of realising some new orders in the coming year.

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## Cost Management & Operational Excellence - HR

- ❖ Focus on staying lean and nimble through effective resource and cost management. Continue to optimize workforce and redeploy employees from drilling to non-drilling work.
- ❖ Active efforts made to manage manpower and right size workforce through natural attrition, non-renewal and early termination of service contracts. Sub-contract workforce also optimized. EJA yard has adopted similar measures.
- ❖ Since 2015, adopted freeze in salary and variable remuneration adjustments for key management staff. In 2017, wage freeze extended to all staff; and 10% monthly variable component wage cut also implemented for all senior management across the Group. Review continues.
- ❖ Skills training and upgrading will continue to be a key focus in enhancing competencies, raising productivity and optimizing our workforce for flexibility in deployment. Selective recruitment of talent in specialized areas to build on strengths and support expansion in new business segments.

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## Singapore Yards

- ❖ Tuas Boulevard Yard (TBY) completed its Phase II development in first quarter of this year.
- ❖ New facilities will deepen our capacity and capabilities, especially for the EPC construction of major offshore structures, and further enhance our operational capabilities and production efficiency.
- ❖ Will enable us to sharpen our competitive edge, diversify into new business areas and compete in challenging business environment ahead.
- ❖ As mentioned in 1Q 2017, our plans to return the Shipyard Road Yard and Tuas Road Yard remain on schedule. We also plan to return our Tanjong Kling Yard ahead of its lease expiry date.

## Cashflow and Liquidity Management

- ❖ Continue to exercise financial discipline and prudence in our financial management to conserve cash and strengthen our balance sheet. Majority of order book continues to be on progress payment terms to minimise our need for significant working capital.
- ❖ Operating cash flow used in 1H 2017 was \$295 million, mainly due to increased payment to creditors. Capital expenditure for 1H 2017 was \$98 million. As most of our yard capex has been expended, we expect capex reduction trend to continue.
- ❖ Net gearing increased with net debt to equity at 1.31 times at 1H 2017, versus 1.18 times at end 1Q 2017, mainly due to timing of receipts and payments for certain projects.
- ❖ Sufficient debt headroom. Confident we will be able to execute our orders and meet liquidity needs with existing facilities and continued support from our banks and bondholders.

## Interim Dividend

- ❖ Board of directors is recommending an interim cash dividend of 1 cent per share scheduled to be paid on 29 August 2017.
- ❖ Represents dividend payout ratio of 46% compared with 47% in 1H 2016.

## Outlook

- ❖ Global E&P spending expected to increase. Offshore day rates appear to have stabilized and utilization levels have begun to improve. However, more robust recovery will take longer.
- ❖ Enquiries for non-drilling solutions encouraging. Actively involved with potential customers in developing engineering solutions for production segment. Cautiously optimistic of new orders for production facilities in next few years.
- ❖ Steady progress in development and commercialisation of Gravifloat technology for near-shore gas infrastructure solutions. However, will take time to translate into orders.
- ❖ Niche markets in LNG carrier and cruise ship repairs and upgrades held up well. Expect trend to continue.
- ❖ Strategy and focus remain anchored on strengthening and optimising talent pool; pursuing operational excellence in executing our projects; investing in new capabilities, products and technological innovation to help grow order book and prudent management of financial resources.

## CFO Presentation

- ❖ Earnings Performance
- ❖ Financial Position

## Performance Highlights

### Key highlights:

For the 6 months to June 30, 2017:

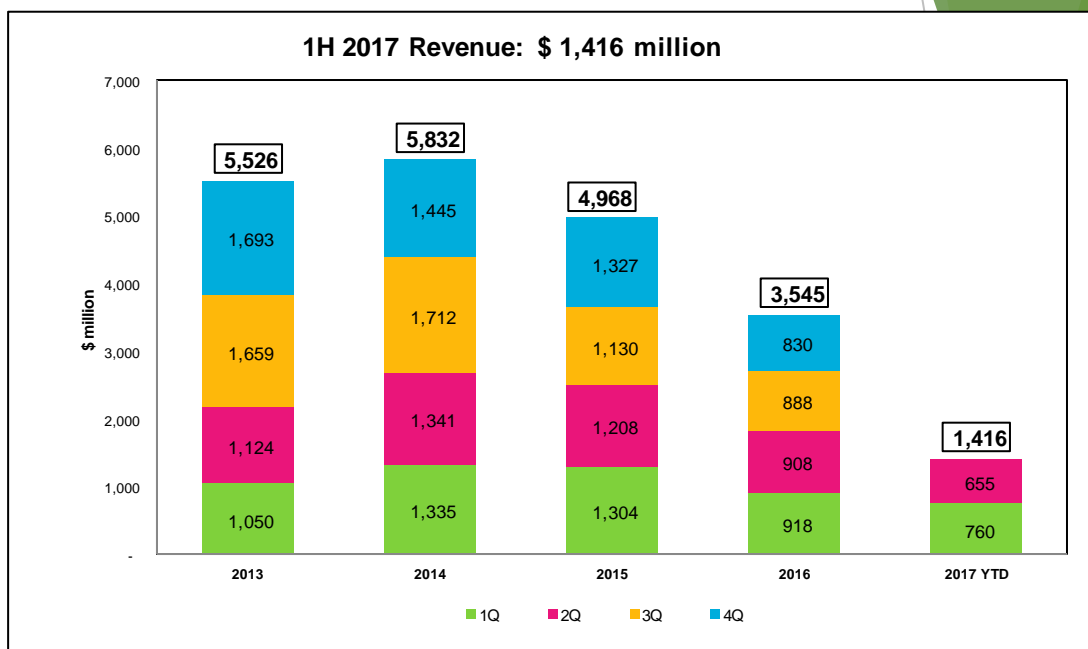
- ❖ Turnover totalled \$1.42 billion compared with 1H 2016's \$1.83 billion.
- ❖ Gross profit of \$96 million on earnings recognition from ongoing projects and deliveries.
- ❖ Group EBITDA of \$137 million.
- ❖ Net profit attributable to shareholders of \$45 million
- ❖ Group net orderbook stands at \$6.7 billion.
- ❖ Interim dividend of 1.0 cent per share declared for 1H 2017 (1H 2016: 1.5 cents per share)

## FINANCIAL HIGHLIGHTS

| Group (\$ million)       | 2Q 2017 | 2Q 2016 | % change | 1H 2017 | 1H 2016 | % change |
|--------------------------|---------|---------|----------|---------|---------|----------|
| Turnover                 | 655.5   | 908.5   | (28)     | 1,415.5 | 1,826.9 | (23)     |
| Gross Profit             | 76.3    | 106.5   | (28)     | 96.2    | 187.1   | (49)     |
| EBITDA                   | 76.7    | 89.2    | (14)     | 137.3   | 195.6   | (30)     |
| Operating Profit         | 28.5    | 53.6    | (47)     | 42.1    | 125.3   | (66)     |
| Profit before tax        | 3.5     | 19.2    | (82)     | 40.3    | 87.5    | (54)     |
| Net Profit               | 5.6     | 11.5    | (51)     | 45.1    | 66.3    | (32)     |
| EPS (basic) (cts)        | 0.27    | 0.55    | (51)     | 2.16    | 3.17    | (32)     |
| NAV (cts)                |         |         |          | 121.62  | *122.62 | (1)      |
| * as at 31 December 2016 |         |         |          |         |         |          |

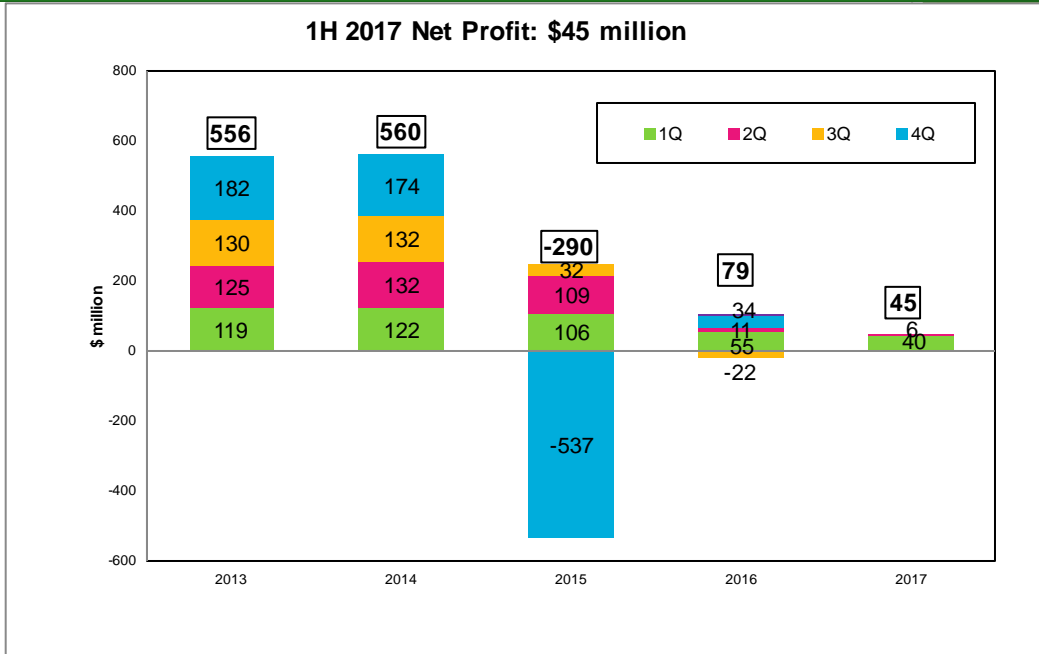
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## 1H 2017 TURNOVER: \$1.42 billion

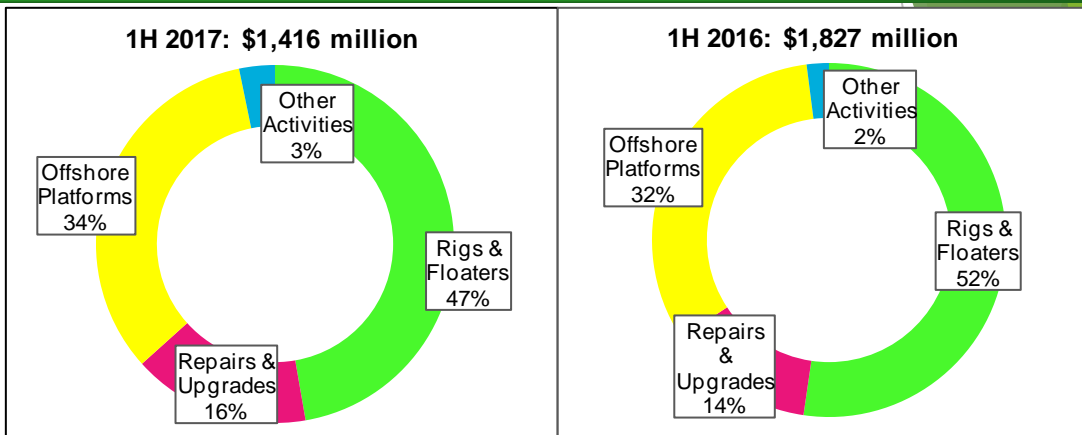


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# 1H 2017 Net Profit at \$45 million

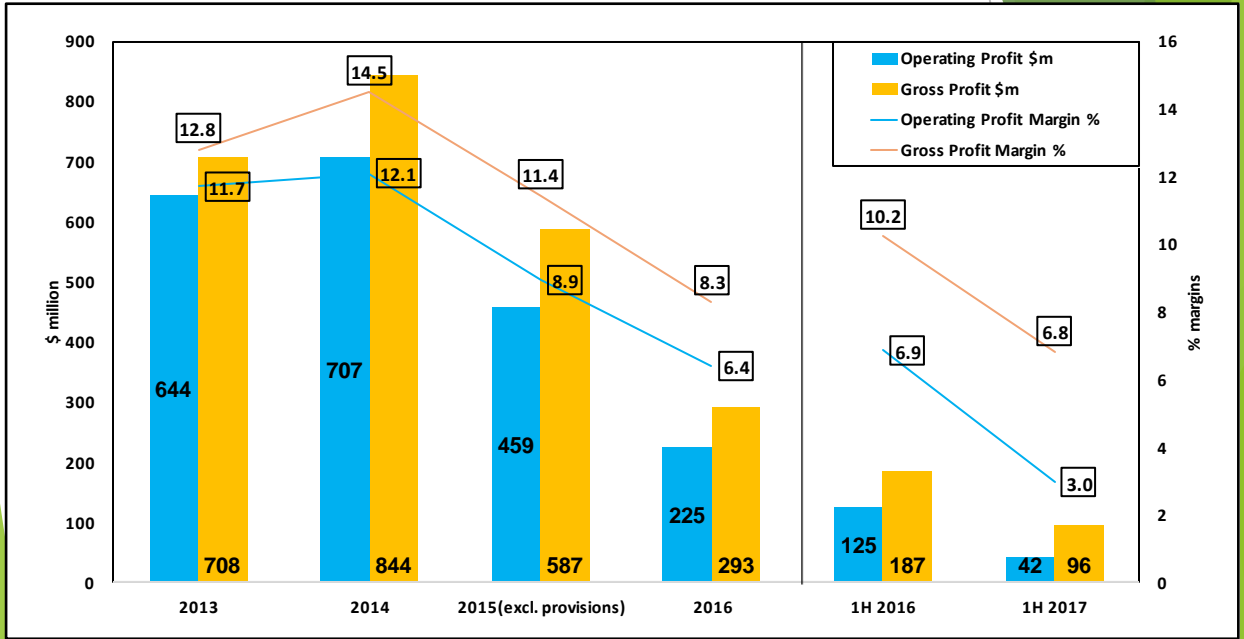


# Business Review: Turnover by Segments

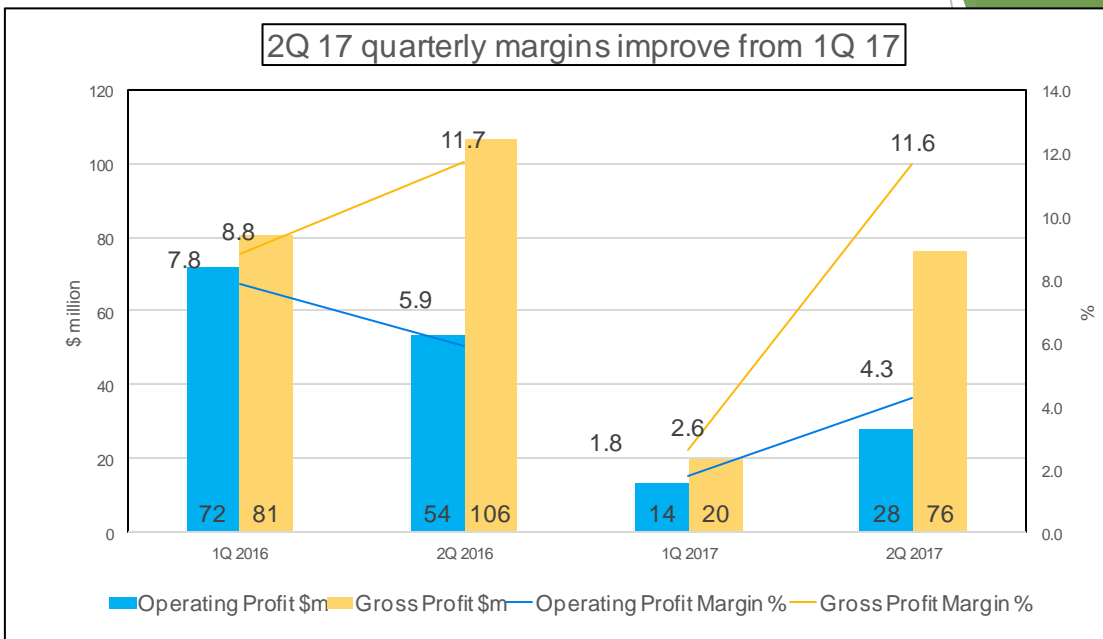


| Turnover (\$ million) | 2Q 2017    | 2Q 2016    | % change    | 1H 2017      | 1H 2016      | % change    |
|-----------------------|------------|------------|-------------|--------------|--------------|-------------|
| Rigs & Floaters       | 322        | 416        | (23)        | 669          | 956          | (30)        |
| Repairs & Upgrades    | 138        | 146        | (6)         | 228          | 245          | (7)         |
| Offshore Platforms    | 172        | 328        | (48)        | 473          | 589          | (20)        |
| Other Activities      | 24         | 19         | 29          | 46           | 37           | 23          |
| <b>TOTAL</b>          | <b>656</b> | <b>909</b> | <b>(28)</b> | <b>1,416</b> | <b>1,827</b> | <b>(23)</b> |

## Gross and operating profit margins

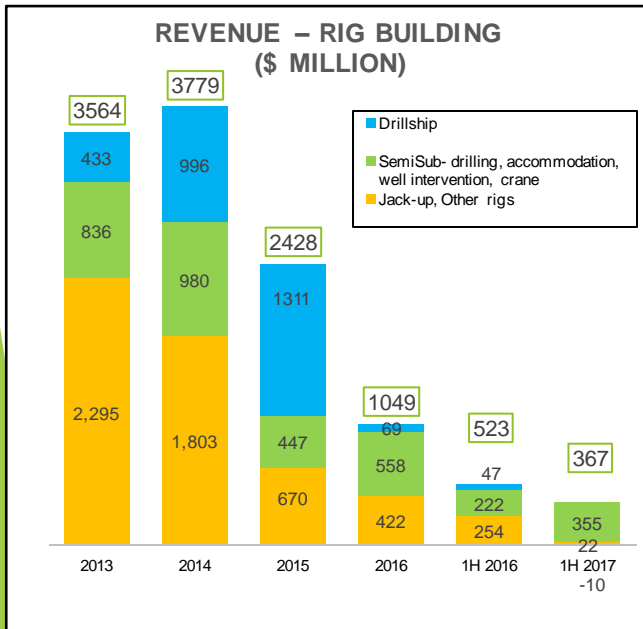


## Quarterly margins show improving trend





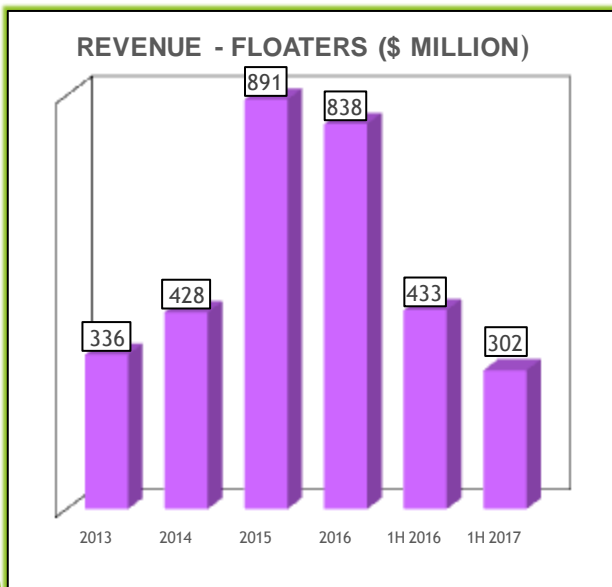
- Rig building revenue fell 30% YOY to \$367 million in 1H 2017. There were no rig deliveries during the quarter.



| JACK UP RIGS SCHEDULE                       |   |  |
|---|---|--|
| No. of completed rigs delivered in 2017 YTD | - | -  |
| No. of projects in WIP stages               | 1 | * BOTL/JDC Hakuryu 14 JU 2   |
| No. of projects technically completed stage | 5 | * Perisai Pacific 103 Jack-up<br>* Oro Negro Vastus Jack-up<br>* Perisai Pacific 102 Jack-up<br>* Oro Negro Jack-up<br>* Oro Negro Jack-up |

| SEMI-SUBMERSIBLE DRILLSHIP SCHEDULE         |   |   |
|---|---|---|
| No. of projects delivered in 2017 YTD       | - | -   |
| No. of projects in WIP stage                | 4 | * Helix semi-well intervention (Q7000)<br>* Heerema Offshore semisub crane vessel<br>* 1st drillship for Transocean, JE III<br>* 2nd drillship for Transocean, JE III<br>* Harsh Environment CS60 semi-submersible rig for Seadrill - West Rigel  |
| No. of projects technically completed stage | 1 |   |
| Number of projects in suspended state       | 7 | * Drillship 1 <sup>st</sup> unit, Sete Brasil<br>* Drillship 2 <sup>nd</sup> unit, Sete Brasil<br>* Drillship 3 <sup>rd</sup> unit, Sete Brasil<br>* Drillship 4 <sup>th</sup> unit, Sete Brasil<br>* Drillship 5 <sup>th</sup> unit, Sete Brasil<br>* Drillship 6 <sup>th</sup> unit, Sete Brasil<br>* Drillship 7 <sup>th</sup> unit, Sete Brasil |

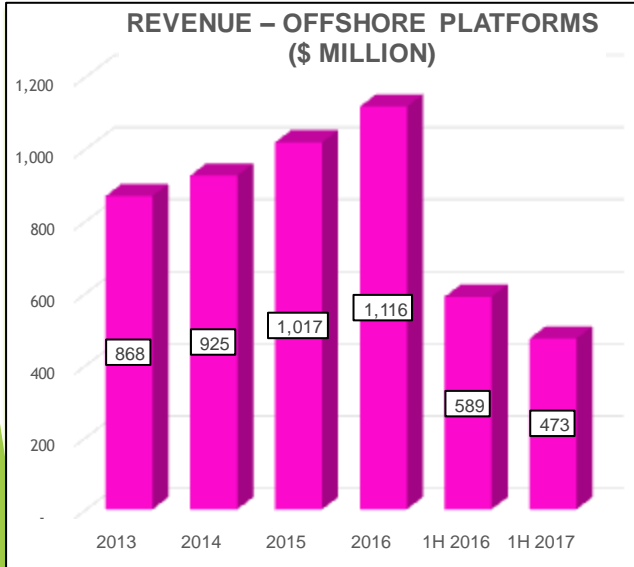
- Floaters revenue declined 30% YOY to \$302 million in 1H 2017.
- FPSO Pioneiro de Libra was delivered in 1Q 2017.



| Offshore conversions                      | No. of projects | Brief description   |
|---|-----------------|---|
| No. of Projects delivered in 2017 to date | 2               | * FPSO Pioneiro de Libra to OOGTK<br>* FSO Gina Krog  |
| No. of projects in the WIP                | 5               | * P68 FPSO for Petrobras<br>* P71 FPSO for Petrobras  |
| Stage                                     |                 | * FPSO Norte - Kaombo (Olympia)<br>* FPSO Sul - Kaombo (Antartica)<br><br>* FSO newbuild - Moderc for Culzean field |

## Core Business: Offshore Platforms

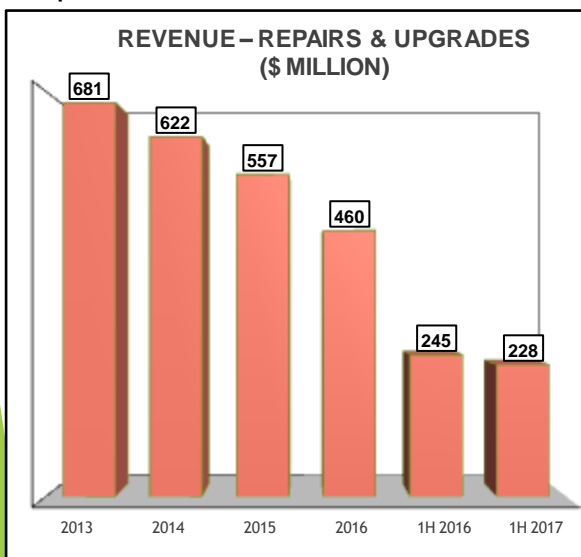
- Offshore Platforms revenue declined 20% YOY to \$473 million in 1H 2017 due to fewer projects on hand. Delivered two projects in 1H17.
- 1 projects in work-in-progress stage.



| Offshore Platforms                      | No. of projects | Brief description  |
|---|-----------------|--|
| Number of projects delivered in 1H 2017 | 2               | Yamal LNG Batch 3/4<br>Yamal LNG Batch 5   |
| Number of projects in the WIP stage     | 1               | * Maersk Culzean topsides – for well head platform, central facilities platform and utilities and living quarters platform |

## Core Business: Repairs & Upgrades

- 1H 2017 Repairs & Upgrades revenue declined 7% year on year to \$228 million on fewer vessels repaired. Revenue per vessel remained firm on improved vessel mix.



| Period                                  | 1H 2017 | 1H 2016 | % change |
|---|---------|---------|----------|
| No. of vessels repaired                 | 239     | 258     | (7)      |
| Average value per vessel (\$m)          | 0.95    | 0.95    | n.m.     |
| Total repair revenue contribution (\$m) | 228     | 245     | (7)      |

## CAPITAL, GEARING & ROE

| Group (\$ million)                             | Jun-17 | Jun-16 | % change | Dec-16 | % change |
|--|--------|--------|----------|--------|----------|
| Shareholders' Funds                            | 2,542  | 2,514  | 1        | 2,562  | (1)      |
| Net Debt                                       | 3,375  | 3,013  | 12       | 2,938  | 15       |
| Net Working Capital                            | 1,390  | 1,917  | (27)     | 1,270  | 9        |
| Return on Equity (ROE) (%) - annualised        | 3.5    | 5.3    | (34)     | 3.1    | 13       |
| Net Asset Value (cents)                        | 121.6  | 120.3  | 1        | 122.6  | (1)      |
| Return on Total Assets (ROTA) (%) - annualised | 2.0    | 2.2    | (9)      | 1.8    | 11       |

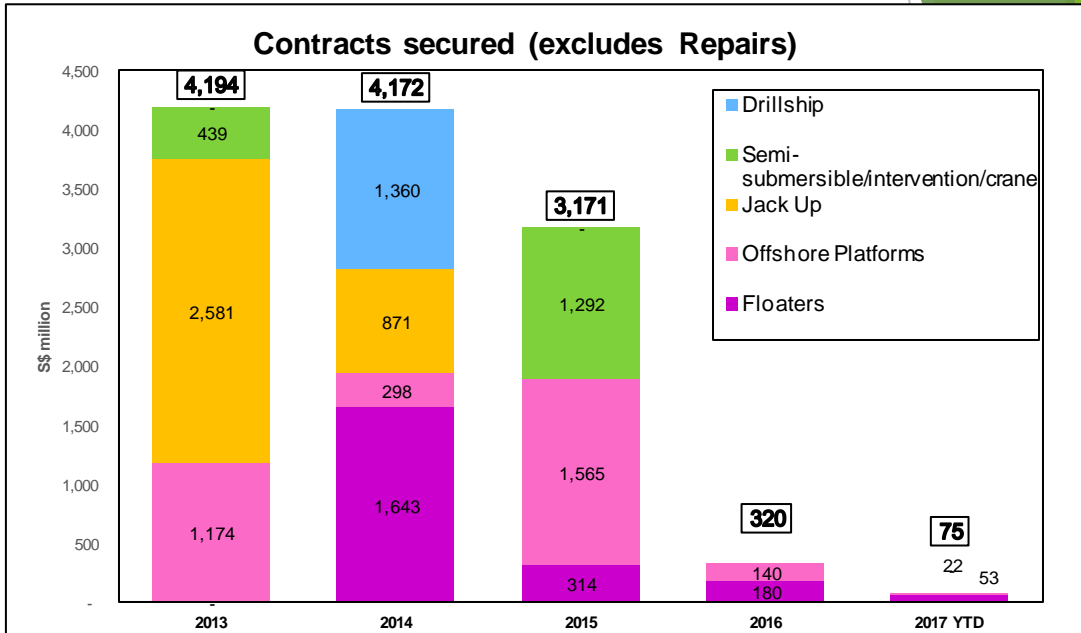
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## CASHFLOW

| Group (\$ million)                                      | 1H 2017 | 1H 2016 | % change |
|---|---------|---------|----------|
| Operating profit before working capital changes         | 143     | 175     | (18)     |
| Cash (used in)/ generated from operations               | (295)   | 7       | n.m.     |
| Net cash (used in)/ generated from operating activities | (334)   | (43)    | 679      |
| Net cash used in investing activities                   | (98)    | (240)   | (59)     |
| Net cash generated from financing activities            | 240     | 648     | (63)     |
| Net increase in cash & cash equivalents                 | (193)   | 366     | n.m.     |
| Cash & cash equivalents in balance sheets               | 1,016   | 968     | 5        |
| Borrowings  | (4,391) | (3,981) | 10       |
| Net Debt  | (3,375) | (3,013) | 12       |
| Progress Billing > WIP                                  | 341     | 568     | (40)     |

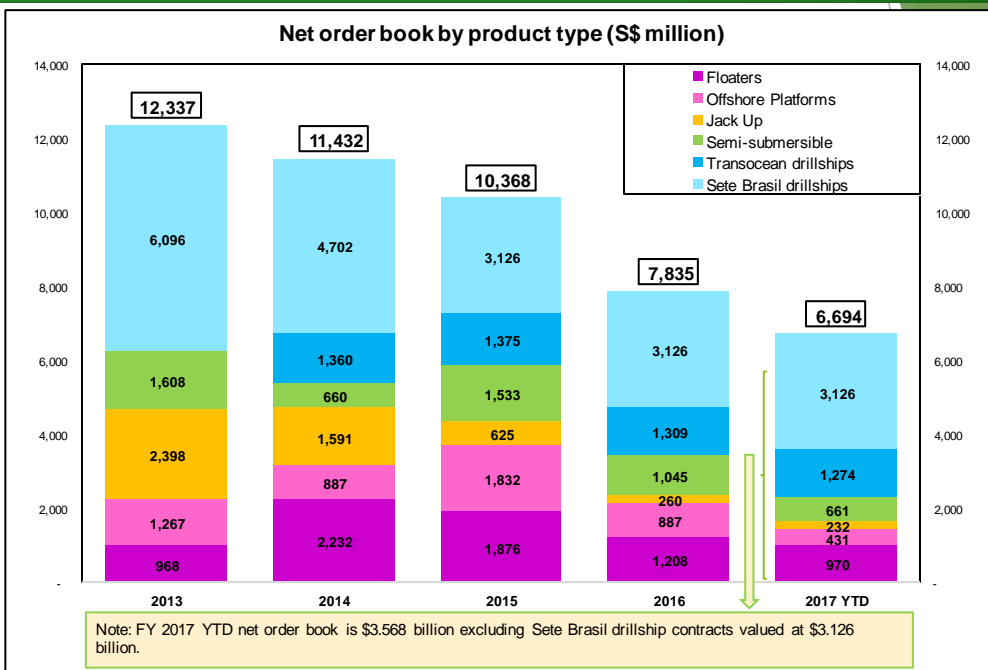
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## New Contracts Secured by Product Type ( 1H 2017: \$75 million)



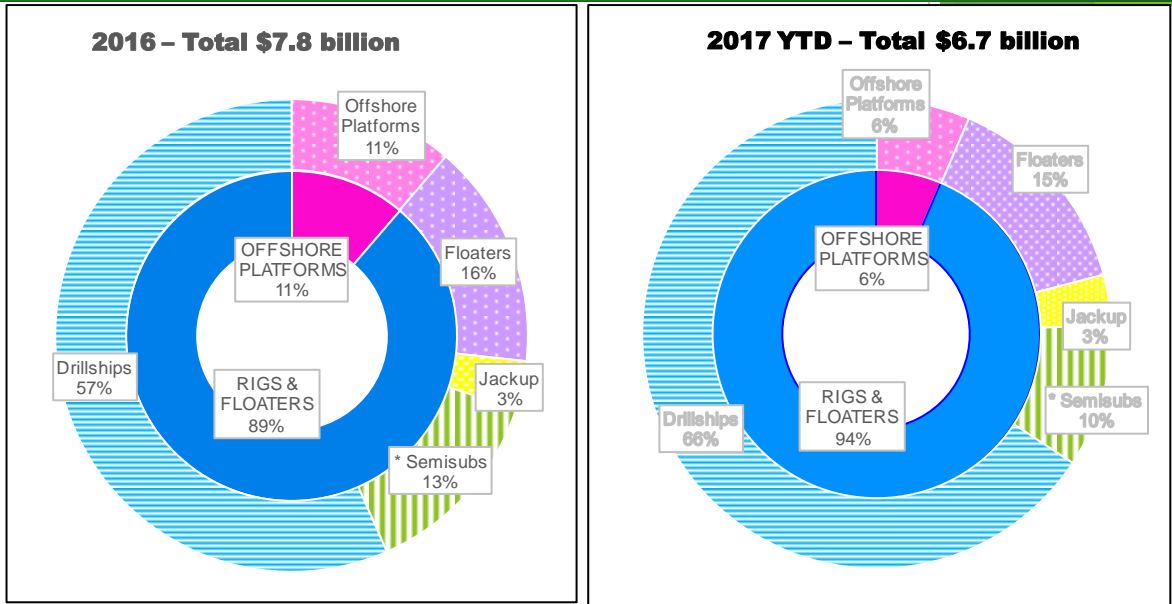
Note: Semisubmersibles include drilling, well intervention, accommodation and crane units

## Net Order Book at \$6.7 billion



Note: FY 2017 YTD net order book is \$3.568 billion excluding Sete Brasil drillship contracts valued at \$3.126 billion.

## Net order backlog by division and product type



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

## 1H 2017 Results Question & Answer session Appendix

## Ongoing projects – Heerema crane semi-submersible

### Contract with Heerema to build NSCV

- ❖ Signed the contract with Heerema Offshore Services B.V. for the engineering and construction of a new semi-submersible crane vessel (NSCV) for approximately USD1 billion.
- ❖ The NSCV is designed to install and remove offshore facilities world-wide and will be equipped with two Huisman 10,000 MT heavy-lifting offshore cranes and a large reinforced work deck area.
- ❖ With a vessel length of 220 metres and a width of 102 metres, the NSCV will be the largest crane vessel in the world. Self-propelled and with a transit speed of 10 knots, the NSCV will be the largest dual fuelled (MGP and LNG) engine crane vessel in the world.
- ❖ Heerema Offshore Services B.V. is a subsidiary of Heerema Marine Contractors Nederland Holding SE (HMC). The Company is a leader in transportation, installation and removal of all types of offshore facilities, including fixed and floating structures and subsea pipelines and infrastructure in shallow, deep and ultra-deep waters. HMC currently owns four of the world's largest crane vessels, namely: SSCV Thialf, Hemod, DCV Balder and Aegir, the latest addition to their fleet.



## Ongoing Projects – Culzean topsides

### Offshore Platforms secures Culzean job

- ❖ Sembcorp Marine Offshore Platforms secured an Engineering, Procurement and Construction contract to build three topsides for the Culzean Field Development in the UK North Sea.
- ❖ The contract includes the building of the Central Processing Facility plus 2 connecting bridges, Wellhead Platform and Utilities & Living Quarters Platform Topsides. The facility will be installed at a water depth of some 90 metres in the UK sector of the Central North Sea. The project is a high pressure, high temperature (HP/HT) gas condensate development.
- ❖ Sembcorp Marine Admiralty Yard in Singapore will be the core fabrication yard for the project, while Sembmarine SLP in Lowestoft, UK will undertake the workscope of the power generation module, two bridges and a flare. The Culzean gas field is expected to be capable of providing 5% of the UK's total gas consumption by 2020/2021.





Image © KBR Training Solutions

## Growing non-drilling solutions - Gravifloat

Subsidiary Gravifloat (GF) offers near-shore LNG import/export terminalling and storage solutions to customers.

Key investment highlights:

- Increased stake in Gravifloat (GF) to 56% in March 2016 on buying an additional 44% for US\$38m. Under the agreement, the company will eventually increase its stake to 100% through an equity purchase at the same price.
- GF designs and hold patents for re-deployable, gravity-based, modularised LNG and LPG Terminals solutions for installation in shallow waters.
- Incorporated in Norway in 2006 as a spin-off of LMG Marin (a marine & engineering and naval architecture company), GF is headquartered in Bergen.
- GF 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.
- Effective solution compared with FSRU (floating, storage and regasification units) and land terminals, and can be designed for both liquefaction for export and regasification for import terminal services.

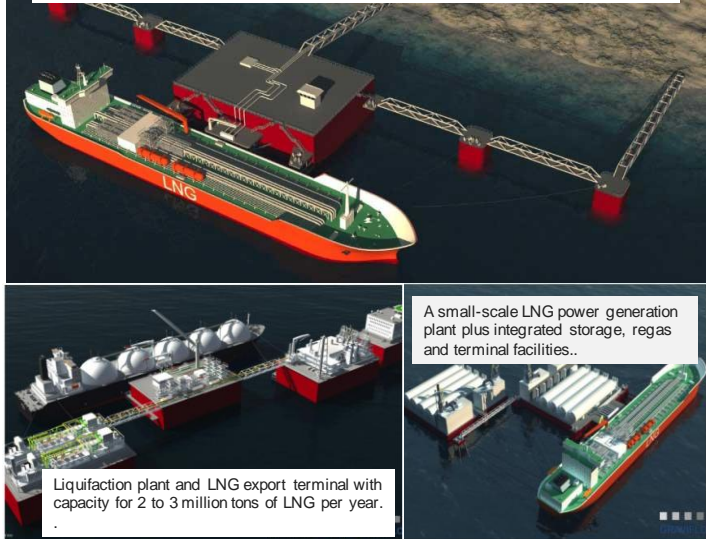


The GF Design Platform can integrate with a variety of topsides to form a unit. Each unit can operate as a standalone platform, or be connected with other units, depending on type and scale required.

### Applications of the GF technology:

- **LNG Export Terminal (Liquefaction)** - The GF structure is fixed to the seabed of 8 to 20 metres water depth, allowing full port capabilities. It can be designed for LNG export, where raw gas from the wellhead or gas pipeline can be routed to the Gas Treatment module, followed by the Liquefaction module of the Gravifloat structure.
- **LNG Receiving Terminal (Regasification)** - The GF topsides can also be designed for re-gasification. The re-gasification terminal will house the re-gasification skid, loading arms, metering skid and GF's internal hull storage of standard capacity: 30,000cbm, 60,000cbm or 85,000cbm.
- **Small-island Power Plant** - This GF configuration can accommodate the use of dual-fuel engines or open cycle gas turbine plants, to accommodate the power needs of its area of deployment. The design is optimal for remote areas that require immediate power utilization.

Based on either the 30,000m<sup>3</sup> or the 60,000m<sup>3</sup> modules the GF-SRU comprises a nearshore and scalable receiving, storage and regasification terminal that can be adapted to meet the actual demand.



Liquefaction plant and LNG export terminal with capacity for 2 to 3 million tons of LNG per year.

A small-scale LNG power generation plant plus integrated storage, regas and terminal facilities..

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### Applications of the Gravifloat (GF) technology:

- **Mid-scale Power Plant** - To accommodate higher power requirements, the combine cycle gas turbines (CCGT) power plant is capable of generating 100MW to 320MW of power. Its near-shore application reduces power loss in cables that connect the modules to on-shore power grid terminals.
- **Bunkering and Distribution** - GF LNG bunkering modules can be installed in the open sea, allowing LNG-fuelled vessels to berth directly to it for refuelling. The Gravifloat design also incorporates mooring quaysides to allow the mooring of LNG distribution vessels for further break bulking

Entered into a Memorandum of Understanding (MOU) with Paris-based ENGIE on October 31, 2016 to cooperate in the development and deployment of Sembcorp Marine's proprietary Gravifloat technology for LNG-to-Power near-shore terminals, focusing on small LNG power businesses with 10 MW to 300 MW capacities.



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*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.*