



**sembcorp
marine**

Company Registration Number: 196300098Z

TERMINATION OF TWO DEFERMENT AGREEMENTS BY PPL SHIPYARD PTE LTD

Singapore, 31 August 2017: Sembcorp Marine Ltd (the “Company”) wishes to announce that its wholly-owned subsidiary, PPL Shipyard Pte Ltd, has terminated two contracts with the subsidiaries of Petroleum Teknologi Bhd, for the construction of two jack-up rigs following the expiry of the existing Deferment Agreements.

The jack-up rigs are drilling rigs that were built based on the PPL Pacific Class 400 design. They have efficient drilling equipment, offline handling features and simultaneous operations support. These high specification rigs are capable of operating in deeper waters of 400 feet and drilling high pressure and high temperature wells to depths of 30,000 feet. They will be equipped with full hotel services for a complement of 150 persons on board in 1-man cabins and 2-men cabins.

The Company continues to actively market the rigs to prospective buyers who have expressed interest in the rigs.

The transaction is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the year ending December 31, 2017.

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.