Company Registration Number: 196300098Z

PRESS RELEASE

Results for 1Q 2018

Key highlights:

For the three months to March 31, 2018

- Revenue of $1.18 billion.
- Net profit totalled $5.3 million.
- Secured $476 million in new contracts in 1Q 2018.

Singapore, April 25, 2018: Sembcorp Marine posted Group revenue of $1.18 billion for the three months to March 31, 2018. This compares with $746 million in revenue generated in 1Q 2017 (restated for accounting changes on adoption of SFRS (I)). The higher revenue in 1Q 2018 was largely due to higher recognition on delivery of 2 jack-up rigs to Borr Drilling and 1 jack-up rig to BOTL during the quarter. Excluding the effects on the adoption of SFRS(I) 15, revenue would have been $858 million, an increase of 15% compared with 1Q 2017.

Turnover for Rigs & Floaters was $1.02 billion in 1Q 2018, compared with $327 million in 1Q 2017 (restated for accounting changes on adoption of SFRS (I)). The higher revenue was related to recognition of the Borr Drilling and BOTL jack-up deliveries as well as higher floaters revenue on recognition of the Johan Castberg project.

Offshore Platforms revenue was $62 million in 1Q 2018 compared with $302 million in 1Q 2017 due to completion of existing projects. During the quarter, revenue from the remaining work for the three topside modules for the Culzean platform topsides continued to be booked progressively. Delivery of the topside modules is scheduled for June 2018.

Revenue from Repairs & Upgrades totalled $79 million for 1Q 2018 compared with $95 million in 1Q 2017 on fewer ships repaired. A total of 80 ships and other vessels were repaired or upgraded in the first quarter of this year compared with 111 units previously. Average revenue per vessel was higher on improved vessel mix of relatively higher-value works.

Sembcorp Marine posted 1Q 2018 gross profit of $43 million and operating profit of $20 million. Net profit for the quarter was $5.3 million, compared with $37 million in 1Q 2017 (restated for accounting changes on adoption of SFRS (I)).

The decrease was mainly due to the one-off gain on disposal of Cosco Shipyard Co., Ltd recorded in 1Q 2017; lower contributions from Offshore Platforms; offset by higher profit recognition on rigs delivery in 1Q 2018 on adoption of SFRS(I) 15. Excluding the effects on the adoption of SFRS(I) 15, net loss for 1Q 2018 would have been $33 million.

Financial Highlights:

Group ($ million)	1Q 2018	1Q 2017 (Restated)*	% change
Turnover	1,180.3	745.6	58
Gross Profit	43.1	15.2	184
EBITDA	65.6	55.8	18
Operating Profit	19.5	8.8	121
Profit before tax	6.1	33.8	(82)
Net Profit	5.3	37.0	(86)
EPS (basic) (cts)	0.25	1.77	(86)
NAV (cts)	115.7	**116.8	(1)

*Restated to reflect accounting changes on adoption of SFRS (I)

**As at 31 December 2017

Note: Excluding the effects on the adoption of SFRS (I) 15, revenue would have been $858 million and net loss would have been $33 million for 1Q 2018.

Balance Sheet and Cash Flow

Net debt remained stable, with net debt to equity at 1.14 times as at 31 March 2018 compared with 1.13 times as at end FY2017. Cash flow from operating activities (before working capital changes) was $67 million in 1Q 2018. Cash generated from operations was $31 million, mainly due to working capital for ongoing projects, offset by receipts from ongoing and completed projects.

Outlook

Global exploration and production (E&P) spending trend continue to improve due to firmer oil prices in the first quarter of 2018.

However, recovery in rig orders is expected to take some time as most of the drilling segments remain oversupplied, with day rates and utilisation under pressure.

The offshore production segment has improved with the FID of several projects. We continue to respond to an encouraging pipeline of enquiries and tenders for innovative engineering solutions.

Repairs and upgrades business is increasingly competitive, although demand for LNG carriers and cruise ships remains strong. Regulations on ballast water treatment requirements coming into force in the foreseeable future will further underpin the potential of this segment. However, the offshore segment for upgrades and repairs remains weak.

The overall industry outlook remains challenging. Despite improvement in E&P CAPEX spending outlook, it will take some time for this to translate into new orders. Margins remain compressed with intensifying competition. Based on existing orders, overall business volume and activity is expected to remain low, and the trend of negative operating profit may continue. We continue to actively manage our costs to align with business volume. We continue to prudently manage our cash flows through securing projects with milestone progress payments to minimise working capital requirements.

Sembcorp Marine will continue to actively pursue the conversion of enquiries into new orders, execute existing orders efficiently and position itself well for the industry recovery.

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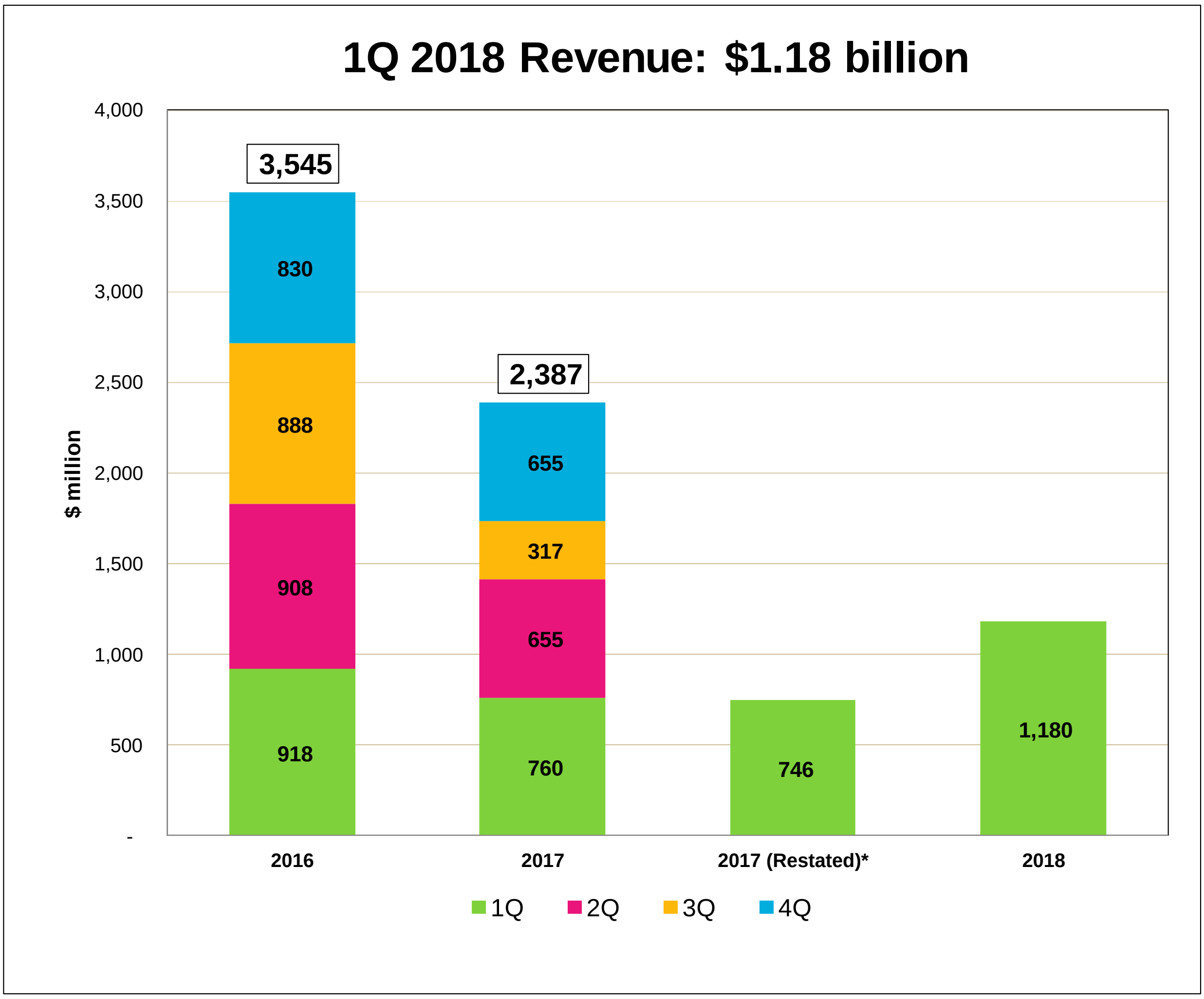
Appendix

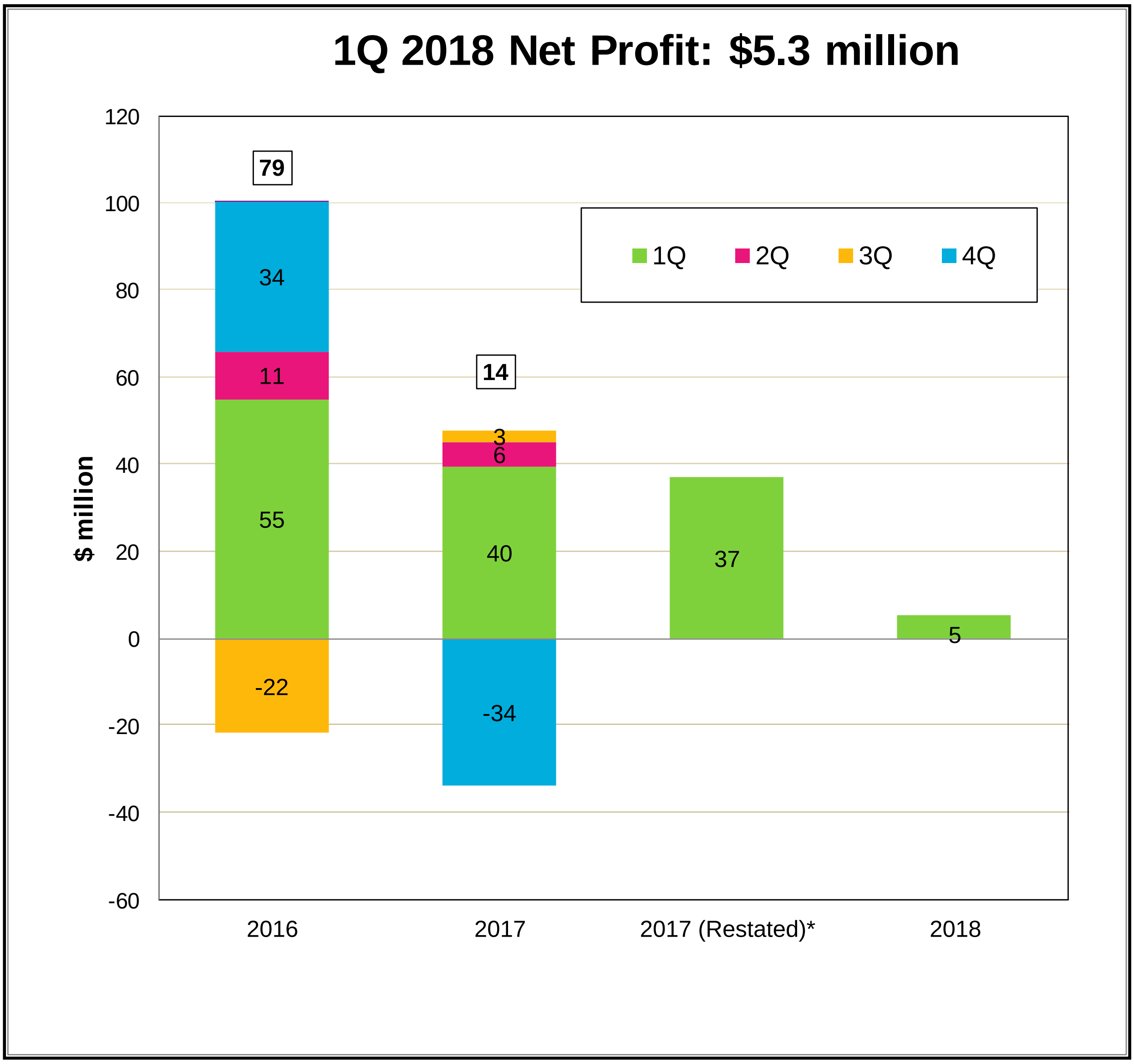
QUARTERLY TURNOVER (FY 2016 TO 1Q 2018)



(* Restated to reflect accounting changes on adoption of SFRS (I))

- Group turnover was $1.18 billion in 1Q 2018, from $746 million in 1Q 2017 (Restated).
- Recognition of 3 rigs upon delivery (two to Borr Drilling) and one to BOTL.
- Higher revenue recognition from floater projects on percentage recognition from the Johan Castberg project.
- Lower revenue recognition from Offshore Platforms projects.
- Lower number of vessels repaired but average revenue per vessel improved slightly.

QUARTERLY NET PROFIT/LOSS (FY 2016 TO 1Q 2018)



(*Restated to reflect accounting changes on adoption of SFRS (I))

- Net profit for 1Q 2018 totalled $5 million, compared with 1Q 2017 net profit of $37 million.
- Fall in profitability due to the one-off gain on disposal of Cosco Shipyard Co., Ltd recorded in 1Q 2017.
- Lower contributions from Offshore Platforms.
- Offset by higher profit recognition on rigs delivery in 1Q 2018 on adoption of SFRS(I) 15.

CASHFLOW

Group ($ million)	1Q 2018	1Q 2017 (Restated)	% change
Operating profit before working capital changes	67	57	18
Cash generated from operations	31	(69)	n.m.
Net cash generated from/(used in) operating activities	7	(87)	n.m.
Net cash (used in) investing activities	(44)	(53)	(17)
Net cash (used in)/ generated from financing activities	(244)	157	n.m.
Net (decrease)/increase in cash & cash equivalents	(281)	18	n.m.
Cash & cash equivalents in balance sheets	1,018	1,219	(16)
Borrowings	3,809	4,345	(12)
Net Debt	2,791	3,126	(11)

- Operating profit before working capital changes was $67 million.
- Net cash generated from operations was $31 million.
- Net debt was $2.79 billion as at end 1Q 2018.

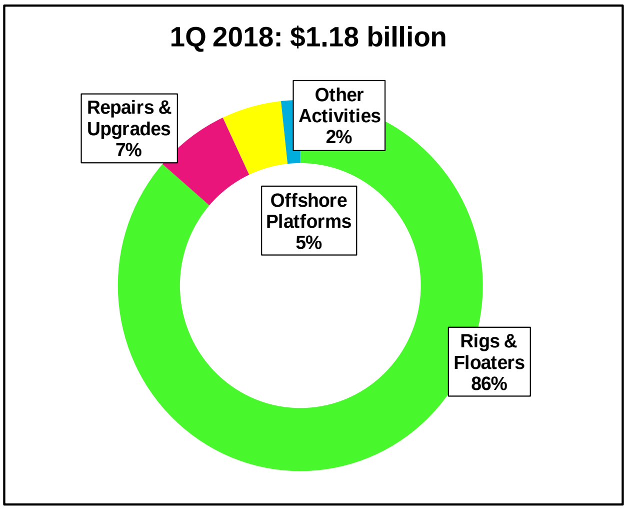
CAPITAL, GEARING AND ROE

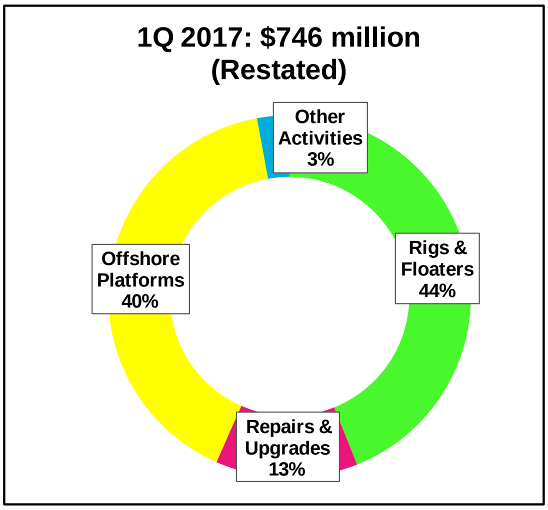
Group ($ million)	Mar-18	Dec-17 (Restated)	% change
Shareholders' Funds	2,416	2,439	(1)
Net Debt	2,791	2,799	n.m.
Net Working Capital	814	1,503	(46)
Return on Equity (ROE) (%) (annualised)	0.9	6.5	(86)
Net Asset Value (cents)	115.7	116.8	(1)
Return on Total Assets (ROTA) (%) (annualised)	1.1	2.5	(56)
Net Gearing Ratio (times) *	1.14	1.13	1

- Shareholders' funds totalled $2.42 billion as at March 2018.
- Net Asset Value per share was 115.7 cents.
- Net gearing ratio was 1.14 times as at March 2018.

REVENUE CONTRIBUTIONS BY SECTORS (1Q 2018 versus 1Q 2017)

By Value & Percentage Contributions



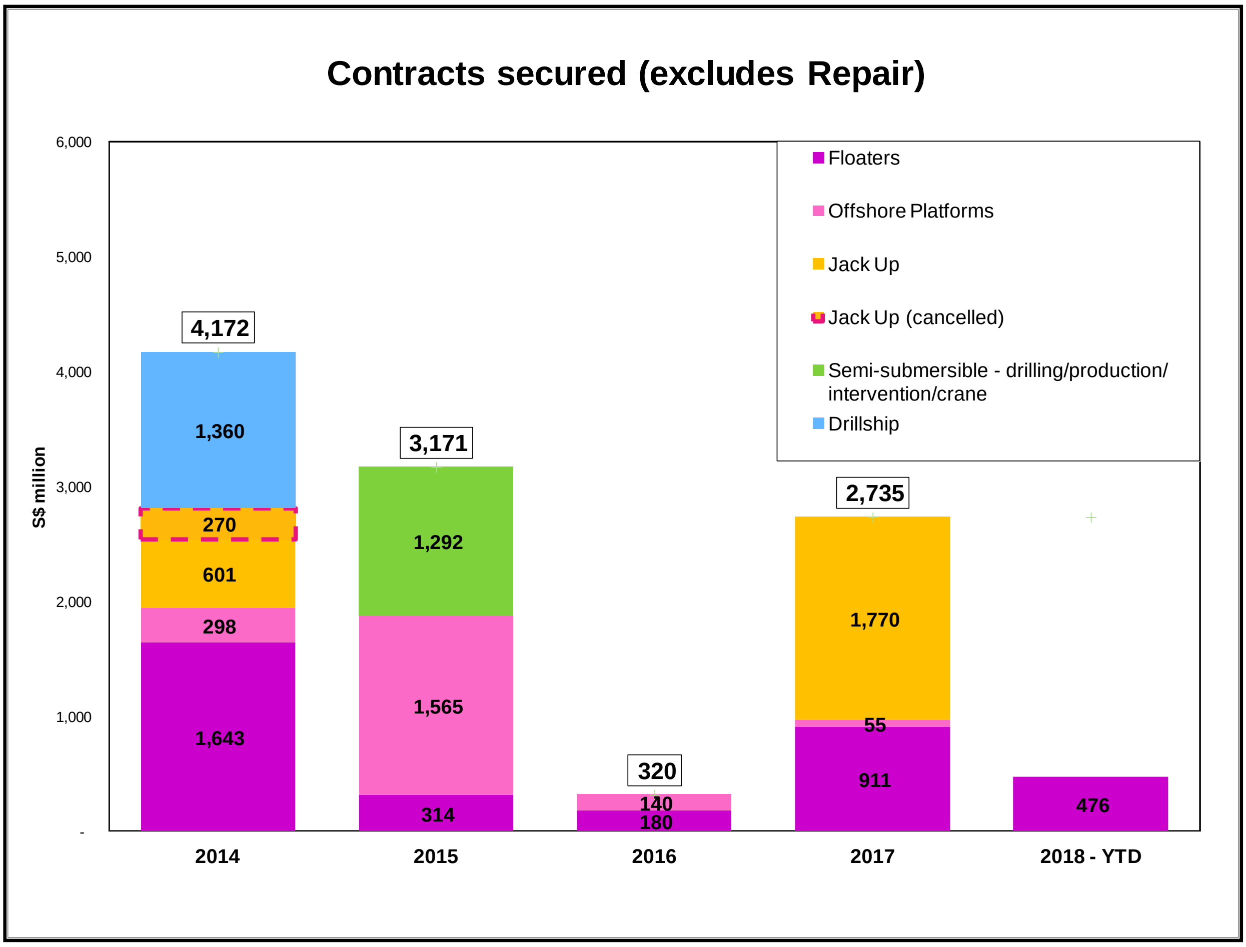


(* Restated to reflect accounting changes on adoption of SFRS (I).)

Turnover ($ million)	1Q 2018	1Q 2017 (Restated)	% change
Rigs & Floaters	1,019	327	n.m.
Repairs & Upgrades	79	95	(17)
Offshore Platforms	62	302	(79)
Other Activities	20	22	(8)
TOTAL	**1,180**	**746**	58

- Rigs & Floaters remained the largest segment, accounting for 86% of total revenue followed by Repair & Upgrades at 7%, Offshore Platforms at 5%, and others at 2%.
- 1Q 2018 Rigs & Floaters revenue was $1.02 billion due to higher revenue recognition from the delivery of 2 jack-up rigs to Borr Drilling and 1 jack-up rig to BOTL and higher floaters revenue from Johan Castberg project.
- Offshore Platforms revenue fell 79% year-on-year to $62 million due to lesser projects on hand.
- Repairs & Upgrades revenue declined 17% year-on-year to $79 million on fewer vessels repaired, although value per vessel was higher.

CONTRACTS SECURED BY YEAR

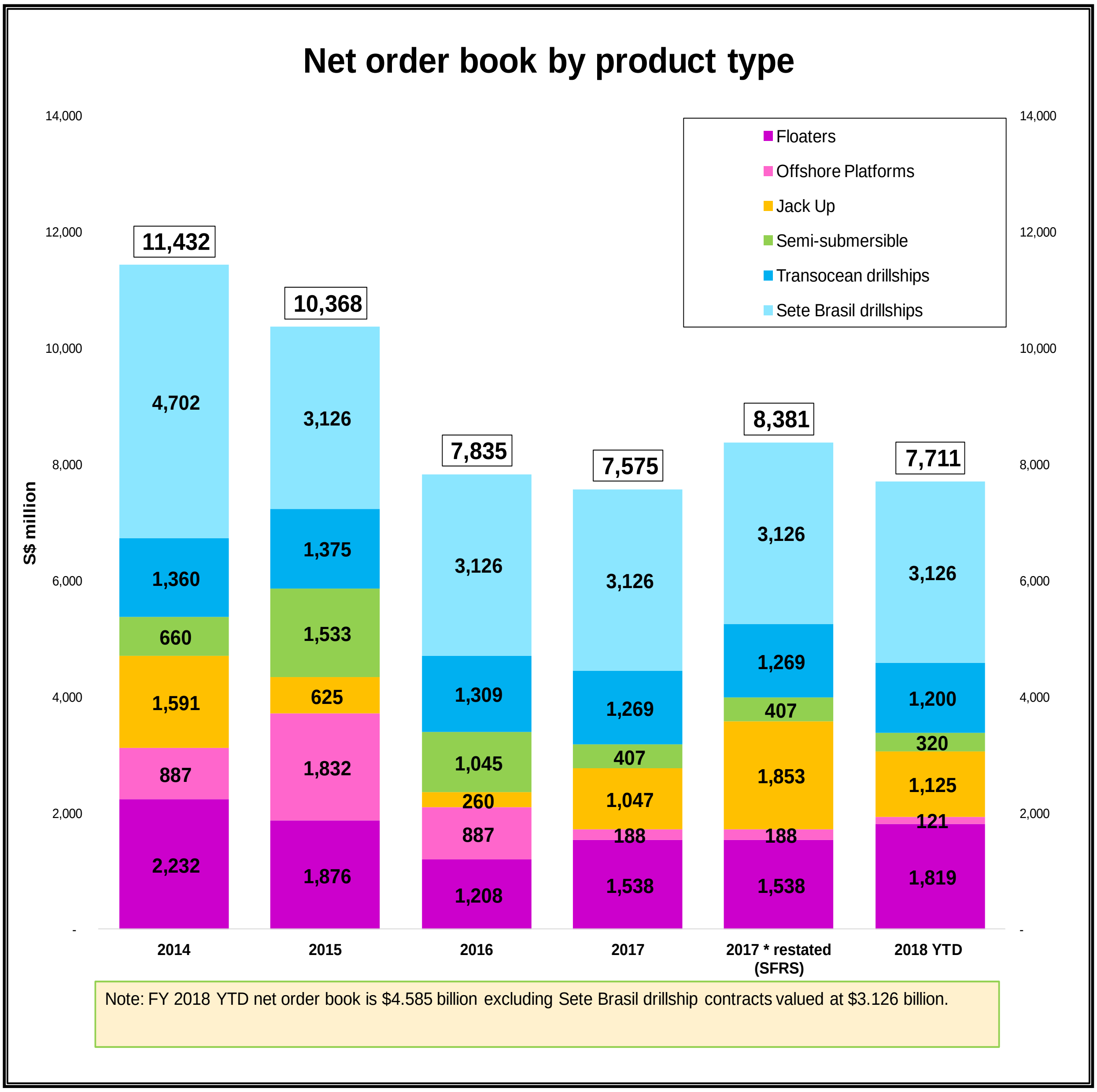


- New orders in 1Q 2018 include a contract with TechnipFMC for the Engineering, Procurement and Construction of the Hull and Living Quarters for a newbuild Floating, Production, Storage and Offloading vessel (FPSO). The contract includes fabrication and integration of various topside modules, as well as installation of owner-furnished equipment.

- Scheduled for completion in the fourth quarter of 2020, the FPSO will be deployed at the Energean-operated Karish and Tanin deepwater field developments in the Eastern Mediterranean, approximately 90km offshore Israel.

NET ORDER BOOK

Net order book stands at $7.71 billion as at 2018 year to date, with deliveries and completion stretching to 2021.



(* 2017 net order book restated to reflect accounting changes on adoption of SFRS (I))

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.