



Company Registration Number: 196300098Z

PRESS RELEASE

SALE OF CJ-70 HARSH ENVIRONMENT JACK-UP DRILLING RIG TO SEADRILL LTD

Singapore, July 12, 2010 : Sembcorp Marine wishes to announce that its wholly-owned subsidiary, Jurong Shipyard Pte Ltd (JSPL) has signed a contract to sell the CJ-70 harsh environment jack-up drilling rig under construction in JSPL to a subsidiary of Seadrill Ltd.

The sale price at US\$356 million is based on the construction status of the rig with delivery scheduled no later than end April 2011. On delivery, the harsh environment jack-up rig will be on a five (5) year charter to Statoil.

The CJ-70 harsh environment drilling rig is built based on the proven MSC CJ-70 design. Suitable for operations in the Norwegian North Sea, the rig is one of the world's largest jack-up rigs, with each leg, including footings, measuring 205 metres in length. The unit has the ability to operate in water depth up to 150 metres with a higher variable deck load and a higher operating efficiency compared to previous jack-up generations, while the size of the unit allows for additional opportunities within areas like logistics, well testing and early production.

Mr Wong Weng Sun, Managing Director of Jurong Shipyard said "This project is another significant milestone for Jurong Shipyard as rigs constructed for the North Sea are typically more challenging as it is one of the world's harshest offshore environments. This is a new foray for us as we are now making our presence in the Norwegian Continental Shelf, a quality-stringent area where high standards are applied.

We have established a partnership for success with Seadrill, having successfully delivered three turnkey units of Ex-D Friede & Goldman deep-water semi-submersible rigs to Seadrill. We value our partnership with Seadrill and will continue to perform and build upon this success for the years to come."

Mr Alf C. Thorkildsen, Chief Executive Officer of Seadrill Management AS said “We have selected a product and more importantly a shipyard that we believe in. I would like to congratulate Jurong Shipyard on this contract as we look forward to the delivery of the first of this class jack-up rig.”

The rig was originally ordered for construction by another owner, which in 2009 went into liquidation. JSPL terminated this contract in September 2009 as no further payments were received under the said contract.

The above transaction will have a positive contribution to the earnings per share of Sembcorp Marine for the year ending December 31, 2010 arising from the resumption of revenue and profit recognition.

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