



Company Registration Number: 196300098Z

PRESS RELEASE

UPDATES ON UNAUTHORISED FOREIGN EXCHANGE TRANSACTIONS

Singapore, February 14, 2008: On 22 October 2007, SembCorp Marine (“SCM”) announced that its former Director, Group Finance, Mr Wee Sing Guan, had entered into various unauthorised foreign exchange transactions (the “Unauthorised Transactions”) for the account of one of its wholly-owned subsidiaries, Jurong Shipyard Pte Ltd (“JSPL”).

On 1 November 2007, SCM further announced that it had successfully negotiated the close out of all outstanding Unauthorised Transactions with 11 banks without prejudice to JSPL and the banks’ positions as to whether the Unauthorised Transactions were valid or binding on JSPL.

SCM now wishes to announce that JSPL has reached full and final settlement with 9 of the 11 banks involved, all strictly on commercial basis, as JSPL deems it in its best interests to avoid incurring substantial time and expense to engage in complex litigation with these banks. All the commercial settlements were entered into without any admission on the part of JSPL or the banks as to whether the Unauthorised Transactions were valid or binding on JSPL.

The net position arising from the Unauthorised Transactions has now been reduced from US\$303 million to US\$258.7 million.

The breakdown is as follows:

Banks	US\$ Million
Societe Generale	198.9
BNP Paribas	50.7
Others (including commercial settlements with 9 banks)	9.1
Total Amount	258.7

The amount of US\$198.9 million paid to Societe Generale is comprised of US\$83.5 million paid before the Unauthorised Transactions were uncovered in October 2007 and US\$115.4 million that was paid as a pre-condition for closing out of transactions with JSPL, subject to JSPL’s right to a refund of the monies from Societe Generale if the dispute is resolved in JSPL’s favour. JSPL intends to recover from Societe Generale the sum of US\$198.9 million. The US\$50.7 million claimed by BNP Paribas is disputed by JSPL.

In compliance with Singapore Financial Reporting Standards, a sum of US\$208.0 million will be expensed in the Group's 4Q 2007 Profit and Loss Statement and US\$50.7 million will be disclosed as a contingent liability.

For media & analysts enquiries, please contact:

Judy Han (Ms)
Senior Vice President
Investor Relations & Communications
Tel No : (65) 6262 7203
Fax No : (65) 6261 0738
Email : judy@sembcorpmarine.com.sg
Website: www.sembcorpmarine.com.sg