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PRESS RELEASE

JURONG SHIPYARD SECURES A US\$131 MILLION RIG BUILDING CONTRACT

Singapore, June 21, 2005: SembCorp Marine is pleased to announce that its wholly owned subsidiary, Jurong Shipyard has secured its third rig building contract worth US\$131 million from Petrojack ASA for the construction of a Baker Marine Pacific Class 375 Deep Drilling Offshore Jack-up Rig.

The Construction Contract is the second option rig that Jurong Shipyard granted to Petrojack ASA in December 2004 and which the latter has now decided to exercise. The contract takes effect in August 2005.

Construction of the jack-up rig is expected to commence in the fourth quarter of 2005 with delivery scheduled in the fourth quarter of 2008.

The Baker Marine Pacific Class ("BMC Pacific") 375 Deep Drilling Offshore Jack-up Rig is a proprietary design of SembCorp Marine's subsidiary, PPL Shipyard Ltd. The jack-up rig, to be named Petrojack III will be equipped with a drilling package that will enable it to drill high pressure and high temperature wells at 30,000 feet whilst operating in 375 feet of water. It has accommodation for 120 men. Petrojack III will be SembCorp Marine's tenth jack-up rig on order.

Mr Don Lee, Senior General Manager of Offshore Division said "Petrojack III will be the third jack-up rig on order by Petrojack ASA. The jack-up rig will be identical to the other two jack-up rigs currently under construction in Jurong Shipyard. This is an endorsement of the confidence that our client has in our ability and capabilities to construct the jack-ups."

Mr Berge Gerdt Larsen, owner and board member of Petrojack ASA said "The Board of Petrojack ASA is very pleased with the relationship and co-operation extended by Jurong Shipyard and its parent SembCorp Marine. With the robust offshore oil and gas market, we are confident that these three premium jack-up rigs will enhance our ability to serve our customers."

Jurong Shipyard is a leading shipyard offering integrated solutions in ship repair, shipbuilding, offshore conversion, rig building and offshore engineering. Apart from its proven track record in the building and servicing of jack-up and semi-submersible rigs, Jurong Shipyard is also a global leader in the EPC conversion of tankers to floating, production, storage and offloading units (FPSOs), floating storage tankers (FSOs) and floating production units (FPU).

Petrojack ASA is a company formed by Norwegian Berge Gerdt Larsen, founder of Larsen Oil & Gas AS, Chairman and main shareholder in DNO ASA (The Norwegian Oil Company), a company listed on the Oslo Stock Exchange in Norway.

Total contracts secured for 2005 to-date stand at S\$3.1 billion with deliveries and completion till first half 2009. Total outstanding order book as at date of 1Q 2005 results announcement dated April 27, 2005 stood at S\$3.36 billion.

Barring unforeseen circumstances, SembCorp Marine expects a positive contribution to its earnings from the contract. However, this contract is not expected to have any material impact on the net tangible assets and earnings per share of SembCorp Marine for the year ending December 31, 2005.

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