



Company Registration Number: 196300098Z

## **PRESS RELEASE**

### **SEMBCORP MARINE SECURES LNG CARRIER LONGEVITY CONTRACT FROM INTERNATIONAL GAS TRANSPORTATION COMPANY LIMITED**

**Singapore, October 21, 2008** : Sembcorp Marine is pleased to announce the award of a longevity contract from the International Gas Transportation Company Limited (IGTC), the parent shipping company of the North West Shelf Venture, for the life extension for its vessel, the Northwest Sanderling, the first of six of their fleet of Moss Rosenberg design LNG (Liquefied Natural Gas ) carriers to reach its 20<sup>th</sup> year in service. This breakthrough contract is a milestone agreement as it signifies the first time that a major LNG operator has committed itself to a long-term longevity programme to extend its vessels' future trading life when the vessels progressively reach their 20<sup>th</sup> year in service. At a time when Singapore is preparing itself to be a major hub in the LNG sector, the selection of Sembcorp Marine as a longevity programme partner of IGTC, is a great boost to Singapore's marine industry and its status as a major ship repair centre. It also reinforces Sembcorp Marine's global leadership position in this highly specialised LNG carriers' life extension work.

The contract, signed in Singapore by Mr. John Charles, Commercial Manager of North West Shelf Shipping Service Company Pty Ltd (NWSSSC) on behalf of IGTC, and Ms Wong Lee-Lin, Executive Director of Sembawang Shipyard Pte Ltd, is the first such contract of IGTC's Longevity Project, which involves the life extension of 6 LNG carriers over a period of 6 years. Sembawang Shipyard is a subsidiary shipyard in the Sembcorp Marine Group.

NWSSSC is equally owned by six venture partners; BHP Billiton Petroleum Pty Ltd, BP Australia Shipping Pty Ltd, Chevron Australia Transport Pty Ltd, Japan Australia LNG (MIMI) Downstream Services Pty Ltd, Shell Development (Australia) Pty Ltd and Woodside Petroleum Holdings Pty Ltd. It is the main shipping advisor to International Gas Transportation Company Limited. (IGTC), a company registered in Bermuda. NWSSSC provides advice and expertise to assist IGTC in managing its fleet of 9 LNG carriers and ensuring the safe, efficient and reliable transportation of liquefied natural gas (LNG) from Australia's North West Shelf to the project's customers in Japan and South Korea.

The signing of the longevity contract marks another milestone in the partnership between NWSSSC and Sembcorp Marine, committing both partners to co-operate

in the areas of engineering, procurement and construction services for the structural and systems upgrades to extend the trading life of the LNG carriers with the same industry leading safety, integrity and reliability standards of NWSSSC. The life extension works include ballast tanks blasting and coating work, hull structural enhancement, integrated automation system renewal, HVAC and refrigeration system renewal, cargo and ballast valve actuator system replacement and boiler system renewal.

“IGTC has a strong and successful partnership with Sembcorp Marine since the first refit of one of our LNG carriers, *Northwest Shearwater*, in Sembawang Shipyard in 2001. Over the years, Sembcorp Marine’s Jurong Shipyard and Sembawang Shipyard have demonstrated consistently high standards in its H.S.E., quality and work performance in the refits of our LNG carriers. Sembcorp Marine’s willingness and ability to work in tandem with us from the initial phase of the longevity project, showed the Group’s dedication and commitment to resolve challenges as a team. This is a very important contract for IGTC and our venture partners as we move forward to deliver a high quality service to our customers through the provision of world-class fleet performance and outstanding LNG shipping services. We look forward to working with Sembcorp Marine in achieving safe, high quality and on-time delivery targets for the first of our LNG carriers earmarked for life extension work,” said Mr. John Charles, Commercial Manager of NWSSSC.

"This prestigious award marks another major milestone achievement for Sembcorp Marine as it is the first long-term longevity contract between a world renowned LNG ship owner and a Singapore shipyard group. As part of the Group’s strategy to become the world leader in the repairs and life extension of LNG carriers, we have achieved an important step in getting into the big league of specialised LNG carriers’ life extension work. We are thus honoured to be chosen by IGTC as their partner for this important programme. This successful partnership will be a springboard to more challenging projects to come and certainly, we are confident that our collaboration will bring about technology and knowledge transfers to assist both partners to be leaders in our respective fields” said Ms Wong Lee-Lin, Executive Director of Sembawang Shipyard.

With the signing of this contract, *Northwest Sanderling*, the first of 6 Moss-Rosenberg type LNG carriers from IGTC, is scheduled to undergo life extension/longevity work and upgrading programme in Sembcorp Marine’s Sembawang Shipyard at an estimated cost of S\$35 million in June 2009.

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, 2008.

### **About Sembcorp Marine**

Sembcorp Marine is a leading global marine and offshore engineering group, specialising in a full spectrum of integrated services and customised solutions in ship repair, shipbuilding, ship conversion, rig building and offshore engineering to a worldwide clientele. Apart from its proven track record in the building and servicing of jack-up and semi-submersible rigs, the group 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 (FPUs). Besides engineering and construction of offshore production platforms and floating production facilities for the global oil and gas industry, the group is also recognised as an industry leader in ship repair and a niche player in the repairs and upgrading of specialised LNG carriers.

Sembawang Shipyard, a wholly owned subsidiary of Sembcorp Marine has one of the largest integrated ship repair facilities in Southeast Asia. The shipyard's world-class reputation is based on the company's commitment to high quality standard, Health, Safety and Environment standard, timely delivery, superior customer service and innovative solutions. The shipyard has five docks totaling 775,000 dwt with adjacent engineering facilities. It has almost four kilometres of continuous deep and sheltered berthage of up to 14 metres in depth.

### **About International Gas Transportation Company Limited**

IGTC is the parent shipping company of the North West Shelf LNG Venture and is equally owned by BP, BHP Billiton, Chevron, MIMI (a joint Mitsubishi and Mitsui company), Shell and Woodside companies.

The IGTC owned fleet consists of 7 LNG carriers built for the Australia-Japan and South Korea trade route and provide LNG transportation services to the LNG Sellers of the North West Shelf Venture. The North West Shelf LNG carriers are all named after birds which are either permanent inhabitants or regular visitors to both Australia's North West and Japan. The vessels are *Northwest Sanderling*, *Northwest Snipe*, *Northwest Shearwater*, *Northwest Sandpiper*, *Northwest Seaeagle*, *Northwest Stormpetrel* and *Northwest Swan*.

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*Northwest Sanderling, will arrive in Sembawang Shipyard in June 2009 for the life extension work.*