AGENDA

- CEO Address
- CFO Financial Highlights
CEO ADDRESS

- Macro update
- Financial performance for 1Q 2017
- Operations review
- Outlook and prospects

Global economy shows signs of improvement on pickup of consumption, investments and trade but vulnerable to geo-political forces.

- Offshore and marine market remains challenging.
- November OPEC agreement to reduce oil output has led to oil prices rebounding to the current US$50 per barrel range. We are hopeful for this trend to continue.
- Pace of recovery in oil and gas investments is uncertain and will continue to be impacted by existing rigs supply.
- Continue to monitor macro environment closely and strategically respond to developments.
Key Highlights for 1Q 2017:

- Total revenue of $760 million, compared with $918 million in 1Q 2016.
- Group Net Profit was $40 million, compared with $55 million in 1Q 2016.

Financial Performance

Review of Operations

- Successful delivery of the FPSO Pioneiro de Libra in 1Q 2017.
- Continued good progress being made on execution of current order book.
- Key ongoing projects include:
  - Engineering & construction of world’s largest semi-submersible crane vessel for Heerema;
  - Design & Construction of MODEC’s newbuild Floating Storage and Offloading (FSO) vessel for deployment in the Culzean field in the UK North Sea;
  - Engineering, Procurement and Construction (EPC) of Maersk Oil’s Central Processing Facility, Wellhead Platform and Utilities & Living quarters platform;
  - FPSO Kaombo Norte and FPSO Kaombo Sul for Saipem’s operations in offshore Angola; and
  - FPSO Gina Krog for Teekay for deployment in the North Sea.
Successful deliveries in 1Q 2017

FPSO Pioneiro de Libra

Project: Conversion of shuttle tanker to an FPSO, including detailed engineering, installation and integration of topside modules, installation of external turret and power generation, accommodation upgrading as well as extensive piping and electrical cabling works
Customer: OOGTK Libra GmbH & Co KG, joint venture between Odebrecht Oil & Gas and Teekay Offshore
Delivery: 1Q 2017
Operation: Libra field, Santos Basin, Brazil

Ongoing Projects – Semi-sub crane vessel

Heerema Semi-submersible Crane Vessel

Project: Engineering and construction of a newbuild semi-submersible crane vessel
Customer: Heerema Offshore Services B.V.
Expected Delivery: 2Q 2019
Ongoing Projects – Progressing Well

Culzean FSO Newbuild

Project: Turnkey FSO newbuilding comprising engineering, procurement, construction and commissioning, including installation and integration of turret and topside modules
Customer: MODEC
Expected Delivery: 1Q 2018
Operation: Maersk Oil’s Culzean field, UK North Sea

Ongoing projects at our overseas yards include:
• FPSO topsides modules construction/integration for Petrobras P68 and P71 at our EJA Yard in Brazil; Construction of a power generation module and other infrastructure (part of our EPC project for Maersk Oil) at our SLP yard in UK; and LNG modules work at Indonesian yards.

In Q 2017 Repairs & Upgrades performed a total of 111 repairs and upgrades. Revenue per vessel was marginally higher.

The International Maritime Organization (IMO) Ballast Water Management Convention, to come into effect in Sept 2017, augurs well for our repairs and upgrades business.

Developed our proprietary Semb-Eco LUV Ballast Water Management System (BWMS) which recently won the Outstanding Maritime R&D and Technology Award at IMA 2017.

Enquiries are increasing for installation of BWMS in vessels and other related services. Optimistic that demand will grow over next few years.
Sete Brasil drillships

- Sete Brasil submitted its last restructuring plan to the Brazilian court in April 2017. Hearings and discussions on the plan are ongoing.
- We continue to engage with Sete Brasil as necessary to better understand its restructuring plan.
- We are monitoring the situation actively so as to be well prepared to respond strategically, as appropriate.
- We believe provisions of $329 million made in FY2015 for the Sete Brasil contracts remain adequate under present circumstances.

Rig Delivery Deferments

- We continue to work with our customers for solutions on delivery deferrals of their rigs.
- All these rigs have been technically completed and accepted by respective customers.
- Standstill agreement with North Atlantic Drilling for the delivery of the West Rigel semi-submersible rig extended to July 6, 2017. Both parties are marketing the rig for sale or charter.
- Provisions of $280 million taken in FY2015 in case of prolonged deferment and possible cancellation of rigs are adequate under present circumstances.
For 1Q 2017, we secured $75 million in orders in the non-drilling solutions segment.


With improvement in oil prices, enquiries for non-drilling solutions have gained further momentum. Active engagements with potential customers in recent months on potential projects.

Further progress made in development of our near-shore gas infrastructure solutions, using our Gravifloat technologies. In active discussions with several potential customers and we remain hopeful of new orders in 2017 for this new business segment.

We continue to optimise our human resources as well as build new capabilities and competencies for long term workforce sustainability.

Reallocation of excess manpower from drilling to non-drilling work, without compromising on safety and quality of execution.

Allowed for natural attrition of our employees and terminated less efficient sub-contractors.

Similar measures taken for our EJA yard in Brasil to rightsize and optimise the workforce.

In 1Q 2017, these measures led to a reduction of approx 500 in our workforce. Since 2015, the reduction in our total workforce, including employers and sub-contractors, is about 9,000.

Workforce optimisation continues through skill training and upgrading; selectively recruiting talents to support new businesses.
Singapore Yards

- With completion of Phase 2 of Tuas Boulevard Yard (TBY) in January 2017, we now have 7 docks at TBY.
- Enable us to better optimise our work execution and realise operational efficiencies.
- As part of yard capacity management, the Group will continue to leverage and maximise utilisation at TBY yard. Review schedule for returning our other yards in Singapore at or before their lease expiry.
- To date, we have returned the Pulau Samulun Yard to the Singapore Government. In 2017, the Shipyard Road Yard and Tuas Road Yard are scheduled to be returned. Plan to return our Tanjong Kling Yard ahead of its lease expiry date.

Cashflow and Liquidity Management

- Continue to exercise financial discipline and prudence in our cash flow management. Majority of order book continues to be on progress payment terms to minimize our need for significant working capital.
- In 1Q 2017, Operating cash flow used was $69 million, compared with $59 million used in 1Q 2016.
- Capital expenditure for 1Q 2017 was $53 million, as most of our yard capex has been expended. We expect this trend to continue.
- Net gearing increased marginally during the quarter, with net debt to equity at 1.18 times at 1Q 2017, versus 1.13 times at end FY 2016.
- Sufficient debt headroom. With existing facilities and continued support from banks and bondholders, are able to execute our orders and meet liquidity needs.
We received necessary regulatory approvals for our divestment of our 30% stake in Cosco Shipyard Group Co., Ltd (CSG) in January 2017.

Divestment realised a gain of approximately $47 million which was recognised in 1Q 2017.

Proceeds from the divestment of $220 million are expected to be received in 2Q 2017 and will be used to support our business growth.

Oil prices appear to have stabilised. Global exploration and production spending is expected to increase in 2017, compared to the last two years.

Enquiries for non-drilling solutions continue to be encouraging. We are cautiously optimistic of new orders for production facilities in the next few years.

Customer interest in our broad-based LNG solutions and capabilities remains strong as global demand for gas is on the rise.

We are making steady progress in the development and commercialisation of our Gravifloat technology for near-shore gas infrastructure solutions.

However, it will take time for such efforts to translate into orders.

Sembcorp Marine’s strategy and focus remain anchored on strengthening and optimising our talent pool; pursuing operational excellence in executing our projects; investing in new capabilities, products and technological innovation to help grow our order book and prudent management of our financial resources.
CFO Presentation

- Earnings Performance
- Financial Position

### FINANCIAL HIGHLIGHTS

<table>
<thead>
<tr>
<th>Period ($ million)</th>
<th>1Q 2017</th>
<th>1Q 2016</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>760.1</td>
<td>918.4</td>
<td>(17)</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>19.9</td>
<td>80.6</td>
<td>(75)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>60.6</td>
<td>106.4</td>
<td>(43)</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>13.6</td>
<td>71.7</td>
<td>(81)</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>36.8</td>
<td>68.3</td>
<td>(46)</td>
</tr>
<tr>
<td>Net Profit</td>
<td>39.5</td>
<td>54.8</td>
<td>(28)</td>
</tr>
<tr>
<td>EPS (basic) (cts)</td>
<td>1.89</td>
<td>2.63</td>
<td>(28)</td>
</tr>
<tr>
<td>NAV (cts)</td>
<td>124.12</td>
<td>*122.62</td>
<td></td>
</tr>
</tbody>
</table>

* as at 31 December 2016
Business Review: Turnover by Segments

1Q 2017 Turnover: $760 million
- 45% Rigs & Floaters
- 12% Repairs & Upgrades
- 40% Offshore Platforms
- 3% Other Activities

1Q 2016 Turnover: $918 million
- 59% Rigs & Floaters
- 11% Repairs & Upgrades
- 28% Offshore Platforms
- 2% Other Activities

Turnover ($ million) 1Q 2017 1Q 2016 % change
Rigs & Floaters 347 540 (36)
Repairs & Upgrades 90 99 (9)
Offshore Platforms 302 261 16
Other Activities 21 18 18
TOTAL 760 918 (17)

Gross and operating profit margins

2013 2014 2015(excl. provisions) 2016 1Q 2016 1Q 2017
- $ millions- $ millions
- Operating Profit $m
- Gross Profit $m
- Operating Profit Margin %
- Gross Profit Margin %

- $ millions
- % margins
- 12.8 14.5 11.4 8.3 2.6
- 11.7 12.1 8.9 7.8 1.8
- 6.8 8.9 6.4 7.8 2.6
- 8.8 8.8 7.8 7.8 2.6
Core Business: Rig Building

- Rig fell 38% YOY to S$195 million in 1Q 2017. There were no deliveries during the quarter.

### REVENUE - RIG BUILDING ($ MILLION)

- Drillship
- Semi-Sub - drilling, accommodation, well intervention, crane
- Jack-up

### Core Business: Floaters

- Floaters revenue declined 32% YOY to $152 million in 1Q 2017.
- FPSO Pioneiro de Libra was delivered in 1Q 2017.

### REVENUE - FLOATERS ($ MILLION)

### JACK UP RIGS SCHEDULE

No. of projects in WIP stages | 1 | BOTL/JDC Hakuryu 14 JU 2
No. of projects technically completed stage | 5 | Persia Pacific 102 Jack-up

### SEMI-SUBMERSIBLE/ DRILLSHIP SCHEDULE

No of projects in WIP or Suspended stage | 12 | Helix semi-well intervention (Q7000)

### Offshore conversions

<table>
<thead>
<tr>
<th>Brief description</th>
<th>No of projects</th>
<th>No of Projects delivered in 1Q 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>FPSO Pioneiro de Libra to OOGTK</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>* P68 FPSO for Petrobras</td>
<td>6</td>
<td>* FSO Gina Krog</td>
</tr>
<tr>
<td>* P71 FPSO for Petrobras</td>
<td>6</td>
<td>* FPSO Norte - Kaombo (Olympia)</td>
</tr>
<tr>
<td>* FPSO Sul - Kaombo (Antarctica)</td>
<td>6</td>
<td>* FSO newbuild – Modec for Culzean field</td>
</tr>
</tbody>
</table>
### Core Business: Offshore Platforms

- Offshore Platforms revenue increased 16% YOY to $302 million in 1Q 2017.
- 3 projects in work-in-progress stage.

#### REVENUE – OFFSHORE PLATFORMS ($ MILLION)

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>1Q 2016</th>
<th>1Q 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>681</td>
<td>622</td>
<td>557</td>
<td>460</td>
<td>261</td>
<td>302</td>
</tr>
</tbody>
</table>

**Core Business: Offshore Platforms**

- Number of projects in the WIP stage: 3
  - *Maersk Culzean topsides* – for well head platform, central facilities platform and utilities and living quarters platform
  - *Yamal LNG Batch 3/4*
  - *Yamal LNG Batch 5*

### Core Business: Repairs & Upgrades

- 1Q 2017 Repairs & Upgrades revenue declined 9% year on year to $90 million on fewer vessels repaired. Revenue per vessel increased on improved vessel mix.

**Core Business: Repairs & Upgrades**

<table>
<thead>
<tr>
<th>Year</th>
<th>1Q 2017</th>
<th>1Q 2016</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of vessels repaired</td>
<td>111</td>
<td>125</td>
<td>-11</td>
</tr>
<tr>
<td>Average value per vessel ($m)</td>
<td>0.81</td>
<td>0.79</td>
<td>+2</td>
</tr>
</tbody>
</table>

**Total repair revenue contribution ($m)**

<table>
<thead>
<tr>
<th>Year</th>
<th>1Q 2017</th>
<th>1Q 2016</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>90</td>
<td>99</td>
<td>(9)</td>
<td></td>
</tr>
</tbody>
</table>
### CAPITAL, GEARING & ROE

<table>
<thead>
<tr>
<th>Group (S$ million)</th>
<th>Mar-17</th>
<th>Dec-16</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholders’ Funds</td>
<td>2,594</td>
<td>2,562</td>
<td>1</td>
</tr>
<tr>
<td>Net Debt</td>
<td>3,126</td>
<td>2,938</td>
<td>6</td>
</tr>
<tr>
<td>Net Working Capital</td>
<td>1,325</td>
<td>1,270</td>
<td>4</td>
</tr>
<tr>
<td>Return on Equity (ROE) (%) - annualised</td>
<td>6.1</td>
<td>3.1</td>
<td>97</td>
</tr>
<tr>
<td>Net Asset Value (cents)</td>
<td>124.1</td>
<td>122.6</td>
<td>1</td>
</tr>
<tr>
<td>Return on Total Assets (ROTA) (%) - annualised</td>
<td>2.7</td>
<td>1.8</td>
<td>50</td>
</tr>
</tbody>
</table>

### CASHFLOW

<table>
<thead>
<tr>
<th>Group ($ million)</th>
<th>1Q 2017</th>
<th>1Q 2016</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit before working capital changes</td>
<td>61</td>
<td>84</td>
<td>(27)</td>
</tr>
<tr>
<td>Cash used in operations</td>
<td>(69)</td>
<td>(59)</td>
<td>18</td>
</tr>
<tr>
<td>Net cash used in operating activities</td>
<td>(87)</td>
<td>(73)</td>
<td>19</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(53)</td>
<td>(149)</td>
<td>(64)</td>
</tr>
<tr>
<td>Net cash generated from financing activities</td>
<td>157</td>
<td>572</td>
<td>(73)</td>
</tr>
<tr>
<td>Net increase in cash &amp; cash equivalents</td>
<td>18</td>
<td>351</td>
<td>(95)</td>
</tr>
<tr>
<td>Cash &amp; cash equivalents in balance sheets</td>
<td>1,219</td>
<td>955</td>
<td>28</td>
</tr>
<tr>
<td>Borrowings</td>
<td>(4,345)</td>
<td>(3,902)</td>
<td>11</td>
</tr>
<tr>
<td>Net Debt</td>
<td>(3,126)</td>
<td>(2,947)</td>
<td>6</td>
</tr>
<tr>
<td>Progress Billing &gt; WIP</td>
<td>165</td>
<td>336</td>
<td>(51)</td>
</tr>
</tbody>
</table>
New Contracts Secured by Product Type (1Q 2017: $75 million)

Contracts secured (excludes Repairs)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>4,194</td>
<td>2,581</td>
<td>1,174</td>
<td>1,565</td>
<td>3,171</td>
<td>320</td>
</tr>
<tr>
<td>2014</td>
<td>4,172</td>
<td>1,360</td>
<td>1,643</td>
<td>1,292</td>
<td>75</td>
<td>100</td>
</tr>
<tr>
<td>2015</td>
<td>439</td>
<td>298</td>
<td>314</td>
<td>2,581</td>
<td>320</td>
<td>75</td>
</tr>
<tr>
<td>2016</td>
<td>1,000</td>
<td>1,500</td>
<td>1,174</td>
<td>1,565</td>
<td>75</td>
<td>100</td>
</tr>
<tr>
<td>2017 YTD</td>
<td>1,500</td>
<td>2,500</td>
<td>1,174</td>
<td>1,565</td>
<td>75</td>
<td>100</td>
</tr>
</tbody>
</table>

Note: Semisubmersibles include drilling, well intervention, accommodation and crane units.

Net Order Book at $7.14 billion

Net order book by product type (S$'000)

<table>
<thead>
<tr>
<th>Year</th>
<th>Floaters</th>
<th>Offshore Platforms</th>
<th>Jack Up</th>
<th>Semi-submersible</th>
<th>Transocean drillships</th>
<th>Sete Brasil drillships</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>6,096</td>
<td>1,606</td>
<td>2,398</td>
<td>1,273</td>
<td>1,608</td>
<td>1,267</td>
</tr>
<tr>
<td>2014</td>
<td>4,702</td>
<td>1,360</td>
<td>1,591</td>
<td>1,045</td>
<td>2,232</td>
<td>238</td>
</tr>
<tr>
<td>2015</td>
<td>3,126</td>
<td>1,375</td>
<td>625</td>
<td>1,208</td>
<td>1,876</td>
<td>331</td>
</tr>
<tr>
<td>2016</td>
<td>7,835</td>
<td>3,126</td>
<td>1,045</td>
<td>1,208</td>
<td>1,876</td>
<td>331</td>
</tr>
<tr>
<td>2017</td>
<td>7,143</td>
<td>3,126</td>
<td>1,045</td>
<td>1,208</td>
<td>1,876</td>
<td>331</td>
</tr>
</tbody>
</table>

Note: FY2017 YTD net order book is $4.0 billion excluding Sete Brasil drillship contracts valued at $3.1 billion.
Net order backlog by division and product type

2016 – Total $7.84 billion

- Offshore Platforms 11%
- Floaters 16%
- Drillships 57%
- Rigs & Floaters 89%
- Jackup 3%
- *Semisubs 13%

2017 YTD – Total $7.14 billion

- Offshore Platforms 8%
- Floaters 15%
- Drillships 62%
- Rigs & Floaters 92%
- Jackup 3%
- *Semisubs 12%

* Semisubmersibles include drilling, well intervention, accommodation and crane units

1Q 2017 Results
Question and Answer session
Appendix
Ongoing projects – Heerema crane semi-submersible

Contract with Heerema to build NSCV

- Signed the contract with Heerema Offshore Services B.V. for the engineering and construction of a new semi-submersible crane vessel (NSCV) for approximately USD1 billion.
- The NSCV is designed to install and remove offshore facilities world-wide and will be equipped with two Huisman 10,000 MT heavy-lifting offshore cranes and a large reinforced work deck area.
- With a vessel length of 220 metres and a width of 102 metres, the NSCV will be the largest crane vessel in the world. Self-propelled and with a transit speed of 10 knots, the NSCV will be the largest dual fuelled (MGP and LNG) engine crane vessel in the world.
- Heerema Offshore Services B.V. is a subsidiary of Heerema Marine Contractors Nederland Holding SE (HMC). The Company is a leader in transportation, installation and removal of all types of offshore facilities, including fixed and floating structures and subsea pipelines and infrastructure in shallow, deep and ultra-deep waters.

Ongoing Projects – Culzean topsides

Offshore Platform secures Culzean job

- Sembcorp Marine Offshore Platforms secured an Engineering, Procurement and Construction contract to build three topsides for the Culzean Field Development in the UK North Sea.
- The contract includes the building of the Central Processing Facility plus 2 connecting bridges, Wellhead Platform and Utilities & Living Quarters Platform Topsides. The facility will be installed at a water depth of some 90 metres in the UK sector of the Central North Sea. The project is a high pressure, high temperature (HP/HT) gas condensate development.
- Sembcorp Marine Admiralty Yard in Singapore will be the core fabrication yard for the project, while Sembmarine SLP in Lowestoft, UK will undertake the workspace of the power generation module, two bridges and a flare. The Culzean gas field is expected to be capable of providing 5% of the UK’s total gas consumption by 2020/2021.
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.