

March 3, 2006

SEMBCORP CLINCHES WORLD'S LARGEST SINGLE-STREAM LDPE PLANT EPC CONTRACT

SembCorp Industries announces today that fully-owned subsidiary SembCorp Engineers and Constructors' process engineering arm, SembCorp Simon-Carves, has been awarded a contract worth over US\$200 million (S\$325 million) by leading global chemical producer Huntsman for the engineering design, procurement and construction of the world's largest single-stream Low Density Polyethylene (LDPE) facility.

The LDPE plant, to be located at the Wilton International site in Teesside, UK, will have a capacity of 400,000 tonnes per annum, and will be based on technology provided by ExxonMobil Chemical. Construction is scheduled for completion in the fourth quarter of 2007.

Alwyn Bowden, Managing Director of SembCorp Simon-Carves, stated: "We are extremely proud and delighted to have been entrusted by Huntsman to deliver this high profile project in the UK, being the world's largest single-stream LDPE plant."

Mahomed Maiter, Vice President of Huntsman European Polymers, commented: "We see the signing of this contract as a critical step forward in delivering this ambitious project for Huntsman and ensuring our new LDPE facility at Wilton is operational by the end of 2007."

Huntsman, one of the world's largest chemical companies with 57 operations in 22 different countries, had announced its plans to build the LDPE plant in September 2004. In January 2005, Huntsman awarded a contract to SembCorp Simon-Carves to commence the initial front-end design work.

SembCorp Simon-Carves is the world's most experienced process engineering contractor for the design and supply of LDPE plants, having supplied 75 LDPE streams throughout the world. These include six of the last eleven LDPE plants to have been commissioned since 1997.

This contract does not have any material impact on SembCorp Industries' earnings per share for the financial year ending 2006.

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About SembCorp Engineers and Constructors

SembCorp Engineers and Constructors (SembE&C) is the largest engineering and construction group in Southeast Asia with core capabilities in process engineering for chemical, nuclear, plastic, fertilizer, food and pharmaceutical industries.

The company employs 1,300 staff worldwide.