

PRESS RELEASE

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DIVESTMENT OF STAKE IN SEMBCORP TAY PAPER

SINGAPORE, May 21, 2018 – Sembcorp Industries (Sembcorp) announces that its wholly-owned subsidiary, Sembenviro Recycling, has signed an agreement to divest its 60% stake in Sembcorp Tay Paper Recycling (Sembcorp Tay Paper) to Tay Paper Resources, for a sale consideration of S\$6 million. The consideration was arrived at taking into account the earnings and book value of the business and the relevant transaction multiples.

Sembcorp Tay Paper provides a range of paper recycling services as well as on-site and off-site shredding services in Singapore.

Commenting on the divestment, Sembcorp Group President & CEO, Neil McGregor said, “This divestment is in line with our intention to unlock value and recycle capital to reinvest in growth.”

The completion of the divestment is expected to take place by mid-2018.

This transaction is not expected to have a material impact on the earnings per share and net asset value per share of Sembcorp for the financial year ending December 31, 2018.

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ABOUT SEMBCORP INDUSTRIES

Sembcorp Industries is a leading utilities, marine and urban development group, present across five continents.

As an integrated energy player, Sembcorp is poised to benefit from the global energy transition. With a strong track record in developing and developed markets, it provides solutions across the energy and utilities value chain, with a focus on the *Gas & Power*, *Renewables & Environment*, and *Merchant & Retail* sectors. It has a balanced energy portfolio of over 11,000 megawatts, including thermal power plants, renewable wind and solar power assets, as well as biomass and energy-from-waste facilities. In addition, Sembcorp is a world leader in offshore and marine engineering, as well as an established brand name in urban development.

Sembcorp Industries has total assets of over S\$22 billion and over 7,000 employees. Listed on the main board of the Singapore Exchange, it is a component stock of the Straits Times Index, several MSCI and FTSE indices, as well as the SGX Sustainability Leaders Index and the Dow Jones Sustainability Asia Pacific Index.

Note to Editors: Please refer to the company as “**Sembcorp**” (with “**S**” in upper case and “**c**” in lower case), or “Sembcorp Industries” in full. Please also note that “Sembcorp” is not an abbreviation of “Sembawang Corporation” but a brand name in itself, and it is therefore incorrect to refer to our company as “Sembawang”, “Sembawang Corporation” or similar.