DIVESTMENT OF SEMBCORP AIR PRODUCTS AND PROPYLENE PURIFICATION PLANT

Singapore, January 29, 2016 – Sembcorp Industries (the Group) announces that its wholly-owned entity Sembcorp Utilities has completed the divestment of its entire 60% stake in Sembcorp Air Products (SembAP) to Eastman Chemical Singapore (Eastman) for approximately S$4 million. This mutually-agreed cash amount is subject to final adjustment within 60 days; however such adjustments are not expected to be material to the Group. In addition, the Group has transferred its propylene purification plant on Jurong Island to Eastman for S$5.7 million.

SembAP manufactures and deals in hydrogen, carbon monoxide and synthesis gas on Jurong Island, and holds a 50% stake in Sakra Island Carbon Dioxide. Following the divestment, SembAP and Sakra Island Carbon Dioxide have ceased to be part of the Group.

The transaction will not have a material impact on the earnings per share and net asset value per share of the Group for the financial year ending December 31, 2016.