



COSCO CORPORATION (SINGAPORE) LIMITED
(Company Registration No. 196100159G)

UPDATE ON SEVAN 650 DRILLING UNIT (“SEVAN DEVELOPER”)

The Board of Directors (the “**Board**”) of COSCO Corporation (Singapore) Limited (the “**Company**”) refers to the announcements made on 30 May 2011, 17 October 2014 and 2 November 2015 in relation to the turn-key EPC (Engineering, Procurement and Construction) contract entered into between COSCO (Qidong) Offshore Co., Ltd (“**COSCO Qidong**”) with Sevan Drilling Rig VI Pte Ltd (the “**Rigowner**”).

As announced by the Company on 2 November 2015, the Rigowner and COSCO Qidong had agreed to exercise the first option to extend the delivery date of Sevan Developer for 6-months up to 15 April 2016.

The Board wishes to announce that the Rigowner and COSCO Qidong have agreed to exercise the second option to extend the delivery date of Sevan Developer for a further 6 months of up to 15 October 2016.

COSCO Qidong is required to refund to the Rigowner the sum of US\$26.3 million (being 5% of the contract price) plus interest, by 25 May 2016. The final payment for the contract has also been amended from 85% of the contract price to 90% of the contract price of US\$526.0 million (amounting to US\$473.4 million) and can be amended further upon the expiration of the option period. The other terms and conditions under the deferment agreement entered into on 15 October 2014, including termination rights, remain unchanged.

In view of the deferment and the uncertainty as to whether the remaining options will be exercised, it is not possible to ascertain the financial impact of the agreement for deferment at this point in time.

The Company will make announcements of any significant development in this matter at the appropriate junctures.

By Order of the Board
Wu Zi Heng
Vice Chairman and President
15 April 2016