

Sembcorp Industries Ltd
(UEN/Company Registration Number: 199802418D)
(a company incorporated in the Republic of Singapore)

ANNOUNCEMENT

ISSUANCE OF S\$600,000,000 4.75 PER CENT. SUBORDINATED PERPETUAL SECURITIES UNDER THE S\$2,000,000,000 MULTICURRENCY DEBT ISSUANCE PROGRAMME

Sembcorp Industries Ltd ("**Sembcorp**") wishes to announce that it has today issued S\$600,000,000 in aggregate principal amount of 4.75 per cent. subordinated perpetual securities (the "**Perpetual Securities**") under its S\$2,000,000,000 Multicurrency Debt Issuance Programme. Credit Suisse (Singapore) Limited, DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited and Standard Chartered Bank are the joint lead managers for the issue and offering of the Perpetual Securities.

Unless otherwise defined herein, terms used in this announcement and which are defined in the terms and conditions of the Perpetual Securities (the "**Conditions**") shall bear the same meanings ascribed to them in the Conditions.

The principal terms of the Perpetual Securities are as follows:

- (a) **Issue Size** : S\$600,000,000.
- (b) **Issue Price** : 100 per cent. of the principal amount of the Perpetual Securities.
- (c) **Issue Rating** : Unrated.
- (d) **Status and Subordination** : The Perpetual Securities will constitute direct, unconditional, subordinated and unsecured obligations of Sembcorp and shall at all times rank *pari passu*, without any preference or priority among themselves and *pari passu* with any Parity Obligations of Sembcorp.

Subject to the insolvency laws of Singapore and applicable laws, in the event of the winding-up of Sembcorp, the rights of the holders of the Perpetual Securities to payment of principal and distribution of the Perpetual Securities are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of Sembcorp but at least *pari passu* with all other subordinated obligations of Sembcorp that are not expressed by their terms to rank junior to the Perpetual Securities and in priority to the claims of shareholders of the Sembcorp.

- (e) **Maturity Date** : The Perpetual Securities are perpetual and have no fixed final redemption date.
- (f) **Redemption at the Option of Sembcorp** : The Perpetual Securities are redeemable at the option of Sembcorp on 20 May 2020 or on any distribution payment date thereafter.
- (g) **Distribution Rate** : Subject to the right of Sembcorp to defer distributions in accordance with the Conditions, the Perpetual Securities will confer a right to receive distributions:
 - (a) at a rate of 4.75 per cent. per annum, payable semi-annually in arrear, in respect of the period from (and including) the issue date of the Perpetual Securities to

(but excluding) 20 May 2025 (the "**Step-Up Date**");
and

- (b) at the Swap Offer Rate (as defined in the pricing supplement dated 18 May 2015 in relation to the Perpetual Securities) plus an initial spread of 2.11 per cent. plus a step-up margin of 1.00 per cent, payable semi-annually in arrear, in respect of the period from (and including) the Step-Up Date and each Reset Date falling thereafter to (but excluding) the immediate following Reset Date (as defined below).

"**Reset Date**" means 20 May 2025 (the "**First Reset Date**") and each date falling every 10 years after the First Reset Date.

- (h) **Redemption Price** : 100 per cent. of the principal amount of the Principal Securities then outstanding, together with any accrued distribution (including any Arrears of Distribution and any Additional Distribution Amount).

The net proceeds arising from the issue of the Perpetual Securities (after the deduction of issue expenses) will be used to refinance existing indebtedness or operations and finance generally working capital requirements of Sembcorp and its subsidiaries, as well as to finance investment projects.

Approval in-principle has been received from Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing and quotation of the Perpetual Securities on the Official List of the SGX-ST, and the Perpetual Securities are expected to be admitted to the Official List of the SGX-ST with effect from 9.00 a.m. on 21 May 2015. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Perpetual Securities, Sembcorp and/or its subsidiaries.

BY ORDER OF THE BOARD
SEMBCORP INDUSTRIES LTD

20 May 2015