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 announcement made on 15 April 2016 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") for the Sevan Developer.

As announced, the Rigowner and COSCO Qidong had agreed to exercise the second option to extend the delivery date of Sevan Developer for 6-months up to 15 October 2016.

The Board wishes to announce that the Rigowner and COSCO Qidong have now agreed to exercise the third option to extend the delivery date of Sevan Developer for a further 6 months to 15 April 2017.

Under the terms of this extension, the final payment for the contract has been amended from 90% of the contract price to 95% of the contract price of US$526.0 million (amounting to US$499.7 million). COSCO Qidong will refund to the Rigowner the sum of US$26.3 million (being 5% of the contract price) plus associated costs within the fourth quarter of 2016. The other terms and conditions under the deferment agreement entered into on 15 October 2014, including termination rights, remain unchanged. COSCO Qidong and the Rigowner remain in discussions on the Sevan Developer.

In view of the deferment and the uncertainty as to whether the Rigowner will take delivery of the Sevan Developer, 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
Gu Jing Song
Vice Chairman and President
17 October 2016