

VOLUNTARY CONDITIONAL CASH OFFER

By



STANDARD CHARTERED BANK

for and on behalf of

TOLL (ASIA) PTE. LTD.

(Company Registration No. 200602949M)
(Incorporated in the Republic of Singapore)

for

SEMBCORP LOGISTICS LTD

(Company Registration No 197100166M)
(Incorporated in the Republic of Singapore)

1. Introduction

Standard Chartered Bank (“**SCB**”) wishes to announce, for and on behalf of Toll (Asia) Pte. Ltd. (“**Toll (Asia)**” or the “**Offeror**”), that Toll (Asia) intends to make a voluntary conditional cash offer (the “**Offer**”) for all the remaining ordinary shares (“**Shares**”) in the capital of SembCorp Logistics Ltd (“**SCL**”) in issue not already owned, controlled or agreed to be acquired by the Offeror or any party acting in concert with it (“**Offer Shares**”).

2. The Offer

In accordance with Rule 15 of The Singapore Code on Take-overs and Mergers (“**Code**”), and subject to the terms and conditions set out in the offer document to be issued by SCB, for and on behalf of the Offeror (the “**Offer Document**”), the Offeror will make the Offer for the Offer Shares at an offer price (the “**Offer Price**”) on the following basis:

- (a) in the event the Offeror receives acceptances representing less than 90 per cent. of the Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer):

For each Offer Share : S\$1.70 in cash; or

- (b) in the event the Offeror receives acceptances representing not less than 90 per cent. of the Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer):

For each Offer Share : S\$1.80 in cash

The Offeror does not intend to revise the Offer Price.

The Offer Shares are to be acquired (a) fully-paid, (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever, and (c) together with all rights, benefits and entitlements attached thereto as at the date hereof and hereafter attaching thereto (including all voting rights and the right to receive and retain all dividends and other distributions (if any) which may be announced, declared, paid or made thereon by the Company on or after the date of this Announcement together with all interest accrued thereon). If any dividend, other distribution or return of capital is declared, made or paid on or after the date of this Announcement, the Offeror reserves the right to reduce the Offer Price by the amount of such dividend, distribution or return of capital.

The Offer will be extended, on the same terms and conditions, to all new Shares unconditionally issued or to be issued pursuant to the valid exercise prior to the close of the Offer of any options (each, an “**Option**”) to subscribe for new Shares granted under the SCL Executives' Share Option Scheme and the Employee Share Option Plan (the “**Option Schemes**”). For the purpose of the Offer, the expression “**Offer Shares**” shall include such Shares.

3. **Conditions**

The Offer shall be subject to the Offeror having received, by the close of the Offer, valid acceptances in respect of such number of Offer Shares which will result in the Offeror and parties acting in concert with it holding such number of Shares carrying more than 50 per cent. of the voting rights attributable to the issued share capital of SCL as at the close of the Offer (including any voting rights attributable to the Shares issued or to be issued pursuant to the valid exercise of any Options prior to the close of the Offer).

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances in respect of such number of Offer Shares which will result in the Offeror and parties acting in concert with it holding such number of Shares carrying more than 50 per cent. of the maximum potential issued share capital of SCL. For this purpose, the “maximum potential issued share capital of SCL” means the total number of Shares which would be in issue had all the Options been validly exercised as at the date of such declaration.

4. **Options**

As at the date of this Announcement, based on the latest information available to the Offeror, there are outstanding Options granted under the Option Schemes. Under the rules of each of the Option Schemes, the Options are not transferable by holders thereof. In view of this restriction:

- (a) in relation to any Option in which the Offer Price is higher than the exercise price of Shares comprised in that Option, the Offeror will not make an offer to acquire the Option (although, as stated above, the Offer will be extended to all new Shares to be issued pursuant to the valid exercise of the Options on or prior to the close of the Offer); and
- (b) in relation to any Option in which the Offer Price is equal to or lower than the exercise price of Shares comprised in that Option, the Offeror will make an Options Proposal on the following terms:
 - (i) subject to the Offer becoming or being declared unconditional in all respects; and
 - (ii) subject to the relevant Options continuing to be exercisable into new Shares,

the Offeror will pay holders of such Options a nominal sum for each Share comprised in that Option in consideration of such holders agreeing:

- (iii) not to exercise any of such Options into new Shares; and
- (iv) not to exercise any of their rights as holders of such Options,

in each case from the date of their acceptance of the Options Proposal to the respective dates of expiry of such Options. Further, if the Offer becomes or is declared unconditional in all respects, holders of the Options who have accepted the Options Proposal will also be required to surrender all of their Options for cancellation. If the Offer lapses or is withdrawn or if the relevant Options cease to be exercisable into new Shares, the Options Proposal will lapse accordingly.

Details of the Options Proposal will be despatched to the holders of Options no later than the date of despatch of the Offer Document (as defined below).

5. Irrevocable Undertakings

As at the date of this Announcement, the Offeror and Toll Holdings Limited (“**Toll**”) have received an irrevocable undertaking from SembCorp Industries Ltd (“**SCI**”) to accept the Offer in respect of its direct shareholding interest in SCL (the “**Undertaking**”) of 440,721,870 Shares representing approximately 60.01 per cent. of the issued share capital of SCL¹. The Undertaking shall lapse if the Offer is withdrawn.

Pursuant to the Undertaking, SCI has also undertaken, *inter alia*, that it shall, in its capacity as shareholder of SCL, during the period of the Undertaking, at any general meeting, vote against:

- (a) any dividend or other distribution (whether in cash or otherwise) by SCL;
- (b) any allotment or issue of shares or other securities convertible into shares, or grant of options or other rights to subscribe for shares, by SCL;
- (c) the disposal by SCL or its subsidiaries of any assets which are material or substantial in the context of SCL and its subsidiaries taken as a whole or which would (regardless of whether or not they are transactions in the ordinary course of business) fall within the relevant thresholds in Rules 1013 or 1015 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”); and
- (d) the assumption of liabilities by SCL or its subsidiaries of an amount material in the context of the financial condition of SCL and its subsidiaries taken as a whole.

Save as disclosed in this Announcement, neither the Offeror nor any party acting in concert with it has received any irrevocable undertaking from any other party to accept or reject the Offer.

6. Toll’s Undertakings

- (a) In connection with the Offer, Toll has provided an undertaking that one of SCL’s contracts be transferred to a third party, together with related assets and employees. Toll has been informed that the transfer of this contract will not be material to the financial position of SCL.

¹ In this Announcement, as at 3 March 2006, SCL has 734,463,070 Shares in issue.

- (b) In connection with the Undertaking, the Offeror and Toll have agreed to:
- (i) use their best endeavours to procure that SCL, its subsidiaries and associated companies (collectively, the “**SembLog Group Companies**”) change their corporate names to remove the word “SembCorp” (if any) not later than 12 months of the close of the Offer; and
 - (ii) after the close of the Offer, use all reasonable endeavours to procure that the SembLog Group Companies cease to use any trademark or logo containing or associated with the word “SembCorp” or any derivative thereof individually or in combination as part of a corporate title or logo or otherwise within 12 months of the close of the Offer.

7. Information on the Offeror and Toll Holdings Limited

- (a) The Offeror

The Offeror is a special purpose vehicle incorporated in the Republic of Singapore on 2 March 2006 for the purpose of making the Offer and holding Shares. The directors of the Offeror are Paul Little and Richard McCluskey.

The Offeror is the wholly-owned subsidiary of Toll.

- (b) Toll

Toll is one of the Asian region’s leading providers of integrated transport and logistics services, generating annual consolidated revenue in excess of AUD\$3.8 billion (for the year ended 30 June 2005, excluding Pacific National Pty Ltd) and operating a network of over 400 sites throughout Australia and the region. Toll’s transport and infrastructure assets include ports, warehousing, road fleets, ships, rail rolling stock and air freight capacity. These assets when combined with operational expertise and technology solutions, are aimed at driving supply chain efficiencies to deliver best practice in supply chain management for Toll’s diverse customer base.

Toll’s vision is to be the most successful provider of integrated total logistics solutions to the Asian region.

As at the date of this Announcement, Toll has 331,796,015 issued and paid-up ordinary shares, which last traded on the Australian Stock Exchange at AUD\$11.72 per share on 3 March 2006 (being the last trading day prior to the date of this Announcement), representing a market capitalisation (based on ordinary shares only) of AUD\$3.89 billion.

The directors of Toll are John Moule (Chairman), Paul Little (Managing Director), Neil Chatfield (Chief Financial Officer), Mark Rowsthorn (Executive Director – Operations), Alastair Lucas (Non-Executive Director) and Ray Horsburgh (Non-Executive Director).

For additional information about Toll and this Offer, please refer to the company’s website at www.toll.com.au/news_corporate06.html

8. Rationale for the Offer

Toll and SCL have highly complementary businesses in terms of strategy, focus, capability, customers and industry segments with growth-oriented cultures. The companies will be able to leverage on each other's core capabilities and customers to:

- (a) advance their regional capability and network;
- (b) enhance product and service offerings;
- (c) increase market penetration; and
- (d) enhance growth momentum.

As a result, both Toll and SCL will be well-placed to capitalise on the outsourcing and direct offshore supply agenda that is expected to continue and further gather momentum.

If pursuant to the Offer, the Offeror receives acceptances representing not less than 90 per cent. of the Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer), the Offeror intends to exercise its rights of compulsory acquisition under section 215(1) of the Companies Act (Chapter 50 of Singapore) and seek a delisting of SCL from the SGX-ST.

9. Disclosures of Shareholdings and Dealings

Save as disclosed in this Announcement, none of the Offeror or Toll (a) owns, controls or has agreed to acquire any Shares as at the date of this Announcement, (b) has dealt for value in any Shares during the three (3) month period immediately preceding the date of this Announcement, or (c) has received any irrevocable undertaking from any party to accept or reject the Offer as of the date at this Announcement.

In the interests of confidentiality, neither the Offeror nor Toll has made enquiries in respect of certain other parties who are or may be deemed to be acting in concert with them in connection with the Offer. Further enquiries will be made of such persons and the relevant disclosures will be made in due course subsequently and in the Offer Document. For the same reason, SCB will be making the necessary enquiries in respect of members of the SCB group and the relevant disclosures will be made in due course subsequently and in the Offer Document.

10. Confirmation of Financial Resources

SCB, as financial advisor to the Offeror, confirms that sufficient financial resources are available to the Offeror to satisfy in full all acceptances in respect of the Offer.

11. Offer Document

The formal offer document ("**Offer Document**") setting out the terms and conditions of the Offer and enclosing a Form of Acceptance and Authorisation and/or a Form of Acceptance and Transfer will be despatched to holders of Offer Shares not earlier than 14 days and not later than 21 days from the date of this Announcement.

Shareholders are advised to exercise caution when dealing in the Shares.

12. Responsibility Statement

The Directors of the Offeror and Toll (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement.

Where any information has been extracted from published or otherwise publicly available sources or obtained from SCL, the sole responsibility of the Directors of the Offeror and Toll has been to ensure that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

The Directors of the Offeror and Toll jointly and severally accept responsibility accordingly.

Issued by
STANDARD CHARTERED BANK
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6 March 2006