



# 1Q2010 Results Announcement

May 10, 2010



## Scope of Presentation



- CEO's Report
- Group Outlook
- Financial Review

## CEO's Report

Tang Kin Fei  
Group President & CEO

### 1Q2010 Performance Round-up

**Turnover of S\$2.4 billion, up 12%**

**Net profit of S\$158.8 million, up 19%**

**ROE (annualised) at 17.5%**

**EVA at S\$136.2 million**

**Strong balance sheet and cash flow**

- Net cash
- Generated operating cash flow\* of S\$286.3 million

**Dividend payment**

- Final tax exempt one-tier dividend for FY2009 of 15.0 cents per ordinary share will be paid on May 12, 2010

\* Operating cash flow before changes in working capital

## 1Q2010 Highlights



### Building platforms for growth

- Sembcorp NEWater Plant awarded the prestigious 2010 GWI Global Water Awards “Water Reuse Project of the Year”
- Completed industrial wastewater treatment expansions in Nanjing and Zhangjiagang, increasing capacity by 19,700m<sup>3</sup>/day
- Proposed acquisition of Cascal, a leading provider of water and wastewater services
- Announced development of new shipyard in Espirito Santo, Brazil
- Launch of 1,600ha VSIP Hai Phong integrated township and industrial park

## Positioned for the Future



### Well-placed to benefit from global trends

- Focused group with strong energy, water and marine businesses with an international presence
- Positioning as a leading developer of integrated townships
- Capitalising on Asia's growth and selective M&As
- Leveraging on Group strength and synergies

## Group Outlook



In FY2010, the performance of our Utilities operations is expected to remain fairly steady excluding one-off items. Marine's FY2009 was an exceptional year in terms of profit and it expects to achieve satisfactory results for FY2010. In FY2010, the Industrial Parks business is expected to perform better, while the Environment business is expected to maintain its FY2009 performance.

The Group remains committed to delivering a credible operating performance and satisfactory earnings in FY2010.



## Financial Review

Lim Joke Mui  
Group CFO

## Group Profit & Loss



(\$M)	1Q10	1Q09	Δ%
Turnover	2,406	2,147	12
EBITDA	285	240	19
EBIT	234	194	21
PBT	267	216	24
Net Profit	159	134	19
EPS (cents)	8.9	7.5	19

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## Group Turnover



(\$M)	1Q10	1Q09	Δ%
Utilities	949	696	36
Marine	1,359	1,363	-
Environment	37	47	(21)
Industrial Parks*	4	4	-
Other Businesses	57	37	54
<b>TOTAL</b>	<b>2,406</b>	<b>2,147</b>	<b>12</b>

\* Industrial Park's businesses comprise mainly of associates or joint ventures. Industrial Parks' turnover is derived from providing services to these associates or joint ventures.

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## Group Net Profit



(S\$M)	1Q10	1Q09	Δ%
Utilities	56.2	51.1	10
Marine	91.1	74.0	23
Environment	3.2	1.5	117
Industrial Parks	4.4	3.6	22
Other Businesses	9.5	7.3	30
Corporate	(5.6)	(3.9)	(44)
<b>Net Profit</b>	<b>158.8</b>	<b>133.6</b>	<b>19</b>

## Utilities Turnover & Net Profit



(S\$M)	1Q10	1Q09	Δ%
<b>TURNOVER</b>			
Singapore	864.7	585.5	48
UK	76.5	104.6	(27)
China, Vietnam & the UAE	17.6	12.9	36
<b>Total Turnover</b>	<b>958.8</b>	<b>703.0</b>	<b>36</b>
<b>Net Profit</b>			
Singapore	35.4	31.5	12
UK	11.0	9.1	22
China, Vietnam & the UAE	11.6	9.6	20
Corporate & Others	(1.8)	0.9	NM
<b>Total Net Profit</b>	<b>56.2</b>	<b>51.1</b>	<b>10</b>

Note: Figures are stated before intercompany eliminations

## Group Capex



(S\$M)

1Q10

### Fixed Asset Items

- Utilities	126.0
- Marine	6.6
- Environment	2.1
- Industrial Parks	0.1
- Other Businesses	0.1

**TOTAL**

**134.9**

## Group Free Cash Flow



(S\$M)

1Q10

1Q09

### CASH FLOW FROM OPERATING ACTIVITIES

- before changes in working capital	286	252
- changes in working capital and others	206	(100)
- tax paid	(25)	(10)
	<u>467</u>	<u>142</u>

### CASH FLOW FROM INVESTING ACTIVITIES

- divestments, dividend and interest income	22	6
- investments and capex	(135)	(122)
- loans to associates	-	(67)
	<u>(113)</u>	<u>(183)</u>

- Add back: Expansion Capex

117      85

**FREE CASH FLOW\***

**471**      **44**

\*Free Cash Flow: operating cash flow plus investing cash flow adjusted for expansion capital expenditure

## Group Borrowings



(\$M)

Mar 31, 10 Dec 31, 09

PF loans	342	307
Long-term	562	430
Short-term	149	231
<b>Gross</b>	<b>1,053</b>	<b>968</b>
Less: Cash and FD	(2,990)	(2,598)
<b>Net Debt / (Cash)</b>	<b>(1,937)</b>	<b>(1,630)</b>

**Net Gearing Ratio**

**Net Cash      Net Cash**

**Exclude PF\***

<b>Net Debt / (Cash)</b>	<b>(2,016)</b>	<b>(1,752)</b>
<b>Net Gearing Ratio</b>	<b>Net Cash</b>	<b>Net Cash</b>

\* PF – Non-recourse project financing

## Strong Financial Stability



(\$M) As of March 31, 2010

Total Gross (Debt)

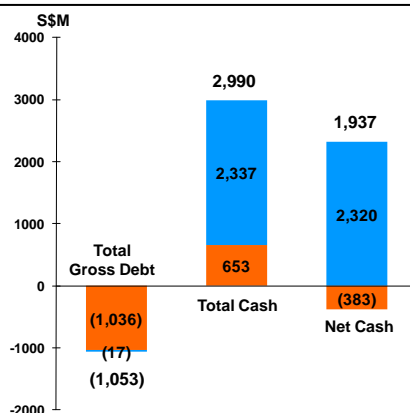
Total Cash

Net (Debt)/ Cash

<b>Sembcorp Industries excl. Marine</b>	(1,036)	653	(383)
<b>Sembcorp Marine</b>	(17)	2,337	2,320
<b>Total Sembcorp Group</b>	<b>(1,053)</b>	<b>2,990</b>	<b>1,937</b>

**Marine in a net cash position of S\$2.3bn**

**Utilities and Others with a net debt of only S\$383m**





## Financial Indicators



	1Q10	1Q09	FY09 (ACTUAL)
EPS (cents)	35.7*	30.1*	38.4
ROE (%)	17.5*	18.3*	23.1
ROTA (%)	9.7*	9.0*	11.9
Interest Cover (times)	27	23	32
<b>Per Share</b>			
NAV (\$)	1.93	1.60	1.86
NTA (\$)	1.87	1.54	1.80
<b>Economic Value Added</b>			
EVA (\$M)	136.2	120.2	770.5

\* Annualised

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