

1Q2008 Results Announcement

May 14, 2008



Scope of Presentation



- CEO's Report
- Financial Review
- Group Outlook



CEO's Report

Tang Kin Fei

Group President & CEO

1Q2008 Performance Round-Up

Turnover of \$2.2 bn, up 17%

PBT of \$204m, up 8%

PATMI at \$123m

Return on Equity (annualised) at 16%

Strong balance sheet and cashflow

- Interest cover at 14 times
- Operating cash flow of \$221m

Rewarding Shareholders

- FY2007 final tax exempt 1-tier dividend of 15.0 cents per ordinary share to be paid on May 15, 2008

1Q2008 Update



Significant milestones in water

- Awarded DBOO contract for Singapore's latest and largest NEWater project in February. The Changi NEWater facility will produce 50 mgd per day by 2010 for a term of 25 years
- Entered JVA for industrial water recycling facility in Zhangjiagang Free Trade Zone, China. 40,000 m³/day plant will recycle effluent to recycled water and demineralised water. Project selected as G-to-G showcase

Broadening our recurring earnings base

- Signed US\$5.5 billion conditional Gas Sales Agreement to import additional 90 BBtu per day of natural gas from Indonesia to Singapore in April 2008. Gas delivery targeted for 2010/2011

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Financial Review



Lim Joke Mui

Group CFO

Group Profit & Loss



(\$M)	1Q08	1Q07	Δ%
Turnover	2,153	1,848	17
EBITDA	211	204	3
EBIT	163	160	2
PBT	204	189	8
PATMI	123	129	(4)
EPS (cents)	6.9	7.3	(5)

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Group Turnover



(\$M)	1Q08	1Q07	Δ%
Utilities ¹	1,123	781	44
Marine	915	954	(4)
Environment	53	48	9
Industrial Parks	4	9	(55)
Other Businesses ¹	58	56	3
TOTAL	2,153	1,848	17

¹ Offshore Engineering has been re-classified from "Utilities" to "Other Businesses"

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Group PATMI



(\$M)	1Q08	1Q07	Δ%
Utilities ¹	60.9	66.0	(8)
Marine	56.0	46.0	22
Environment	0.8	3.9	(79)
Industrial Parks	6.0	8.1	(26)
Other Businesses ¹	6.7	7.5	(11)
Corporate	(7.3)	(2.8)	(161)
TOTAL	<u>123.1</u>	<u>128.7</u>	(4)

¹ Offshore Engineering has been re-classified from "Utilities" to "Other Businesses"

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Utilities Turnover & PATMI



(\$M)	1Q08	1Q07	Δ%
TURNOVER			
Singapore	873.6	549.1	59
UK	239.1	223.5	7
Other countries	17.8	15.2	17
Total Revenue	<u>1,130.5</u>	<u>787.8</u>	44
PATMI			
Singapore	27.9	15.7	78
UK	33.2	45.4	(27)
Other countries	4.5	6.4	(30)
Corporate & Others	(4.7)	(1.5)	(213)
TOTAL PATMI	<u>60.9</u>	<u>66.0</u>	(8)

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Group Capex



(\$M) 1Q08

		1Q08
Fixed Asset Items		65.9
– Utilities	38.8	
– Marine	24.2	
– Environment	1.6	
– Other Businesses	1.3	
Equity Investments		18.3
– Utilities	17.6	
– Industrial Parks	0.7	
TOTAL		84.2

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Group Cash Flow



(\$M) 1Q08 1Q07

	1Q08	1Q07
CASH FLOW FROM OPERATING ACTIVITIES		
– before changes in working capital	221	202
– changes in working capital	814	(41)
– tax paid	(3)	(12)
	1,032	149
CASH FLOW FROM INVESTING ACTIVITIES		
– divestment proceeds & sale of fixed assets	-	20
– acquisitions of investments	(1)	-
– acquisitions of fixed assets	(66)	(106)
– dividends, interest & others	9	10
	(58)	(76)
CASH FLOW FROM FINANCING ACTIVITIES		
– issue of shares by Sembcorp/subsidiaries	4	13
– purchase of treasury shares by Sembcorp/subsidiaries	(87)	-
– repayment of loans & interest	(87)	(61)
– dividend paid & others	(7)	(12)
	(177)	(60)
NET INFLOW DURING THE PERIOD	797	13
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	2,101	1,183
FREE CASH FLOW	1,040*	106

*Free cash flow: operating cash flow plus investing cash flow adjusted for expansion capital expenditure of \$66 million

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Group Borrowings



(\$M)	Mar 31, 08	Dec 31, 07
PF loans	478	511
Long-term	394	398
Short-term	389	432
Gross	1,261	1,341
Less: Cash and FD	(2,111)	(1,297)
Net (Cash) / Debt	(850)	44
Net Gearing Ratio	Net Cash	0.01
Exclude PF*		
Net Cash	1,098	306
Net Gearing Ratio	Net Cash	Net Cash

* PF – Non-recourse project financing

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Financial Indicators



	1Q08	FY07 (ACTUAL)
Before EI		
EPS (cents)	27.7 *	31.3
ROE (%)	15.6 *	19.0
ROTA (%)	8.2 *	9.6
Interest Cover (times)	14	16
After EI		
EPS (cents)	27.7 *	29.6
ROE (%)	15.6 *	18.0
ROTA (%)	8.2 *	8.7
Interest Cover (times)	14	15
Per Share		
NAV (\$)	1.65	1.70
NTA (\$)	1.59	1.64
Economic Value Added	1Q08	1Q07
EVA (\$M)	122.2	85.4

*Annualised

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Group Outlook



2008 Group Outlook



Barring unforeseen circumstances, in FY2008 the Group expects to maintain its FY2007 PATMI before exceptional items and the one-off tax writeback in 2007.

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