

9M2007 Results Announcement

November 6, 2007



Scope of Presentation

1. CEO's Report
2. Financial Review
3. Group Outlook

CEO's Report

Tang Kin Fei
Group President & CEO

9M2007 Performance Round-Up



Strong earnings growth from continuing operations

- Turnover of \$6.1bn, up 17%
- PATMI before EI of \$374.4m, up 54%

Group PATMI before EI at \$374.4m, up 49%

Healthy balance sheet

- Net gearing at 0.05x
- Interest cover at 16 times

Return on Equity (annualised) at 17%

Positive Economic Value Added at \$294.9m

3Q2007 Update



Utilities

- Solid performance and growth from Singapore and UK operations
- Wilton 10 commenced generation of renewable power

Marine & Offshore Engineering

- Strong operating performance driven by rig building, ship conversion & ship repair businesses
- Orderbook at \$7.9 billion, with completion & deliveries until 2010
- Unauthorised FX transactions with the 11 banks have been closed out
 - The loss from the unauthorised transactions is US\$220m and does not include the sum of approximately US\$83m which Jurong Shipyard Pte Ltd paid to one of the banks before the unauthorised transactions were discovered

Enviro

- Fine-tuning municipal solid waste pre-disposal treatment plant in progress

Industrial Parks

- Vietnam parks continue to do well
- Signed LOIs with 10 customers to locate in VSIP-Bac Ninh

5

Financial Review

Lim Joke Mui
Group CFO

Group Profit & Loss



(\$M)	9M07	9M06	Δ%
CONTINUING OPERATIONS			
Turnover	6,092	5,204	17
EBITDA	608	463	31
EBIT	474	341	39
PBT	579	396	46
PATMI	374	244	54
EPS (cents)	21.1	13.9	52
DISCONTINUED OPERATIONS¹			
Turnover	-	621	NM
PATMI	-	8	NM
GROUP			
Turnover	6,092	5,825	5
PATMI before EI	374	251	49
EI	-	392	NM
PATMI	374	643	(42)
EPS (cents)	21.1	36.6	(43)

► **Continuing operations turnover up 17% and PATMI up 54%**

¹ Discontinued operations are the Group's interests in SembCorp Logistics (divested on Apr 3, 2006) and SembCorp Engineers and Constructors (88% divested on Jun 2, 2006 and remaining 12% on Oct 17, 2006)

7

Group Turnover



(\$M)	9M07	9M06	Δ%
CONTINUING OPERATIONS			
Utilities*	2,631	2,738	(4)
Marine	3,175	2,208	44
Enviro	151	160	(6)
Industrial Parks	19	55	(65)
Other Businesses	116	42	163
Corporate	-	1	NM
	6,092	5,204	17
DISCONTINUED OPERATIONS			
Logistics ¹	-	133	NM
Engineering & Construction ²	-	488	NM
TOTAL	6,092	5,825	5

***Note:**

Utilities (excl Offshore Engineering)	2,631	2,574	2
Offshore Engineering	-	164	NM

¹ SembCorp Logistics was divested on Apr 3, 2006.

² 88% of SembCorp Engineers & Constructors was divested on Jun 2, 2006 and the remaining 12% on Oct 17, 2006.

8

Group PATMI



(\$M)	9M07	9M06	Δ%
CONTINUING OPERATIONS			
Utilities*	198.0	159.4	24
Marine	149.5	82.6	81
Enviro	7.2	(18.4)	NM
Industrial Parks	27.5	22.7	21
Other Businesses	11.6	11.5	1
Corporate	(19.4)	(14.1)	(38)
	<u>374.4</u>	<u>243.7</u>	54
DISCONTINUED OPERATIONS			
Logistics ¹	-	7.9	NM
Engineering & Construction ²	-	(0.3)	NM
	-	7.6	NM
GROUP			
PATMI before EI	374.4	251.3	49
EI	-	392.2	NM
PATMI after EI	<u>374.4</u>	<u>643.5</u>	(42)
*Note:			
Utilities (excl Offshore Engineering)	191.1	139.6	37
Offshore Engineering	6.9	19.8	(65)

¹ SembCorp Logistics was divested on Apr 3, 2006.

² 88% of SembCorp Engineers & Constructors was divested on Jun 2, 2006 and the remaining 12% on Oct 17, 2006.

9

Group Capex



(\$M)	9M07
Fixed Asset Items	356.5
- Utilities	243.9
- Marine	91.1
- Enviro	19.0
- Other Businesses	2.5
Equity Investments	32.0
TOTAL	<u>388.5</u>

10

Group Cash Flow



(\$M)	9M07	9M06
CASH FLOW FROM OPERATING ACTIVITIES		
- before changes in working capital	605	502
- changes in working capital	120	(125)
- payment for Solitaire settlement	-	(683)
- tax paid	(65)	(44)
	660	(350)
CASH FLOW FROM INVESTING ACTIVITIES		
- divestment proceeds & sale of fixed assets	165	796
- acquisitions of investments	(7)	(293)
- acquisitions assets (fixed assets & other assets)	(365)	(462)
- dividends, interest & others	60	46
	(147)	87
CASH FLOW FROM FINANCING ACTIVITIES		
- issue of shares by SCI/subsidiaries	48	61
- repayment of loans & interest paid	(32)	347
- dividend paid & others	(594)	(133)
- capital reduction paid to shareholders of the Company	-	(265)
	(578)	10
NET OUTFLOW DURING THE PERIOD	(65)	(253)
CASH & CASH EQUIVALENTS AT END OF PERIOD	1,107	976
FREE CASH FLOW*	742	107

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

11

Group Borrowings



(\$M)	Sept 30, 07	Dec 31, 06
PF loans	520	538
Long-term	600	622
Short-term	193	163
Gross	1,313	1,323
Less: Cash and FD	(1,109)	(1,186)
Net Debt	204	137
Net Gearing Ratio	0.05	0.04
Exclude PF*		
Net Cash	(57)	(238)
Net Gearing Ratio	Net Cash	Net Cash

* PF – Non-recourse project financing

12

Financial Indicators



	9M07	FY06 (ACTUAL)
Before EI		
EPS (cents)	28.1 *	21.6
ROE (%)	16.8 *	18.2
ROTA (%)	8.7 *	7.8
Interest Cover (times)	16	13
After EI		
EPS (cents)	28.1 *	58.5
ROE (%)	16.8 *	42.8
ROTA (%)	8.7 *	16.4
Interest Cover (times)	16	22
Per Share		
NAV (\$)	1.69	1.59
NTA (\$)	1.62	1.52
	9M07	9M06
Economic Value Added		
EVA (\$M)	294.9	551.4

* Annualised

13

Group Outlook

Outlook



The Group's businesses remain sound and have continued to perform well. We expect 2007 PATMI contribution from Utilities, Enviro and Industrial Parks to be better than that of 2006 on a comparable basis, excluding net profits arising from exceptional items.

Marine's contribution to the Group's PATMI will depend on the outcome of the investigation and resolution with the banks on the foreign exchange exposure relating to the unauthorised foreign exchange transactions.

15

Disclaimer

This presentation contains certain statements that are not statements of historical fact, i.e. forward-looking statements. These forward-looking statements are based on current expectations, projections and assumptions about future events. Although SembCorp Industries believes that these expectations, projections and assumptions are reasonable, these forward-looking statements are subject to the risks (whether known or unknown), uncertainties and assumptions about SembCorp Industries and its business operations, such as (without limitation) the general economic and business conditions in Singapore, the Asia-Pacific region and elsewhere; currency fluctuations between the Singapore dollar and other currencies; governmental, statutory, regulatory or administrative initiative affecting our business; industry trends; future levels and composition of our assets and liabilities; future profitability of our operations; competition; changes in Singapore tax or similar laws or regulations; changes in, or the failure to comply with, governmental regulations, including exchange control regulations, if any.

You are advised not to place undue reliance on these forward-looking statements as the forward-looking events referred to in this presentation may differ materially or not occur due to these risks, uncertainties and assumptions.

Investors should assume that the information in this presentation is accurate only as of the date it is issued. SembCorp Industries has no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

