

1Q2007 Results Announcement

May 3, 2007



Scope of Presentation

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

CEO's Report

Tang Kin Fei
Group President & CEO

1Q2007 Performance Round-Up



Strong earnings growth from continuing operations

- Turnover of \$1.8bn, up 25%
- PATMI before EI of \$128.7M, up 70%

Group PATMI before EI at \$128.7M, up 54%

Healthy balance sheet

- Net gearing at 0.02x
- Interest cover at 16 times

Return on Equity (annualised) at 17%

Rewarding Shareholders

- Final dividends for FY2006 of 28.9 cents per share (net: 28.0 cents), previously announced, to be paid on May 15

1Q2007 Update

A Solid Start to 2007

Utilities

- Robust performance with growth led by UK operations
- Confirmed 2nd major investment on Wilton International: Ensus to build a 400 million litres per annum bio-ethanol plant. Land sold to Ensus in 1Q2007, expected COD early 2009

Marine & Offshore Engineering

- Continuing strong performance, led by rig building, ship conversion/offshore and ship repair businesses
- Orderbook of \$7.5 billion, visibility until 2010

Going Forward

Utilities

- Growth impetus for utilities and natural gas on Jurong Island, Singapore
- SembCogen's major inspections for both gas turbines and repairs completed, normal operations going forward
- Biomass renewable energy project, Wilton 10, in the UK expected COD 2H2007
- Expansions for China operations on track
 - Nanjing: 100,000 tpd industrial water plant (mid-2007) and 30,000 tpd wastewater treatment plant (2008)
 - Shanghai: 2 x 130 tph coal-fired boilers (4Q2007) and 500 tph demin water expansion (4Q2007)
 - Zhangjiagang: 15,000 tpd Phase II expansion (mid-2008)

Going Forward

Marine & Offshore Engineering

- Growing the ship repair business, enlarging our baseload
- Expanding and growing rig repair and offshore production facilities

Enviro

- Pre-disposal treatment facility in Singapore scheduled to commence operations in 3Q2007
- Continued focus on waste-to-resource ULAB business in China

Industrial Parks

- Strategic fit with SembCorp's Utilities businesses
- Growth opportunities in China, Vietnam and India

Financial Review

Lim Joke Mui
Group CFO

Group Profit & Loss



(\$M)	1Q07	1Q06	Δ%
CONTINUING OPERATIONS			
Turnover	1,848	1,481	25
EBITDA	204	162	26
EBIT	160	121	32
PBT	189	132	44
PATMI	129	76	70
EPS (cents)	7.3	4.3	68
DISCONTINUED OPERATIONS¹			
Turnover	-	375	NM
PATMI	-	8	NM
GROUP			
Turnover	1,848	1,856	0
PATMI before EI	129	84	54
EI	-	398	NM
PATMI	129	482	(73)
EPS (cents)	7.3	27.6	(74)

▶ Continuing operations turnover up 25% and PATMI up 70%

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)

Group Turnover



(\$M)	1Q07	1Q06	Δ%
CONTINUING OPERATIONS			
Utilities*	781	888	(12)
Marine & Offshore Engineering	954	496	92
Enviro	48	55	(11)
Industrial Parks	9	34	(74)
Others/Corporate	56	8	542
	1,848	1,481	25
DISCONTINUED OPERATIONS			
Logistics ¹	-	133	NM
Engineering & Construction ²	-	242	NM
	1,848	1,856	0

*Note:

Utilities (excl Offshore Engineering)	781	832	(6)
Offshore Engineering	-	56	NM

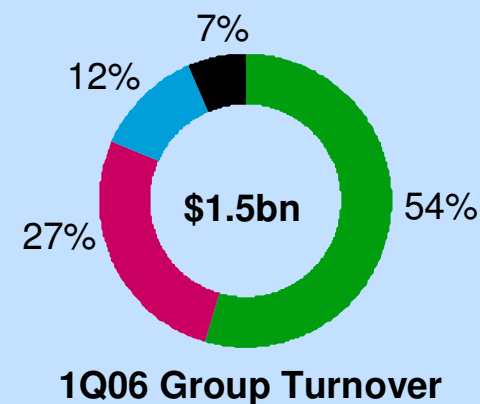
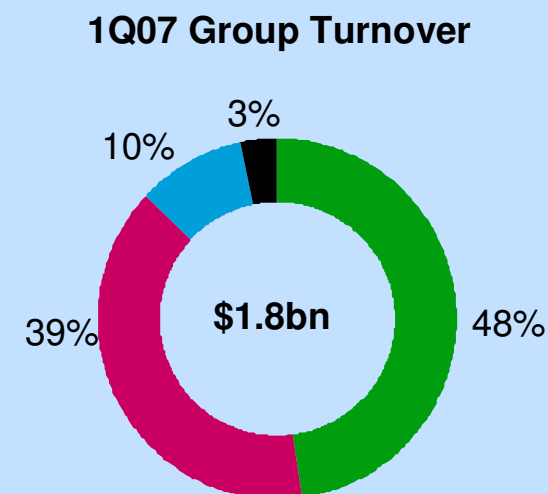
¹ SembCorp Logistics was divested on Apr 3, 2006.

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

Turnover by Geographical Areas* (%)



Continuing Operations (\$M)	1Q07	1Q06	Δ%
■ Singapore	884	807	10
■ Europe	725	402	80
■ Rest of Asia	177	176	1
■ Others	62	96	(35)



► **52% of Group Turnover from overseas**

* Based on geographical location of customers

Group PATMI



(\$M)	1Q07	1Q06	Δ%
CONTINUING OPERATIONS			
Utilities*	72.8	45.3	61
Marine & Offshore Engineering	46.0	25.1	83
Enviro	3.9	3.9	0
Industrial Parks	8.1	3.4	140
Others/Corporate	(2.1)	(2.1)	0
	<u>128.7</u>	<u>75.6</u>	70
DISCONTINUED OPERATIONS			
Logistics ¹	-	7.9	NM
Engineering & Construction ²	-	0.1	NM
	<u>-</u>	<u>8.0</u>	NM
GROUP			
PATMI before EI	128.7	83.6	54
EI	-	398.3	NM
PATMI after EI	<u>128.7</u>	<u>481.9</u>	(73)

*Note:

Utilities (excl Offshore Engineering)	68.9	41.8	65
Offshore Engineering	3.9	3.5	11

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.

Group Capex



(\$M)

1Q07

Fixed Asset Items

- Utilities	73.7
- Marine & Offshore Engineering	22.4
- Enviro	8.9
- Industrial Parks	0.1
- Others	1.1

TOTAL

106.2

Group Cash Flow



(\$M)	1Q07	1Q06
CASH FLOW FROM OPERATING ACTIVITIES		
- before changes in working capital	202	188
- changes in working capital	(41)	(73)
- tax paid	(12)	(1)
	149	114
CASH FLOW FROM INVESTING ACTIVITIES		
- divestment proceeds & sale of fixed assets	20	(344)
- acquisitions of fixed assets	(106)	(85)
- dividends, interest & others	10	9
	(76)	(420)
CASH FLOW FROM FINANCING ACTIVITIES		
- issue of shares by SCI/subsidiaries	13	22
- repayment of loans & interest paid	(62)	(8)
- dividend paid & others	(11)	(2)
	(60)	12
NET OUTFLOW DURING THE PERIOD	13	(294)
CASH & CASH EQUIVALENTS AT END OF PERIOD	1,183	940
FREE CASH FLOW*	106	(248)

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

Group Borrowings



(\$M)	Mar 31, 07	Dec 31, 06
PF loans	524	538
Long-term	613	622
Short-term	126	163
Gross	1,263	1,323
Less: Cash and FD	(1,188)	(1,186)
Net Debt / (Cash)	75	137
Net Gearing Ratio	0.02	0.04
Exclude PF*		
Net Cash	(222)	(238)
Net Gearing Ratio	Net Cash	Net Cash

* PF – Non-recourse project financing

Financial Indicators



	1Q07 ¹	1Q06 ²
Before EI		
EPS (cents)	7.3	4.8
ROE (%)	16.6	18.2
ROTA (%)	9.1	7.8
Interest Cover (times)	16	13
After EI		
EPS (cents)	7.3	27.6
ROE (%)	16.6	42.8
ROTA (%)	9.1	16.4
Interest Cover (times)	16	22
Other Indicators		
EVA (\$M)	85.4	451.0
NAV per share (\$)	1.69	1.59

Note:

¹ ROE, ROTA and Interest Cover for 1Q07 are on an annualised basis

² ROE, ROTA and Interest Cover for 1Q06 reflect actual FY2006 figures

Group Outlook

Outlook

Barring unforeseen circumstances, the Group's overall operating performance in 2007 is expected to be better than that of 2006 on a comparable basis, excluding net profits arising from exceptional items in 2006.

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