

*PRESS RELEASE***A FOCUSED SEMBCORP POSTS ROBUST 9M2006 PERFORMANCE**

- **PATMI up 202% to record \$643.5 million**
- **PATMI from continuing operations up 42% to \$243.7 million**

Singapore, November 6, 2006 - SembCorp Industries (SembCorp) continued to show a robust performance, posting a record Profit After Tax and Minority Interest (PATMI) of \$643.5 million for the first nine months of 2006 (9M2006), a growth of 202% over the previous year. Strong business fundamentals continued to underpin the Group's strong showing. From the Group's continuing operations, PATMI before exceptional items (EI) grew 42% to \$243.7 million, and turnover climbed 29% to \$5.2 billion.

Growth continued to be driven by SembCorp's utilities and marine engineering businesses. Utilities' contribution to Group PATMI grew a substantial 52% to \$159.4 million, backed by strong performance from its UK operations and positive contributions from Offshore Engineering. Meanwhile, Marine's contribution to Group PATMI rose a significant 47% to \$82.6 million, driven mainly by strong growth in the rig building and ship repair sectors. Marine's orderbook to-date stands at \$6.0 billion, with deliveries and completions stretching till 2009.

The Group completed its divestment of its engineering & construction business with the sale of its remaining 12% of the business in October. It also made progress towards its goal of consolidating its leadership position in the Utilities and Marine businesses. The sale of SMOE and Sembawang Bethlehem to SembCorp Marine in August bolstered capacity and capabilities in support of Marine's continued growth, while the formation of a strategic Middle East beachhead with the landmark acquisition of the Fujairah Independent Water & Power Plant in the United Arab Emirates will continue to provide a platform for growth for the utilities business.

Said SembCorp's Group President & CEO, Mr Tang Kin Fei, "SembCorp will continue to build on our existing businesses and look for opportunities for further growth. Our nine-month scorecard shows that we are well on track to post a good set of results for the full-year."

2006 Outlook

With the exceptional gains recorded to-date, and the potential tax benefit to be recognised, the Group's overall performance for 2006 will be substantially better than that of 2005.

Highlights for SembCorp's 9M2006 Financial Results

- **Record Group PATMI at \$643.5m, up 202%**

- **Strong earnings growth from continuing operations**
 - Turnover of \$5.2bn, up 29%
 - PATMI before EI of \$243.7m, up 42%

- **Sound business fundamentals**
 - Recurring earnings from Utilities
 - Strong growth from Marine

- **Strong returns and financial discipline**
 - ROE (annualised) at 16%
 - Interest cover at 12 times

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About SembCorp Industries

SembCorp Industries Ltd is a leading utilities and marine group. The Group provides centralised utilities & energy to industrial customers in Singapore, the United Kingdom, Asia and the Middle East. It is a global leader in marine & offshore engineering and also a provider of environmental management services in the region.

SembCorp Industries has total assets of over S\$7.0 billion and employs more than 8,000 employees.

Listed on the main board of the Singapore Exchange, SembCorp Industries is a component stock of the Straits Times Index and several MSCI indices.