FY2016 Performance Review

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FY2016 Performance Round-up

A RESILIENT MULTI-BUSINESS GROUP

Creditable performance amidst challenging business environment

- Turnover at S$7.9 billion, down 17%
- Profit from Operations at S$909.0 million, up 44%
- Net Profit at S$394.9 million, down 28%
- EPS at 19.9 cents
- ROE at 6.2%

UTILITIES

- Utilities net profit declined 50% due to exceptional items. Excluding exceptional items, net profit grew by 4%.
- China delivered record net profit of S$158.3 million
- India performance adversely affected by losses at SGPL (which has yet to secure long-term PPAs). The renewable energy business continued to perform well.
- Singapore remained a key contributor despite the intense competition in the power market, supported by its diversified utilities operations

MARINE

- However, outlook for the oil & gas industry remains challenging, and a more robust recovery may take longer

URBAN DEVELOPMENT


*Sembcorp’s share of Marine’s net profit
Note: Group net profit includes net profit from the Utilities, Marine and Urban Development businesses, as well as Other Businesses and Corporate costs
EPS: earnings per share; PPA: power purchase agreement; ROE: return on equity
FY2016 Dividend

• Proposing a final dividend of 4.0 cents per share
• If approved, this will bring FY2016 total dividend to **8.0 cents per share**, together with the interim dividend of 4.0 cents paid in August 2016
• 40% dividend payout ratio (FY2015: 38%) despite challenging market conditions
• Final dividend to be paid on May 16, 2017

**8.0 cents per share**

**40% Payout Ratio**

**2.5% Dividend Yield**

*As at dividend announcement date. Dividend yield is computed using February 22, 2017 closing share price of S$3.20.
Sembcorp Green Infra’s wind power assets in Madhya Pradesh, India
UTILITIES

Focused Execution of Pipeline

~3,000 MW and 40,000 m³/day completed and commissioned in 2016 to February 2017

**Thermal Energy**: 2,640MW
- SGPL, India (1,320MW)
- Chongqing Songzao, China (1,320MW)

**Renewable / Energy-from-Waste**: 350MW
- Wilton 11, UK (49MW)
- Parner & Rajgarh, India (17MW)
- Rojwas, India (60MW)
- Vagarai, India (26MW)
- A&H, India (80MW)
  - 62MW completed
- LSBH Huanghua, China (150MW)
  - 136MW completed

**Water**: 40,000 m³/day
- Lianyungang, China (20,000 m³/day)
- Qidong, China (10,000 m³/day)
- Jingmen, China (10,000 m³/day)

Note: Capacity refers to total gross installed capacity of facilities.
m³/day: cubic metres per day; MW: megawatts
UTILITIES

A Strong Foundation
Operating in 70 locations in 14 countries globally

~11,000 MW power capacity
Including >2,000 MW renewable power capacity
8.8 million m³/day water capacity

Note: Capacity refers to total gross installed capacity of facilities in operation and under development
m³/day: cubic metres per day; MW: megawatts
Successful Growth of a Business

Seeds of growth sown in 2003 bearing fruit

- Record net profit of S$124.8 million achieved in 2016
  - Including Yancheng divestment gain, net profit of S$158.3 million
- Value creation through greenfield developments, acquisitions and asset sales

Utilities China
Net Profit*
2006-2016
(S$ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Profit</th>
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<tbody>
<tr>
<td>2006</td>
<td>(0.4)</td>
</tr>
<tr>
<td>2007</td>
<td>3.0</td>
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<td>3.2</td>
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<tr>
<td>2015</td>
<td>95.5</td>
</tr>
<tr>
<td>2016</td>
<td>124.8</td>
</tr>
</tbody>
</table>

*Before exceptional items
*CAGR: compounded annual growth rate
UTILITIES

China

Seeds of growth sown in 2003 bearing fruit

ENERGY

2003
First investment -- a 691MW cogeneration power plant in Shanghai Chemical Industrial Park

2012
Acquired renewable wind power assets. Total renewable power capacity* has grown from 248MW to 745MW today

2015
Entered JV to acquire and develop 1,620MW mine mouth coal-fired power project in Chongqing. 1,320MW greenfield portion of the project achieved full commercial operations in Jan 2017

WATER

2003

2010
Acquired 6 municipal water operations. Unlocked value through the sale of 2 of these assets in 2015-16

2013
Development of the 1.3 million m³/day Changzhi Total Water Management Plant, our largest and most comprehensive water facility in China. The plant is expected to commence operations in 2017

TODAY

Over 3,000MW of power and 2.3 million m³/day of water capacity* in 21 sites across 12 provinces

*Gross installed capacity in operation and under development. m³/day: cubic metres per day; MW: megawatts
Placing the Seeds for Long-Term Growth

2011
First thermal power project investment – 1,320MW TPCIL power plant

2014
Second thermal power project investment – 1,320MW SGPL power plant

2015
Acquired and successfully integrated renewable energy business SGI. Total renewable power capacity* has grown from 700MW to more than 1,200MW today

Completion and commencement of operation of TPCIL. 86% of TPCIL’s net capacity is contracted under long-term PPA’s

2017
Completion and commencement of operation of SGPL -- first unit in November 2016 and second unit in February 2017

TODAY
Over 3,800MW of power capacity*, including more than 1,200MW of renewable power capacity* across 7 states

*Gross installed capacity in operation and under development.
MW: megawatts; PPA: power purchase agreement
Singapore Continues to be Key Contributor

• Diversified utilities offering (centralised utilities, power, gas and solid waste management) provides resilience
• Energy-from-Waste facility (140 tph of steam) to commence operations in 3Q2017

New Platforms for Growth

Myanmar: 230MW gas-fired Myingyan Independent Power Plant
• Signed 20-year power purchase agreement with Electric Power Generation Enterprise\(^1\)
• To commence operations in 2018

Bangladesh: 427MW gas-fired Sirajganj Unit 4
• Signed 22.5-year power purchase agreement with the Bangladesh Power Development Board
• To commence operations in 2018

\(^1\) Successor entity to Myanmar Electric Power Enterprise

MW: megawatts; tph: tonnes per hour
Sembcorp Marine Tuas Boulevard Yard, Singapore
MARINE

A Next-Generation Fully Integrated Offshore & Marine Engineering Hub

Semcorp Marine Tuas Boulevard Yard | Singapore

Phase 2 completed in January 2017

DRYDOCKS
1. 350m x 66m x (-8.5m)
2. 360m x 89m x (-8.5m)
3. 412m x 66m x (-11m)
4. 350m x 66m x (-8.5m)
5. 255m x 52m x (-8m)
6. 255m x 110m x (-12m)

AUTOMATED STEEL STRUCTURE FABRICATION WORKSHOP
Offers a streamlined and extensively automated production process. The central kitchen for steel fabrication for all three phases of the yard, greatly improving efficiency

- Natural deep waters
- Special reinforced load-out areas for offshore modules of up to 20,000 tonnes
- Maximum draft from 9 metres to 21 metres. Quay length: 5,800 metres

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MARINE

Diversified Solutions to Capture New Opportunities

Strategic investments in technology and infrastructure to broaden and deepen design and engineering capabilities

Gravifloat

Steel-based modularised and floatable structures fixed to the seabed in shallow waters. A compelling alternative to onshore LNG terminals and FLNG vessels.

The Gravifloat design platform can be integrated with a variety of topsides.

LNG power generation

Aragon

Process technology solutions for gas processing and FLNG markets

LMG Marin

Advanced ship design & engineering

SSP

Next-generation circular hull forms
VIETNAM

Vietnam Singapore Industrial Parks (VSIPs)

Gross Project Size: 6,660 ha across 7 projects

- A recognised brand name in integrated townships & industrial parks in Vietnam
- Marked milestone with 20th anniversary in 2016
- Exploring potential 1,500-hectare expansion in Binh Duong and Bac Ninh provinces

CHINA

Sino-Singapore Nanjing Eco Hi-tech Island

Gross Project Size: 1,500 ha

- Broke ground for the Nanjing International Water Hub project
- Sold 42.6-hectare commercial and residential (C&R) land plot in December for RMB 7.8 billion
- Sold out 21.5%-owned Island Residences condominium right after launch. Profit recognition in 2018
- Target to launch 100% Riverside Grandeur condominium in 2017. Profit recognition in 2018

CHINA

Singapore-Sichuan Hi-tech Innovation Park

Gross Project Size: 1,000 ha

- Attracting interest of property developers following improved infrastructure
- Attracted RMB4.7 billion in investment from technology companies in 2016

INDONESIA

Park by the Bay
Kendal Industrial Park

Gross Project Size: 860 ha Phase 1

- Officially opened 2,700-hectare integrated township project
- Cost-competitive alternative to greater Jakarta as a manufacturing location
- 27 companies have indicated interest to set up operations
URBAN DEVELOPMENT
Positioned in Key Growth Areas

Vietnam
7 projects strategically located in the southern, central and northern economic zones

China
Key growth regions. Jiangsu’s contribution to coastal success. Well placed to benefit from shift towards central-western China development

Java, Indonesia
Central Java expected to benefit from investment spillovers from Jakarta

13 projects in Vietnam, China and Indonesia
895 customers comprising MNCs and leading local enterprises
US$23bn in direct investments attracted to our integrated developments
3,428 ha remaining saleable land
Enhancing value through selective C&R developments

Sembcorp also pioneered the developments of Batamindo Industrial Park and Bintan Industrial Estate. Marketing & management services provided by Sembcorp ceased in 2014.

*Sembcorp is a shareholder in China-Singapore Suzhou Industrial Park
Conclusion
Sembcorp has robust capabilities, a solid track record and leading positions in key markets.

With a strong foundation, Sembcorp will emerge stronger as a Group and continue to deliver long-term value to our shareholders.

Emerging Stronger