

PRESS RELEASE

Sembcorp Industries Ltd
CO REGN NO 199802418D
30 Hill Street #05-04
Singapore 179360
Tel (65) 6723 3113
Fax (65) 6822 3254
www.sembcorp.com

Sembcorp Industries 9M2018 Results**UTILITIES NET PROFIT DOUBLES; SEMBCORP 9M2018 NET PROFIT AT S\$240.9 MILLION**

Singapore, November 2, 2018 - Sembcorp Industries (Sembcorp) posted a turnover of S\$9.1 billion and a corresponding net profit of S\$240.9 million in 9M2018, compared to S\$6.6 billion and S\$265.3 million in 9M2017¹. Excluding the Marine business, the Group delivered a profit growth of 62%, with net profit at S\$290.8 million compared to S\$179.3 million in 9M2017. In the period, a 96% net profit growth in the Utilities business and stable Urban Development earnings mitigated Marine's weak performance.

Quote from Neil McGregor, Group President & CEO of Sembcorp Industries:

"In 9M2018, our Utilities and Urban Development businesses performed well. Our Utilities business doubled its net profit as we continued to strengthen our positions in key markets. In Singapore, we have become a major solar player and secured a 20-year renewable energy deal with Facebook to support its new data centre and other operations in the country. India continued to deliver a positive performance. We secured a long-term power purchase agreement for our second thermal power plant and commenced operations of the 250-megawatt SECI 1 wind power project, the first installed capacity delivered under India's nationwide wind power tenders. We now have 2,600 megawatts of renewable energy assets in operation and under development globally.

"Our focus continues to be on lifting performance and investing in capabilities in line with our strategy to reposition in a rapidly changing global energy market."

¹ 9M2017 financials restated in accordance with Singapore Financial Reporting Standards (International) (SFRS(I))

BUSINESS UPDATES

- **The Utilities business delivered a 96% profit growth in 9M2018, posting a net profit of S\$246.3 million.**
 - **Earnings growth:** The business delivered improved performance underpinned by India's turnaround to profitability.
 - **Strengthening position in key markets:** In Singapore, a long-term renewable energy deal was secured with Facebook. In India, SGPL secured a 15-year power purchase agreement and SGIL commenced operations of the 250MW SECI 1 wind power project. In UK, construction of a 120MW battery storage is underway.
 - **Project pipeline completion:** In Myanmar, the Sembcorp Myingyan Independent Power Plant commenced full commercial operations. In Bangladesh, the Sirajganj Unit 4 power project achieved first phase open-cycle operations.
 - **Unlocking value through capital recycling:** The divestment of Sembcorp Tay Paper, medical waste treatment business and Sembcorp Siza Water was completed.
- **The Urban Development business continued to perform well.** It delivered a steady net profit of S\$53.1 million in 9M2018, backed mainly by land sales in Vietnam and China.
- **The Marine business continued to face a tough operating environment.** The business recorded a loss of S\$49.9 million in 9M2018, due to low overall business activities and loss recognised from the sale of West Rigel.

FINANCIAL SUMMARY

S\$ million	3Q2018	3Q2017*	Δ%	9M2018	9M2017*	Δ%
Turnover	3,021.5	2,217.6	36	9,123.1	6,620.7	38
Profit from Operations**	216.5	303.8	(29)	621.7	791.7	(21)
<u>Net Profit</u>						
Utilities	91.0	27.5	231	246.3	125.7	96
Urban Development	8.1	8.2	(1)	53.1	53.9	(1)
Other Businesses	9.6	6.6	45	9.0	19.6	(54)
Corporate	(8.5)	(9.6)	(12)	(17.6)	(19.9)	(12)
Net Profit (excluding Marine)	100.2	32.7	207	290.8	179.3	62
Marine	(17.9)	60.4	NM	(49.9)	86.0	NM
Net Profit	82.3	93.1	(12)	240.9	265.3	(9)
EPS (cents)	4.0	4.6	(13)	11.6	13.1	(11)

*Restated in accordance with Singapore Financial Reporting Standards (International) (SFRS(I))

**Profit from Operations = Earnings before Interest and Tax + Share of Associates and JVs' results (net of tax)

GROUP OUTLOOK

The market environment is expected to remain challenging for the rest of the year. While a broader-based global recovery is underway, downside risks to global growth have risen amidst rising trade and geopolitical challenges. The Group remains confident that it has the right strategies and capabilities for the future.

- End -

For analysts' and media queries, please contact:

Analysts

Ling Xin Jin (Ms)

Senior Manager

Group Strategic Communications &
Sustainability

DID: +65 6723 3384

Email: ling.xinjin@sembcorp.com

Media

Lim Seng Jin (Mr)

Vice President

Group Strategic Communications &
Sustainability

DID: +65 6723 3434

Email: lim.sengjin@sembcorp.com

ABOUT SEMBCORP INDUSTRIES

Sembcorp Industries is a leading utilities, marine and urban development group, operating across multiple markets worldwide.

As an integrated energy player, Sembcorp is poised to benefit from the global energy transition. With a strong track record in developing and developed markets, it provides solutions across the energy and utilities value chain, with a focus on the *Gas & Power*, *Renewables & Environment*, and *Merchant & Retail* sectors. It has a balanced energy portfolio of over 12,000 megawatts, including thermal power plants, renewable wind and solar power assets, as well as biomass and energy-from-waste facilities. In addition, Sembcorp is a world leader in offshore and marine engineering, as well as an established brand name in urban development.

Sembcorp Industries has total assets of over S\$22 billion and over 7,000 employees. Listed on the main board of the Singapore Exchange, it is a component stock of the Straits Times Index, several MSCI and FTSE indices, as well as the SGX Sustainability Leaders Index and the Dow Jones Sustainability Asia Pacific Index.