

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 POSTS NET PROFIT OF S\$753.3 MILLION IN FY2012

- ***Utilities business achieves record net profit of S\$374.6 million***

SINGAPORE, February 26, 2013 – Sembcorp Industries (Sembcorp) reported a net profit of S\$753.3 million for the full year 2012 (FY2012), compared to S\$809.3 million in 2011. Turnover grew 13% to S\$10.2 billion from S\$9.0 billion in the previous year. The Utilities and Marine businesses continued to be our main profit contributors, accounting for 48% and 42% of Group net profit respectively.

In FY2012, our Utilities business achieved record profits of S\$374.6 million, growing 23% from S\$304.4 million in 2011. While Singapore operations remained the business' largest profit contributor, contribution from our overseas operations also grew with China, Vietnam, Australia and the Middle East delivering an improved performance over 2011. Meanwhile, our Marine business contributed S\$326.7 million in net profit compared to S\$456.2 million in 2011, mainly due to lower margin from new design rigs and resumption of margin recognition on completion and delivery of the *Songa Eclipse* semi-submersible rig in FY2011. Our Urban Development business registered a 6% increase in net profit to S\$41.1 million, compared to S\$38.7 million in the previous year.

Return on equity for the Group was 17.5% and earnings per share amounted to 42.2 cents for the year. Economic value added was a positive S\$620.7 million, while cash and cash equivalents stood at S\$2.1 billion.

In the fourth quarter of 2012 (4Q2012), Group net profit was S\$204.7 million compared to S\$251.9 million in 4Q2011, while turnover was S\$2.8 billion compared to S\$2.2 billion.

Tang Kin Fei, Group President & CEO of Sembcorp Industries, said, "In 2012, our Utilities business achieved record profits of S\$374.6 million, delivering a compounded annual growth rate of 20% over the last ten years. We continue to position the company for future growth. In Singapore and key emerging markets, our Utilities business achieved significant milestones in the execution and development of our pipeline of projects and actively broadened our asset portfolio for greater recurring income. Meanwhile, our Marine business achieved a record net

orderbook of S\$13.6 billion with completions and deliveries stretching till 2019, while our Urban Development business increased its total land bank by more than 40% with new projects in Vietnam, China and Indonesia.

“We believe we are in the right businesses that provide essential solutions for the world’s development. With our strategic presence in key emerging markets and our strong growth platforms, Sembcorp is well-positioned to deliver long-term growth.”

2012 Dividend

The Board of Directors is pleased to propose a final tax exempt one-tier dividend of 15.0 cents per ordinary share. If approved by shareholders, this will be paid on May 14, 2013.

FY2013 Outlook

Utilities

In 2013, the completion of Singapore’s liquefied natural gas (LNG) terminal is expected to increase natural gas supply to the country. In addition, over 2,400 megawatts of new generation capacity is expected to come onstream over the next few years, starting from 2013. The increase in gas supply and generation capacity is expected to intensify competition and may impact the performance of our Singapore operations.

2013 will see a full year’s contribution from our newly-acquired power assets in China and the completion of our second woodchip boiler in Singapore in June.

The Utilities business, underpinned by long-term contracts and strong operational performance, will remain focused on the execution of its pipeline of projects and pursuit of new growth opportunities to deliver long-term growth.

Marine

Our Marine business has a net orderbook of S\$13.6 billion with completion and deliveries stretching into 2019. This includes S\$11 billion in contract orders secured in 2012 and a S\$900 million contract secured since the start of 2013.

The new yard at Tuas will commence operations in the second half of 2013 and the construction of the Brazilian yard is on track.

The business continues to receive healthy enquiries for the various segments although competition remains keen with effects on margin.

Urban Development

The Urban Development business is expected to deliver a better performance in 2013.

Group

The Group, underpinned by sound business fundamentals and a healthy pipeline of projects and orderbook, continues to be well-positioned to deliver long-term growth.

Highlights from Sembcorp's FY2012 Financial Results

- Turnover at S\$10.2 billion, up 13%
- Profit from Operations at S\$1,266.2 million
- Net Profit at S\$753.3 million, down 7%
- EPS at 42.2 cents
- ROE at 17.5%
- Proposing final tax exempt one-tier dividend of 15.0 cents per ordinary share

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

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For media and analysts' queries, please contact:

Melissa Yee (Ms)

Manager

Group Corporate Relations

DID: +65 6723 3326

Email: melissa.yee@sembcorp.com

Aleve Co (Ms)

Senior Manager

Group Corporate Relations

DID: +65 6723 3178

Email: aleve.co@sembcorp.com

ABOUT SEMBCORP INDUSTRIES

Sembcorp Industries is a leading energy, water and marine group operating across six continents worldwide. With facilities of over 5,800 megawatts of gross power capacity and over seven million cubic metres of water per day in operation and under development, Sembcorp is a trusted provider of essential energy and water solutions to both industrial and municipal customers. It is also a world leader in marine and offshore engineering as well as an established brand name in urban development.

The Group has total assets of more than S\$12.5 billion and employs over 9,000 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 Dow Jones Sustainability Asia Pacific Index.

Note to Editors:

Please refer to the company as “Sembcorp” (with “S” in upper case and “c” in lower case), or “Sembcorp Industries” in full. Please also note that “Sembcorp” is not an abbreviation of “Sembawang Corporation” but a brand name in itself, and it is therefore incorrect to refer to our company as “Sembawang”, “Sembawang Corporation” or similar.