



1H2014 Results Announcement

August 6, 2014

© Sembcorp Industries 2014

Scope of Presentation



- CEO's Report
- Financial Review
- Group Outlook

© Sembcorp Industries 2014

2

CEO's Report

Tang Kin Fei
Group President & CEO

1H2014 Performance Round-up

Turnover at S\$5.2 billion, up 6%

Profit from Operations at S\$598.9 million, down 2%

Net Profit at S\$363.9 million, up 6%

EPS at 20.1 cents

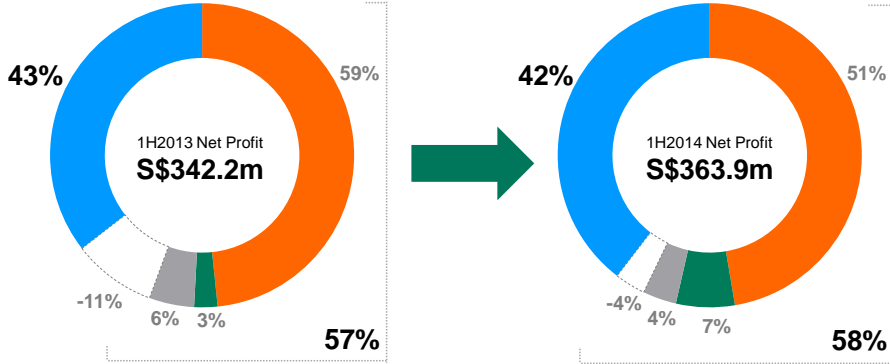
ROE (annualised) at 13.7%

The Board of Directors declares a tax exempt one-tier interim dividend of 5 cents per ordinary share

Group Net Profit Mix



- ▶ Utilities
- ▶ Marine
- ▶ Urban Development
- ▶ Other Businesses
- ▶ Corporate



Awards & Accolades



Best Managed Board - Gold
Best Chief Executive Officer - Gold
Best Annual Report - Gold

Companies with S\$1 billion and above market capitalisation



Leading Private Sector Developer
 Project Finance International
 Asia Best Practice 2014 citations

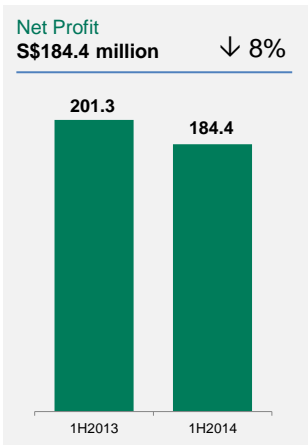


Leader in Wastewater Treatment for Chemical Industrial Parks
 China Water Industry Awards
 Awarded to Sembcorp China



Sembcorp Cogen @ Banyan, Jurong Island, Singapore

Building the foundation for long-term growth



Highlights

Utilities delivers 1H2014 net profit of S\$184.4 million

- All regions show growth except Singapore. Overseas now accounts for 48% of net profit
- Intense competition in the Singapore power market

Focused execution of 2014-2016 project pipeline

- Banyan Cogen (Singapore): completed and in operation
- TPCIL (India): first 660 MW unit currently pre-commissioning, commercial operations expected end-2014
- NCCPP (India): 46% complete
- Fujairah 1 desalination expansion (UAE): 57% complete

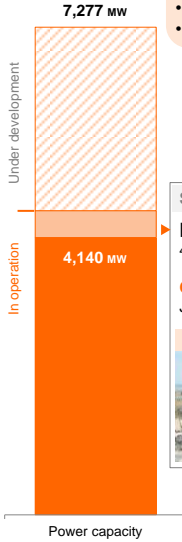
Utilities: Solid Pipeline of Projects



Power

Over **3,000 MW** of power capacity* to come onstream 2014 to 2016

Power Capacity*
+76%



- Completed 400 MW to-date (Banyan Cogen)
- By end-2014, 35% or 1,060 MW of project pipeline will be completed

SINGAPORE

Banyan Cogen
400 MW / 200 tph

COMPLETED
July 2014

Banyan Cogen: in operation

INDIA

TPCIL
1,320 MW

95% complete
COD: end-2014 (Unit 1)
1H2015 (Unit 2)

- Increased equity stake to 65% (previous: 49%). Consolidated as a subsidiary from July 14, 2014 onwards
- Mix of long-term and short-term PPAs secured

TPCIL: under construction

INDIA

NCCPP
1,320 MW

46% complete
COD: 2016

- Increased equity stake to 49% (previous: 45%).

NCCPP: under construction

*Note: Gross power capacity. Attributable capacity (equity share) will increase from 2,203 MW to 4,400 MW.

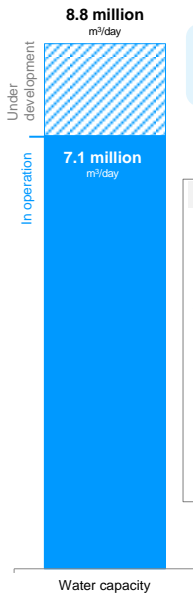
Utilities: Solid Pipeline of Projects



Water

Over **1.7 million m³/day** of water and wastewater treatment capacities* to come onstream 2014 to 2016

Water Capacity*
+24%



UAE

Fujairah 1
Desalination Expansion
30 MGD (136,800m³/day)

57% complete
COD: 1H2015

RO building: under construction

CHINA

Nanjing
Industrial Water Plant Expansion
120,000 m³/day

16% complete
COD: 1H2015

Doubling industrial water capacity in Nanjing to 240,000 m³/day

CHINA

Changzhi
Total Water Management Plant
1.3 million m³/day

15% complete
COD: end-2015

Demin water plant: under construction

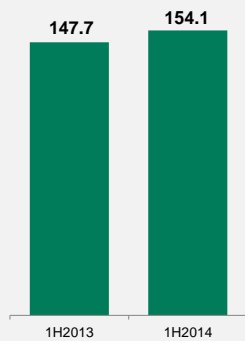
*Note: Gross water and wastewater treatment capacity. Attributable capacity (equity share) increases from 6.2 million m³/day to 7.8 million m³/day.



Sembcorp Marine's PPL Shipyard, Singapore

Orderbook visibility

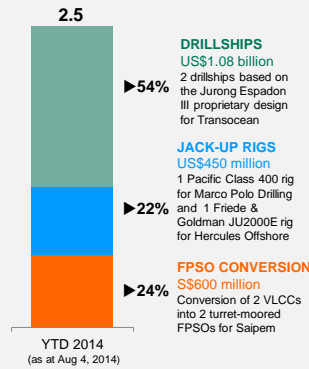
Net Profit*
S\$154.1 million ↑ 4%



*Sembcorp's share of Marine's net profit

Contracts Secured (as at Aug 4, 2014)
S\$2.5 billion (US\$2.0 billion)

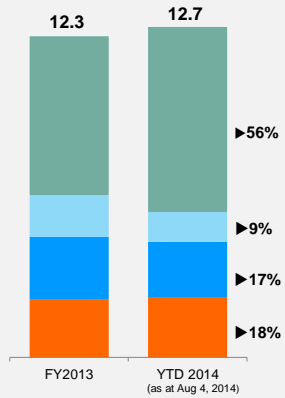
- ▶ Drillships
- ▶ Jack-up Rig
- ▶ Conversion/Offshore & Platforms



Net Orderbook (as at Aug 4, 2014)

S\$12.7 billion
 with completions & deliveries till 2019

- ▶ Drillships
- ▶ Semi-submersible Rigs
- ▶ Jack-up Rigs
- ▶ Conversion/Offshore & Platforms



Urban Development



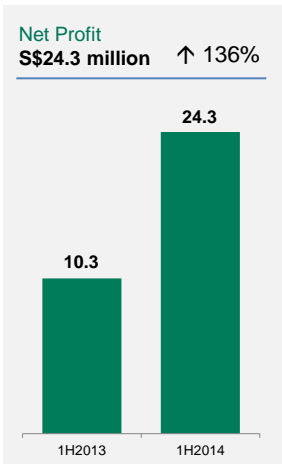
Sino-Singapore Nanjing Eco Hi-tech Island, Nanjing, China

Urban Development



Strong land sales

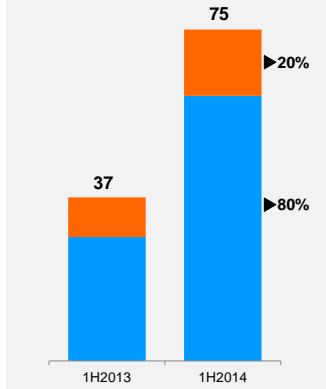
Net Profit
S\$24.3 million ↑ 136%



Land Sales 75 hectares

- Strong take-up from projects in Vietnam and Nanjing (China)

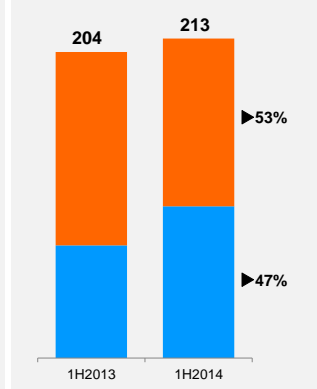
- ▶ Commercial & Residential
- ▶ Industrial



Net Orderbook 213 hectares

- Remaining land available for sale: 3,629 ha

- ▶ Commercial & Residential
- ▶ Industrial



Urban Development

Commencing Land Sales from New Projects



Financial Review

Group Profit & Loss



(S\$M)	1H14	1H13	Δ%
Turnover	5,161	4,849	6
EBITDA ¹	655	725	(10)
Profit from Operations	599	611	(2)
EBIT	501	548	(9)
Share of results: Associates & JVs	98	63	55
Net Finance Cost	(26)	(62)	59
Finance costs	(35)	(67)	48
Finance income	9	5	76
PBT	573	549	4
Tax	(84)	(90)	7
Non-Controlling Interests	(125)	(117)	(7)
Net Profit	364	342	6
EPS (cents)	20.1	19.2	5

Note: Following the initial public offering of Sembcorp Salalah Power and Water Company SAOC ("Salalah") in September 2013, Sembcorp's shareholding in Salalah was reduced from 60% to 40%. Consequently, Salalah was accounted for under the equity method as an associate, resulting in the deconsolidation of its financials from Sembcorp's turnover, EBITDA, EBIT and finance costs.

¹ EBITDA excludes major non-cash items such as the effects of fair value adjustments, re-measurements, impairments and write-offs.

Group Turnover



(S\$M)	1H14	1H13	Δ%
Utilities	2,371	2,579	(8)
Marine	2,675	2,173	23
Urban Development ¹	3	3	1
Other Businesses	112	94	19
TOTAL TURNOVER	5,161	4,849	6

¹ Urban Development businesses comprise mainly associates or joint ventures which are accounted for under the equity method. The turnover reflected was derived from providing services to these associates or joint ventures.

Group Profit from Operations (PFO)



(S\$M)	1H14	1H13	Δ%
Utilities	244.3	315.5	(23)
Marine	318.8	303.9	5
Urban Development	26.1	2.9	811
Other Businesses	14.7	17.9	(18)
Corporate	(5.0)	(29.1)	83
TOTAL PFO	598.9	611.1	(2)

Group Net Profit

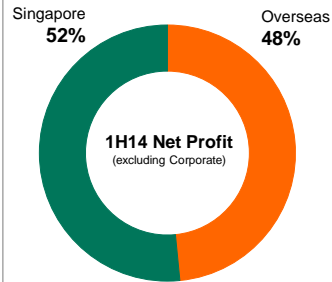


(S\$M)	1H14	1H13	Δ%
Utilities	184.4	201.3	(8)
Marine	154.1	147.7	4
Urban Development	24.3	10.3	136
Other Businesses	13.9	19.9	(30)
Corporate	(12.8)	(37.0)	65
TOTAL NET PROFIT	363.9	342.2	6

Utilities Net Profit



By Geography (\$M)	1H14	1H13	Δ%
Singapore ¹	99.5	121.5	(18)
Rest of ASEAN, Australia & India	25.4	22.4	13
China	33.8	32.7	3
Middle East & Africa	20.5	17.3	18
UK	9.7	8.4	15
The Americas	4.1	2.8	47
Corporate	(8.6)	(3.8)	(127)
TOTAL NET PROFIT	184.4	201.3	(8)

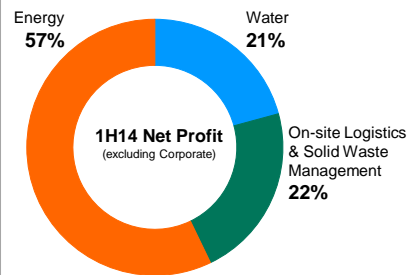


¹ Singapore: Net Profit breakdown	1H14	1H13	Δ%
Energy	66.4	95.8	(31)
Water	14.4	12.6	14
On-site Logistics & Solid Waste Management	18.7	13.1	43

Utilities Net Profit



By Product Segment (\$M)	1H14	1H13	Δ%
Energy	110.3	135.3	(18)
Water	40.1	34.3	17
On-site Logistics & Solid Waste Management	42.6	35.5	20
Corporate	(8.6)	(3.8)	(127)
TOTAL NET PROFIT	184.4	201.3	(8)



Group Capex and Equity Investment



(S\$M)	1H14	1H13
Capital Expenditure		
- Utilities	124.3	156.8
- Marine	345.8	274.4
- Other Businesses	2.2	4.4
	472.3	435.6
Equity Investment		
- Utilities	168.8	71.5
- Marine	-	2.7
- Urban Development	3.6	69.0
	172.4	143.2

Group Free Cash Flow



(S\$M)	1H14	1H13
CASH FLOW FROM OPERATING ACTIVITIES		
- before changes in working capital	664	725
- changes in working capital	116	226
- tax paid	(64)	(67)
	716	884
CASH FLOW FROM INVESTING ACTIVITIES		
- divestments, dividend and interest income	47	40
- investments and capex	(710)	(624)
	(663)	(584)
- Add back: expansion capex	593	528
FREE CASH FLOW	646	828

Group Borrowings



(\$M)	Jun 30,14	Dec 31,13
PF ¹ loans	247	243
Non-Project Finance loans		
- Long-term	1,743	1,264
- Short-term	276	392
Loans due to NCI ²		
- Long-term	8	8
Gross	2,274	1,907
Less: Cash and cash equivalents	(2,218)	(2,256)
Net Debt / (Cash)	56	(349)
Net Gearing Ratio	0.01	Net cash
Exclude PF¹		
Net Debt / (Cash)	(189)	(591)
Net Gearing Ratio	Net Cash	Net Cash

¹ PF: Non-recourse project financing

² NCI: Non-controlling interests

Group Borrowings



(\$M)	Jun 30,14	Dec 31,13
Sembcorp Group excluding Marine		
Debt		
Non-Project Finance loans	1,079	1,090
PF ¹	247	243
Loans due to NCI ²	8	8
	1,334	1,341
Less: Cash and cash equivalents	(395)	(561)
Net Debt / (Cash)	939	780
Sembcorp Marine		
Debt – Non-Project Finance loans	940	566
Less: Cash and cash equivalents	(1,823)	(1,695)
Net Debt / (Cash)	(883)	(1,129)

¹ PF: Non-recourse project financing

² NCI: Non-controlling interests

Financial Indicators



	1H14	1H13	FY13
EPS (cents)	40.2*	38.3*	45.7
ROE (%)	13.7*	14.6*	17.1
ROTA (%)	7.5*	7.9*	9.1
Interest Cover (times)	18.9	10.9	12.5
Per Share			
NAV (S\$)	2.97	2.54	2.93
Economic Value Added			
EVA (S\$M)	234.9	275.0	619.5

* Annualised

Group Outlook



Utilities

Notwithstanding the completion of its new S\$635 million cogeneration plant on Jurong Island, competition in the power market has intensified and is expected to affect the performance of its Singapore operations. Overseas operations are expected to deliver continued growth. In 2014, the Utilities underlying core business is expected to deliver a steady performance compared to 2013.

Strategically positioned in key emerging markets, the business continues to focus on its significant growth in capacity.

Marine

The Marine business has a net orderbook of S\$12.7 billion with completion and deliveries stretching into 2019. This includes a total of S\$2.5 billion in new contracts secured since the start of 2014.

Long term fundamentals driving the offshore exploration and production (E&P) market remain stable. However, slowdown in capital expenditure may impact new orders and keen competition continues to exert pressure on margins. The pipeline for new projects is encouraging, based on robust enquiry levels.

The repair business continues to see increase in market share. However, despite the larger number of vessels, the average revenue per ship remained low in view of market conditions.

The four new dry docks at Sembmarine Integrated Yard @ Tuas continue to see full utilisation, while construction of the wholly-owned shipyard in Brazil is on track to commence initial operations in the second half of 2014, and is scheduled for completion in 2015.

Group Outlook



Urban Development

The Urban Development business is expected to deliver a comparable performance in 2014, underpinned by land sales in its urban developments in China and Vietnam.

Group

With a strategic presence in key emerging markets, significant growth in capacity and a strong Marine orderbook, Sembcorp is well-positioned to deliver sustainable long-term growth.



Vital Partners. Essential Solutions.

Disclaimer



This presentation contains certain statements that are not statements of historical fact, i.e. forward-looking statements. These forward-looking statements are based on current expectations, projections and assumptions about future events. Although Sembcorp Industries believes that these expectations, projections and assumptions are reasonable, these forward-looking statements are subject to the risks (whether known or unknown), uncertainties and assumptions about Sembcorp Industries and its business operations, such as (without limitation) the general economic and business conditions in Singapore, the Asia-Pacific region and elsewhere; currency fluctuations between the Singapore dollar and other currencies; governmental, statutory, regulatory or administrative initiative affecting our business; industry trends; future levels and composition of our assets and liabilities; future profitability of our operations; competition; changes in Singapore tax or similar laws or regulations; changes in, or the failure to comply with, governmental regulations, including exchange control regulations, if any.

You are advised not to place undue reliance on these forward-looking statements as the forward-looking events referred to in this presentation may differ materially or not occur due to these risks, uncertainties and assumptions.

Investors should assume that the information in this presentation is accurate only as of the date it is issued. Sembcorp Industries has no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.



Appendix

Group Profit & Loss



(S\$M)	2Q14	2Q13	Δ%
Turnover	2,534	2,499	1
EBITDA	331	374	(12)
Profit from Operations ¹	298	298	-
EBIT	254	273	(7)
Share of results: Associates & JVs	44	25	74
Net Finance Cost	(12)	(28)	56
Finance costs	(16)	(31)	47
Finance income	4	3	28
PBT	286	270	6
Tax	(41)	(44)	6
Non-Controlling Interests	(66)	(61)	(8)
Net Profit	179	165	8
EPS (cents)	9.9	9.3	7

¹ Profit From Operations = EBIT + share of Associates' and JVs' results (net of tax)

Group Turnover



(S\$M)	2Q14	2Q13	Δ%
Utilities	1,158	1,331	(13)
Marine	1,340	1,123	19
Urban Development ¹	2	2	33
Other Businesses	34	43	(22)
TOTAL TURNOVER	2,534	2,499	1

¹ Urban Development businesses comprise mainly associates or joint ventures

Group Profit from Operations (PFO)



(S\$M)	2Q14	2Q13	Δ%
Utilities	123.2	170.5	(28)
Marine	164.5	155.4	6
Urban Development	5.8	(4.4)	NM
Other Businesses	4.9	4.4	12
Corporate	(0.4)	(28.1)	99
TOTAL PFO	298.0	297.8	-

Group Net Profit



(S\$M)	2Q14	2Q13	Δ%
Utilities	92.8	111.9	(17)
Marine	79.8	75.7	5
Urban Development	4.8	3.6	32
Other Businesses	5.5	5.3	3
Corporate	(3.9)	(31.1)	88
TOTAL NET PROFIT	179.0	165.4	8

Utilities Turnover



By Geography (\$M)	1H14	1H13	Δ%
Singapore	2,032.6	2,136.5	(5)
Rest of ASEAN, Australia & India	2.6	6.6	(61)
China	70.5	60.8	16
Middle East & Africa	46.5	135.4	(66)
UK	215.2	226.3	(5)
The Americas	23.0	23.3	(1)
Corporate	0.2	12.0	(99)
TOTAL TURNOVER	2,390.6	2,600.9	(8)
	2Q14	2Q13	Δ%
Singapore	996.9	1,109.8	(10)
Rest of ASEAN, Australia & India	1.3	3.2	(60)
China	35.8	35.0	2
Middle East & Africa	24.4	72.8	(66)
UK	98.5	106.7	(8)
The Americas	10.9	10.9	-
Corporate	-	4.2	NM
TOTAL TURNOVER	1,167.8	1,342.6	(13)

Note: Figures are stated before intercompany eliminations

Utilities Profit From Operations (PFO)



By Geography (\$M)	1H14	1H13	Δ%
Singapore	138.0	163.6	(16)
Rest of ASEAN, Australia & India	25.4	22.8	12
China	40.0	38.6	4
Middle East & Africa	22.6	67.3	(66)
UK	20.2	19.7	3
The Americas	4.5	2.8	62
Corporate	(6.4)	0.7	NM
TOTAL PFO	244.3	315.5	(23)
	2Q14	2Q13	Δ%
Singapore	65.0	90.7	(28)
Rest of ASEAN, Australia & India	13.2	12.2	8
China	20.5	23.3	(12)
Middle East & Africa	14.5	37.3	(61)
UK	11.6	7.6	52
The Americas	2.8	(0.1)	NM
Corporate	(4.4)	(0.5)	(785)
TOTAL PFO	123.2	170.5	(28)

Utilities Net Profit



By Geography (\$M)	1H14	1H13	Δ%
Singapore	99.5	121.5	(18)
Rest of ASEAN, Australia & India	25.4	22.4	13
China	33.8	32.7	3
Middle East & Africa	20.5	17.3	18
UK	9.7	8.4	15
The Americas	4.1	2.8	47
Corporate	(8.6)	(3.8)	(127)
TOTAL NET PROFIT	184.4	201.3	(8)
	2Q14	2Q13	Δ%
Singapore	46.7	69.2	(33)
Rest of ASEAN, Australia & India	13.2	12.2	8
China	17.2	20.2	(15)
Middle East & Africa	13.5	9.8	38
UK	5.9	2.0	189
The Americas	1.9	0.6	226
Corporate	(5.6)	(2.1)	(164)
TOTAL NET PROFIT	92.8	111.9	(17)

© Sembcorp Industries 2014

39

Utilities Turnover



By Product Segment (\$M)	1H14	1H13	Δ%
Energy	1,992.1	2,170.2	(8)
Water	223.0	251.9	(11)
On-site Logistics & Solid Waste Management	175.3	166.8	5
Corporate	0.2	12.0	(99)
TOTAL TURNOVER	2,390.6	2,600.9	(8)
	2Q14	2Q13	Δ%
Energy	966.0	1,119.5	(14)
Water	113.7	134.4	(15)
On-site Logistics & Solid Waste Management	88.1	84.5	4
Corporate	-	4.2	NM
TOTAL TURNOVER	1,167.8	1,342.6	(13)

Note: Figures are stated before intercompany eliminations

© Sembcorp Industries 2014

40

Utilities Profit from Operations (PFO)



By Product Segment (\$M)	1H14	1H13	Δ%
Energy	140.3	206.8	(32)
Water	60.5	65.7	(8)
On-site Logistics & Solid Waste Management	49.9	42.3	18
Corporate	(6.4)	0.7	NM
TOTAL PFO	244.3	315.5	(23)
	2Q14	2Q13	Δ%
Energy	65.4	118.6	(45)
Water	33.6	30.5	10
On-site Logistics & Solid Waste Management	28.6	21.9	31
Corporate	(4.4)	(0.5)	(785)
TOTAL PFO	123.2	170.5	(28)

© Sembcorp Industries 2014

41

Utilities Net Profit



By Product Segment (\$M)	1H14	1H13	Δ%
Energy	110.3	135.3	(18)
Water	40.1	34.3	17
On-site Logistics & Solid Waste Management	42.6	35.5	20
Corporate	(8.6)	(3.8)	(127)
TOTAL NET PROFIT	184.4	201.3	(8)
	2Q14	2Q13	Δ%
Energy	51.1	79.2	(35)
Water	22.6	16.5	37
On-site Logistics & Solid Waste Management	24.7	18.3	35
Corporate	(5.6)	(2.1)	(164)
TOTAL NET PROFIT	92.8	111.9	(17)

© Sembcorp Industries 2014

42