



SEMBCORP INDUSTRIES LTD
Registration Number: 199802418D

FOURTH QUARTER AND FULL YEAR ENDED DECEMBER 31, 2013 FINANCIAL STATEMENTS & DIVIDEND ANNOUNCEMENT

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SEBPCORP INDUSTRIES LTD

UNAUDITED RESULTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED DECEMBER 31, 2013

The Board of Directors of Sembcorp Industries Ltd wishes to announce the following unaudited results of the Group for the fourth quarter and full year ended December 31, 2013.

1. GROUP INCOME STATEMENT

	Note	GROUP			GROUP		
		4Q13 \$'000	4Q12 \$'000	+ / (-) %	FY13 \$'000	FY12 \$'000	+ / (-) %
Turnover	2a	2,974,139	2,815,575	5.6	10,797,622	10,189,058	6.0
Cost of sales	2a	(2,624,351)	(2,469,030)	6.3	(9,510,359)	(8,808,796)	8.0
Gross profit	2a	349,788	346,545	0.9	1,287,263	1,380,262	(6.7)
General & administrative expenses	2b	(107,555)	(87,440)	23.0	(339,042)	(320,380)	5.8
Other income	2c	19,757	22,683	(12.9)	213,092	67,298	216.6
Other expense (net)	2d	(3,828)	10,190	NM	(1,126)	(24,230)	(95.4)
Finance income	2e	7,860	2,448	221.1	17,051	28,552	(40.3)
Finance costs	2e	(17,747)	(48,182)	(63.2)	(117,903)	(139,997)	(15.8)
Share of results of associates and joint ventures, net of tax	2f	63,482	41,972	51.2	155,024	163,251	(5.0)
Profit before tax		311,757	288,216	8.2	1,214,359	1,154,756	5.2
Tax credit / (expense)	2g	3,554	6,159	(42.3)	(117,154)	(121,698)	(3.7)
Profit for the period / year		315,311	294,375	7.1	1,097,205	1,033,058	6.2
Attributable to:							
Owners of the Company		223,793	204,676	9.3	820,448	753,283	8.9
Non-controlling interests		91,518	89,699	2.0	276,757	279,775	(1.1)
		315,311	294,375	7.1	1,097,205	1,033,058	6.2
Earnings per ordinary share (cents)							
	2h						
- basic		12.39	11.46	8.1	45.70	42.17	8.4
- diluted		12.30	11.36	8.3	45.36	41.84	8.4
Economic value added							
	2i	235,590	216,540	8.8	619,472	620,652	(0.2)

2. NOTES TO THE CONSOLIDATED INCOME STATEMENT

2a. Turnover, Cost of Sales

	GROUP			GROUP		
	4Q13 \$'000	4Q12 \$'000	+ / (-) %	FY13 \$'000	FY12 \$'000	+ / (-) %
Turnover	2,974,139	2,815,575	5.6	10,797,622	10,189,058	6.0
Cost of sales	(2,624,351)	(2,469,030)	6.3	(9,510,359)	(8,808,796)	8.0
Gross profit	349,788	346,545	0.9	1,287,263	1,380,262	(6.7)
Included in Cost of sales:-						
Depreciation and amortisation (i)	(67,311)	(74,725)	(9.9)	(285,944)	(261,055)	9.5
Allowance made for impairment losses						
- property, plant and equipment	-	(14,909)	NM	(60,749)	(14,944)	306.5
- inventory obsolescence	(1,819)	(346)	425.7	(3,300)	(3,667)	(10.0)
Property, plant and equipment written off	(290)	(1,745)	(83.4)	(1,491)	(2,187)	(31.8)

Group turnover – refer to Page 16, note 11.

Group gross profit in 4Q13 was comparable to 4Q12.

- (i) Lower depreciation and amortisation in 4Q13 was primarily from Utilities' de-consolidation of Sembcorp Salalah Power and Water Company SAOG ("Salalah").

2b. General & administrative expenses

	GROUP			GROUP		
	4Q13 \$'000	4Q12 \$'000	+ / (-) %	FY13 \$'000	FY12 \$'000	+ / (-) %
General & administrative expenses	(107,555)	(87,440)	23.0	(339,042)	(320,380)	5.8
Included in general & administrative expenses:-						
Depreciation and amortisation	(4,355)	(5,514)	(21.0)	(17,349)	(20,565)	(15.6)
(Allowance for) / Write-back of doubtful debts and bad debts (i)	(7,157)	2,342	NM	(5,322)	676	NM
Impairment loss on re-measurement of investment held for sale (ii)	(4,632)	-	NM	(4,632)	-	NM

General & administrative expenses for 4Q13 were higher mainly due to higher personnel related expenses and professional fees.

- (i) Allowance for doubtful debts was mainly by Utilities and Urban Development.
(ii) Impairment loss on re-measurement of investment held for sale pertained to Utilities' operations in India.

2c. Other income

	GROUP			GROUP		
	4Q13 \$'000	4Q12 \$'000	+ / (-) %	FY13 \$'000	FY12 \$'000	+ / (-) %
Other income	19,757	22,683	(12.9)	213,092	67,298	216.6
Included in other income:-						
Dividend income	248	-	NM	2,476	3,623	(31.7)
Gain on disposal of investments	-	38	(100.0)	39,508	180	NM
Fair value gain on re-measurement of remaining equity interest in associate	-	-	-	79,882	-	NM
(Loss) / Gain on sale of property, plant and equipment and investment property	(736)	7,598	NM	13,370	8,187	63.3

2. NOTES TO THE CONSOLIDATED INCOME STATEMENT (Cont'd)

2d. Other expense (net)

	GROUP			GROUP		
	4Q13 \$'000	4Q12 \$'000	+ / (-) %	FY13 \$'000	FY12 \$'000	+ / (-) %
Other expense (net)	(3,828)	10,190	NM	(1,126)	(24,230)	(95.4)
Included in other expense (net): -						
Changes in fair value of financial instruments (i)	(4,706)	(1,068)	340.6	(6,154)	2,392	NM
Changes in fair value of available-for-sale assets	(97)	1,708	NM	(24,687)	(1,243)	NM
Foreign exchange gain / (loss) (ii)	2,137	11,367	(81.2)	30,814	(23,018)	NM

- (i) Changes in fair value of financial instruments in 4Q13 was due to mark-to-market adjustments of financial instruments mainly from Utilities.
- (ii) Foreign exchange gain in 4Q13 arose mainly from Marine's revaluation of assets denominated in Euro and United States dollar to Singapore dollar.

2e. Finance income and finance costs

	GROUP			GROUP		
	4Q13 \$'000	4Q12 \$'000	+ / (-) %	FY13 \$'000	FY12 \$'000	+ / (-) %
Finance income (i)	7,860	2,448	221.1	17,051	28,552	(40.3)
Finance costs (ii)	(17,747)	(48,182)	(63.2)	(117,903)	(139,997)	(15.8)

- (i) Higher finance income in 4Q13 was mainly due to higher bank balances and better interest rates.
- (ii) Lower finance costs in 4Q13 was mainly due to de-consolidation of Salalah.

2f. Share of results of Associates and Joint Ventures, net of tax

The Group recorded higher share of results from associates and joint ventures in 4Q13 compared to 4Q12, mainly due to higher contribution by Urban Development's operations in China, partially offset by lower contribution from Marine's associates and joint ventures.

2g. Tax expense

Included in tax expense are the following:	GROUP			GROUP		
	4Q13 \$'000	4Q12 \$'000	+ / (-) %	FY13 \$'000	FY12 \$'000	+ / (-) %
Tax expense						
- Net write-back of tax in respect of prior years (i)	39,553	48,497	(18.4)	48,738	54,792	(11.0)
Deferred tax						
- (Under provision) / Write-back of provision for deferred tax	(1,938)	1,989	NM	11,708	8,580	36.5

- (i) Net write-back of tax in 4Q13 was primarily related to Marine's recognition of tax incentives. The net write-back of tax in 4Q12 was mainly due to Marine's prior year gain on disposal of equity investments.

2. NOTES TO THE CONSOLIDATED INCOME STATEMENT (Cont'd)

2h. Earnings per ordinary share

Earnings per ordinary share of the Group based on net profit attributable to the owners of the Company, less distribution to holders of perpetual securities:	Group			Group		
	4Q13	4Q12	+ / (-) %	FY13	FY12	+ / (-) %
(i) Based on the weighted average number of shares (in cents) - Weighted average number of shares (in million)	12.39 1,785.2	11.46 1,786.2	8.1 (0.1)	45.70 1,786.0	42.17 1,786.3	8.4 (0.0)
(ii) On a fully diluted basis (in cents) - Adjusted weighted average number of shares (in million)	12.30 1,799.6	11.36 1,801.3	8.3 (0.1)	45.36 1,799.5	41.84 1,800.4	8.4 (0.0)

2i. Economic Value Added

Higher Economic Value Added ("EVA") was generated in 4Q13 due to higher net operating profit after tax ("NOPAT").

2j. Breakdown of sales

	GROUP		
	FY13 \$'000	FY12 \$'000	+ / (-) %
<u>First Half Year</u>			
(i) Sales reported	4,849,489	5,099,218	(4.9)
(ii) Profit after tax before deducting non-controlling interests	459,281	499,347	(8.0)
<u>Second Half Year</u>			
(iii) Sales reported	5,948,133	5,089,840	16.9
(iv) Profit after tax before deducting non-controlling interests	637,924	533,711	19.5

3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	GROUP		GROUP	
		4Q13 \$'000	4Q12 \$'000	FY13 \$'000	FY12 \$'000
Profit for the period / year		315,311	294,375	1,097,205	1,033,058
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences for foreign operations	(i)	(20,001)	(10,580)	21,118	(131,501)
Exchange differences on monetary items forming part of net investment in foreign operation		(5,241)	5,247	(6,003)	(506)
Net change in fair value of cash flow hedges	(ii)	(22,768)	(5,589)	22,206	35,831
Net change in fair value of cash flow hedges transferred to profit or loss		(2,129)	5,572	3,615	(7,146)
Net change in fair value of available-for-sale financial assets	(iii)	(9,337)	8,956	(31,924)	22,120
Share of other comprehensive income of associates and joint ventures		407	(2,418)	(4,507)	662
Items that may not be reclassified subsequently to profit or loss:					
Defined benefit plan actuarial gains and losses		(17,412)	- *	(25,139)	- *
Other comprehensive income for the period / year, net of tax		(76,481)	1,188	(20,634)	(80,540)
Total comprehensive income for the period / year		238,830	295,563	1,076,571	952,518
Attributable to:					
Owners of the Company		161,717	209,970	790,388	680,724
Non-controlling interests		77,113	85,593	286,183	271,794
Total comprehensive income for the period / year		238,830	295,563	1,076,571	952,518

* Comparative numbers were not restated as the restatements were not material to the Group.

3a. Notes to Consolidated Statement of Comprehensive Income

- (i) The movement in reserves in 4Q13 arose mainly from the consolidation of entities whose functional currencies are United States dollar and Renminbi.
- (ii) The fair value loss in 4Q13 was primarily due to fair value adjustments on foreign currency forward contracts.
- (iii) Mainly due to mark-to-market loss for Gallant Venture held by Urban Development in 4Q13.

4. BALANCE SHEETS

	GROUP		COMPANY	
	As at 31/12/2013 \$'000	As at 31/12/2012 \$'000	As at 31/12/2013 \$'000	As at 31/12/2012 \$'000
Non-current assets				
Property, plant and equipment	5,126,650	5,158,266	637,590	582,352
Investment properties	20,954	21,684	-	-
Investments in subsidiaries	-	-	1,706,116	1,708,551
Interests in associates and joint ventures	1,852,249	1,505,609	-	-
Other financial assets	344,181	221,099	-	-
Long-term receivables and prepayments	360,970	405,219	7,223	7,420
Intangible assets	308,223	321,276	21,068	20,008
Deferred tax assets	51,170	56,955	-	-
	<u>8,064,397</u>	<u>7,690,108</u>	<u>2,371,997</u>	<u>2,318,331</u>
Current assets				
Inventories and work-in-progress	2,240,655	1,886,546	10,023	9,789
Trade and other receivables	1,140,173	1,175,501	104,885	130,658
Tax recoverable	6,698	6,954	-	-
Assets held for sale	36,517	24,437	-	-
Other financial assets	9,581	41,509	-	-
Cash and cash equivalents	2,255,865	2,059,800	450,220	524,601
	<u>5,689,489</u>	<u>5,194,747</u>	<u>565,128</u>	<u>665,048</u>
Total assets	<u>13,753,886</u>	<u>12,884,855</u>	<u>2,937,125</u>	<u>2,983,379</u>
Current liabilities				
Trade and other payables	2,691,962	2,832,524	188,396	572,195
Excess of progress billings over work-in-progress	1,448,501	886,042	-	-
Provisions	92,347	83,078	20,931	14,093
Other financial liabilities	18,695	16,261	-	177
Current tax payable	236,254	233,100	37,970	40,893
Interest-bearing borrowings	413,993	115,061	61	100
	<u>4,901,752</u>	<u>4,166,066</u>	<u>247,358</u>	<u>627,458</u>
Net current assets	<u>787,737</u>	<u>1,028,681</u>	<u>317,770</u>	<u>37,590</u>
Non-current liabilities				
Deferred tax liabilities	371,596	410,796	44,212	40,061
Provisions	101,693	50,696	593	593
Other financial liabilities	56,786	161,445	-	-
Retirement benefit obligations	30,910	11,454	-	-
Interest-bearing borrowings	1,485,011	2,204,785	12	54
Other long-term liabilities	276,144	235,186	462,915	319,931
	<u>2,322,140</u>	<u>3,074,362</u>	<u>507,732</u>	<u>360,639</u>
Total liabilities	<u>7,223,892</u>	<u>7,240,428</u>	<u>755,090</u>	<u>988,097</u>
Net assets	<u>6,529,994</u>	<u>5,644,427</u>	<u>2,182,035</u>	<u>1,995,282</u>
Equity attributable to owners of the Company:-				
Share capital	565,572	565,572	565,572	565,572
Other reserves	(101,230)	(102,322)	(18,839)	(6,048)
Revenue reserve	4,563,136	4,040,081	1,432,332	1,435,758
	<u>5,027,478</u>	<u>4,503,331</u>	<u>1,979,065</u>	<u>1,995,282</u>
Perpetual securities	202,970	-	202,970	-
	<u>5,230,448</u>	<u>4,503,331</u>	<u>2,182,035</u>	<u>1,995,282</u>
Non-controlling interests	<u>1,299,546</u>	<u>1,141,096</u>	<u>-</u>	<u>-</u>
Total equity	<u>6,529,994</u>	<u>5,644,427</u>	<u>2,182,035</u>	<u>1,995,282</u>

4. BALANCE SHEETS (Cont'd)

4a. Group's borrowings and debt securities

	As at 31/12/2013 \$'000	As at 31/12/2012 \$'000
Amount repayable:		
(i) <u>In one year or less, or on demand</u>		
Interest-bearing borrowings		
Secured	20,561	44,747
Unsecured	393,432	70,314
	<u>413,993</u>	<u>115,061</u>
(ii) <u>After one year</u>		
Interest-bearing borrowings		
Secured	216,943	1,018,212
Unsecured	1,268,068	1,186,573
	<u>1,485,011</u>	<u>2,204,785</u>
Total	<u>1,899,004</u>	<u>2,319,846</u>
(iii) The secured loans are collateralised by the following assets' net book value:-		
	As at 31/12/2013 \$'000	As at 31/12/2012 \$'000
Net assets of a subsidiary and property, plant and equipment	<u>319,732</u>	<u>1,238,446</u>

4b. Net asset value

	Group		Company	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Net asset value per ordinary share based on issued share capital at the end of the financial period (in \$)	2.93	2.52	1.22	1.12

4c. Explanatory Notes to Balance Sheets

Significant variances for balance sheets items are explained as follows:

(i) Group

Non-current assets

"Interests in associates and joint ventures" increased mainly due to de-consolidation of Salalah and thereafter accounted for under the equity method as an associate. The increase was also due to Utilities' additional investments mainly in India and Urban Development's additional investments in Chengdu and Nanjing and a new investment in Indonesia as well as share of profits contributed by the associates and joint ventures during the year.

"Other financial assets" increased mainly due to Urban Development's reclassification of Gallant Venture from an associate to available-for-sale financial asset measured at fair value.

Net current assets

"Inventories and work-in-progress" increased primarily due to payment terms of rig building projects.

"Assets held for sale" increased due to divestment of Sembcorp Enviro (India) and SembRamky Environmental Management which is in line with the Group's efforts to streamline its business.

4. **BALANCE SHEETS** (Cont'd)

4c. **Explanatory Notes to Balance Sheets** (Cont'd)

(i) **Group (cont'd)**

Net current assets (cont'd)

"Other financial assets" decreased mainly due to Marine's fair value adjustment on foreign currency forward contracts.

"Excess of progress billings over work-in-progress" increased mainly due to receipts from customers for drillship and jack-up rig building projects in progress.

"Interest-bearing borrowings" increased due to increased bank borrowings mainly to fund Marine's capital expenditures for the new yard in Brazil and reclassification of bank borrowings from long-term to short-term.

Non-current liabilities

"Deferred tax liabilities" decreased mainly due to de-consolidation of Salalah, effect of change in tax rate in UK operations and fair value adjustments on foreign currency forward contracts.

"Provisions" increased primarily due to provisions made for warranty and site restoration.

"Other financial liabilities" decreased mainly due to de-consolidation of Salalah.

"Retirement benefit obligations" increased mainly due to recognition of defined benefit plan actuarial losses in other comprehensive income.

"Interest-bearing borrowings" decreased mainly due to de-consolidation of Salalah and reclassification of bank borrowings from long-term to short-term.

"Other long-term liabilities" increased mainly due to Marine's accrual of operating expenses.

Equity

"Perpetual securities" amounting to \$200 million were issued by the Company on August 21, 2013 and bear distributions at a rate of 5.0% per annum, payable semi-annually. The perpetual securities are subordinated, cumulative and coupon payments are at the option of the Company, subject to terms and conditions of the securities issue. These perpetual securities are classified as equity instruments and recorded in equity.

(ii) **Company**

Net current assets

"Trade and other receivables" decreased in line with turnover.

"Trade and other payables" decreased mainly due to repayment of loan and reclassification of an amount from short term to long term owing to the Group's wholly owned subsidiary.

Non-current liabilities

"Other long-term liabilities" increased mainly due to a reclassification of an amount from short term to long term owing to the Group's wholly owned subsidiary.

5. CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP		GROUP	
	4Q13 \$'000	4Q12 \$'000	FY13 \$'000	FY12 \$'000
Cash flows from Operating Activities				
Profit for the period / year	315,311	294,375	1,097,205	1,033,058
Adjustments for :				
Dividend	(248)	-	(2,476)	(3,623)
Finance income	(7,860)	(2,448)	(17,051)	(28,552)
Finance costs	17,747	48,182	117,903	139,997
Depreciation and amortisation	71,666	80,239	303,293	281,620
Share of results of associates and joint ventures	(63,482)	(41,972)	(155,024)	(163,251)
(Gain) / Loss on disposal of property, plant and equipment	1,094	260	(13,012)	(329)
Gain on disposal of intangible assets	-	(82)	-	(82)
Gain on disposal of investment properties	(358)	(7,858)	(358)	(7,858)
Gain on disposal of investments in a subsidiary and an associate	-	(38)	(39,508)	(180)
Fair value gain on re-measurement of remaining equity interest in an associate	-	-	(79,882)	-
Changes in fair value of financial instruments	4,803	(640)	30,840	(1,149)
Equity settled share-based compensation expenses	7,114	13,826	27,213	29,746
Allowance made for impairment in value of assets and assets written off (net)	1,311	16,924	63,677	17,767
Impairment loss on remeasurement of investment held for sale	4,632	-	4,632	-
Tax expense	(3,554)	(6,159)	117,154	121,698
Operating profit before working capital changes	348,176	394,609	1,454,606	1,418,862
Changes in working capital:				
Inventories and work-in-progress	(206,165)	(158,230)	(29,191)	(275,633)
Receivables	146,854	263,508	45,944	(143,869)
Payables	(54,100)	(74,632)	123,902	(250,768)
	234,765	425,255	1,595,261	748,592
Tax paid	(15,468)	(14,427)	(125,004)	(128,158)
Net cash inflow from operating activities	219,297	410,828	1,470,257	620,434
Cash flows from Investing Activities				
Dividend received	44,299	42,020	77,446	64,599
Interest received	8,042	2,626	17,273	28,518
Proceeds from sale of investments in an associate and a financial asset	-	254	6,976	713
Proceeds from sale of property, plant and equipment	6,225	46	25,019	937
Proceeds from sale of investment properties	493	7,858	493	7,858
Proceeds from sale of intangible assets	215	80	216	510
Proceeds from disposal of interests in a subsidiary, net of cash disposed of	-	480	8,582	480
Acquisition of subsidiary, net of cash acquired	1,014	-	1,014	-
Acquisition of non-controlling interests	-	(20,750)	(7,611)	(23,156)
Acquisition of / additional investments in associates and joint ventures	(101,574)	(1,458)	(284,156)	(133,006)
Acquisition of other financial assets	(40)	(209)	(5,419)	(47,430)
Purchase of property, plant and equipment	(329,756)	(327,601)	(1,188,761)	(1,119,777)
Payment for intangible assets	(5,356)	(3,958)	(9,196)	(10,098)
Net cash outflow from investing activities	(376,438)	(300,612)	(1,358,124)	(1,229,852)
Cash flows from Financing Activities				
Proceeds from share issued to non-controlling interests of subsidiaries	1,030	(5,109)	1,030	1,479
Proceeds from share options exercised with issue of treasury shares	6	245	1,567	1,483
Proceeds from share options exercised with issue of treasury shares of a subsidiary	(428)	336	414	1,926
Purchase of treasury shares	(4,344)	(6,024)	(28,819)	(10,184)
Purchase of treasury shares by subsidiary	(5,572)	(970)	(20,366)	(5,329)
Proceeds from issue of perpetual securities, net of transaction costs	-	-	198,751	-
Proceeds from borrowings	438,495	257,166	744,683	842,929
Repayment of borrowings	(301,690)	(162,627)	(352,187)	(522,926)
Payment on finance leases	(2,678)	(1,219)	(3,308)	(2,577)
Increase in other long term liabilities	29,612	29,020	38,955	33,389
Dividends paid to owners of the Company	-	-	(268,035)	(303,857)
Dividends paid to non-controlling interests of subsidiaries	(3,803)	(6,368)	(144,530)	(241,669)
Unclaimed dividends	-	13	-	216
Interest paid	(12,327)	(21,525)	(106,344)	(104,511)
Net cash inflow / (outflow) from financing activities	138,301	82,938	61,811	(309,631)
Net (decrease) / increase in cash and cash equivalents	(18,840)	193,154	173,944	(919,049)
Cash and cash equivalents at beginning of the period / year	2,268,670	1,871,079	2,059,800	2,995,478
Effect of exchange rate changes on balances held in foreign currency	6,035	(4,433)	22,121	(16,629)
Cash and cash equivalents at end of the period / year	2,255,865	2,059,800	2,255,865	2,059,800

5. **CONSOLIDATED STATEMENT OF CASH FLOWS** (Cont'd)

5a. **Explanatory Notes to Consolidated Statement of Cash Flows**

(i) **Fourth Quarter**

Net cash outflow from investing activities for 4Q13 was \$376.4 million of which \$100.6 million was spent on Utilities' additional investments mainly in India and Urban Development's new investment in Indonesia.

(ii) **Full Year**

Included in gain on disposal of investments in a subsidiary and an associate was Utilities' gain on its 20% equity interest in Salalah following its initial public offering ("IPO") in 3Q13.

Net cash outflow from investing activities for FY13 was \$1,358.1 million for which \$296.2 million was spent on Utilities' additional investments mainly in India and Urban Development's additional investments in Chengdu and Nanjing and a new investment in Indonesia.

(iii) **Significant non-cash transactions**

In FY13, the Group recorded a \$79.9 million fair value gain on re-measurement of its remaining 40% equity interest in Salalah following its IPO in 3Q13.

Included in allowance made for impairment in value of assets and assets written off (net) was a one-off impairment of \$60.6 million made for our Teesside operations in UK during the year.

6. STATEMENTS OF CHANGES IN EQUITY

6a. Statements of Changes in Equity for the Group

	Attributable to owners of the Company									
	Share Capital	Other reserves			Revenue Reserve	Total	Perpetual Securities	Total	Non-controlling	
		Reserve for own shares	Currency						Total interests	Total Equity
			Translation Reserve	Others						
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
9M13										
At January 1, 2013	565,572	(8,163)	(331,720)	237,561	4,040,081	4,503,331	-	4,503,331	1,141,096	5,644,427
Total comprehensive income										
Profit for the period	-	-	-	-	596,655	596,655	-	596,655	185,239	781,894
Other comprehensive income										
Foreign currency translation differences for foreign operations	-	-	19,161	-	-	19,161	-	19,161	21,958	41,119
Exchange differences on monetary items forming part of net investment in foreign operation	-	-	(762)	-	-	(762)	-	(762)	-	(762)
Net change in fair value of cash flow hedges	-	-	-	34,540	-	34,540	-	34,540	10,434	44,974
Net change in fair value of cash flow hedges transferred to profit or loss	-	-	-	3,155	-	3,155	-	3,155	2,589	5,744
Net change in fair value of available-for-sale financial assets	-	-	-	(11,437)	-	(11,437)	-	(11,437)	(11,150)	(22,587)
Defined benefit plan actuarial gains and losses	-	-	-	-	(7,727)	(7,727)	-	(7,727)	-	(7,727)
Share of other comprehensive of associates and joint ventures	-	-	-	(4,914)	-	(4,914)	-	(4,914)	-	(4,914)
Total other comprehensive income, net of tax	-	-	18,399	21,344	(7,727)	32,016	-	32,016	23,831	55,847
Total comprehensive income	-	-	18,399	21,344	588,928	628,671	-	628,671	209,070	837,741
Transactions with owners of the Company, recognised directly in equity										
Contribution by non-controlling interests	-	-	-	-	-	-	-	-	132,466	132,466
Issue of perpetual securities	-	-	-	-	-	-	198,751	198,751	-	198,751
Share-based payments	-	-	-	16,302	-	16,302	-	16,302	3,797	20,099
Purchase of treasury shares	-	(24,475)	-	-	-	(24,475)	-	(24,475)	-	(24,475)
Treasury shares transferred to employees	-	23,092	-	(21,531)	-	1,561	-	1,561	-	1,561
Treasury shares of a subsidiary	-	-	-	(8,457)	-	(8,457)	-	(8,457)	(5,495)	(13,952)
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	(7,611)	(7,611)
Non-controlling interests of subsidiary acquired	-	-	-	-	-	-	-	-	2,136	2,136
Realisation of reserve upon reclassification of associate to available-for-sale	-	-	-	(21,713)	-	(21,713)	-	(21,713)	-	(21,713)
Realisation of reserve upon reclassification of subsidiary to associate	-	-	(2,579)	45,097	-	42,518	-	42,518	(108,483)	(65,965)
Accrued perpetual securities distribution	-	-	-	-	(1,686)	(1,686)	1,686	-	-	-
Dividend paid	-	-	-	-	(268,035)	(268,035)	-	(268,035)	(140,727)	(408,762)
Total transactions with owners	-	(1,383)	(2,579)	9,698	(269,721)	(263,985)	200,437	(63,548)	(123,917)	(187,465)
At September 30, 2013	565,572	(9,546)	(315,900)	268,603	4,359,288	4,868,017	200,437	5,068,454	1,226,249	6,294,703
4Q13										
Total comprehensive income										
Profit for the period	-	-	-	-	223,793	223,793	-	223,793	91,518	315,311
Other comprehensive income										
Foreign currency translation differences for foreign operations	-	-	(15,195)	-	-	(15,195)	-	(15,195)	(4,806)	(20,001)
Exchange differences on monetary items forming part of net investment in foreign operation	-	-	(5,241)	-	-	(5,241)	-	(5,241)	-	(5,241)
Net change in fair value of cash flow hedges	-	-	-	(13,580)	-	(13,580)	-	(13,580)	(9,188)	(22,768)
Net change in fair value of cash flow hedges transferred to profit or loss	-	-	-	(1,998)	-	(1,998)	-	(1,998)	(131)	(2,129)
Net change in fair value of available-for-sale financial assets	-	-	-	(9,057)	-	(9,057)	-	(9,057)	(280)	(9,337)
Defined benefit plan actuarial gains and losses	-	-	-	-	(17,412)	(17,412)	-	(17,412)	-	(17,412)
Share of other comprehensive of associates and joint ventures	-	-	-	407	-	407	-	407	-	407
Total other comprehensive income, net of tax	-	-	(20,436)	(24,228)	(17,412)	(62,076)	-	(62,076)	(14,405)	(76,481)
Total comprehensive income	-	-	(20,436)	(24,228)	206,381	161,717	-	161,717	77,113	238,830
Transactions with owners of the Company, recognised directly in equity										
Contribution by non-controlling interests	-	-	-	-	-	-	-	-	1,030	1,030
Share-based payments	-	-	-	5,711	-	5,711	-	5,711	1,403	7,114
Purchase of treasury shares	-	(4,344)	-	-	-	(4,344)	-	(4,344)	-	(4,344)
Treasury shares transferred to employees	-	13	-	(7)	-	6	-	6	-	6
Treasury shares of a subsidiary	-	-	-	(3,634)	-	(3,634)	-	(3,634)	(2,366)	(6,000)
Non-controlling interests of subsidiary acquired	-	-	-	-	-	-	-	-	(80)	(80)
Realisation of reserve upon reclassification of subsidiary to investment held for sale	-	-	2,538	-	-	2,538	-	2,538	-	2,538
Accrued perpetual securities distribution	-	-	-	-	(2,533)	(2,533)	2,533	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	(3,803)	(3,803)
Total transactions with owners	-	(4,331)	2,538	2,070	(2,533)	(2,256)	2,533	277	(3,816)	(3,539)
At December 31, 2013	565,572	(13,877)	(333,798)	246,445	4,563,136	5,027,478	202,970	5,230,448	1,299,546	6,529,994

6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

6a. Statements of Changes in Equity of the Group (Cont'd)

	Attributable to owners of the Company								
	Share Capital	Other reserves			Revenue Reserve	Total	Non-controlling interests	Total Equity	
		Reserve for own shares	Currency						Others
			Translation Reserve	Others					
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
9M12									
At January 1, 2012	565,572	(18,455)	(229,340)	201,473	3,595,266	4,114,516	1,126,144	5,240,660	
Total comprehensive income									
Profit for the period	-	-	-	-	548,607	548,607	190,076	738,683	
Other comprehensive income									
Foreign currency translation differences for foreign operations	-	-	(96,236)	-	123	(96,113)	(24,808)	(120,921)	
Exchange differences on monetary items forming part of net investment in foreign operation	-	-	(5,753)	-	-	(5,753)	-	(5,753)	
Net change in fair value of cash flow hedges	-	-	-	24,543	-	24,543	16,877	41,420	
Net change in fair value of cash flow hedges transferred to profit or loss	-	-	-	(11,549)	-	(11,549)	(1,169)	(12,718)	
Net change in fair value of available-for-sale financial assets	-	-	-	7,781	-	7,781	5,383	13,164	
Share of other comprehensive income of associates and joint ventures	-	-	(1)	3,237	2	3,238	(158)	3,080	
Total other comprehensive income, net of tax	-	-	(101,990)	24,012	125	(77,853)	(3,875)	(81,728)	
Total comprehensive income	-	-	(101,990)	24,012	548,732	470,754	186,201	656,955	
Transactions with owners of the Company, recognised directly in equity									
Contribution by non-controlling interests	-	-	-	-	-	-	6,588	6,588	
Share-based payments	-	-	-	11,060	-	11,060	4,860	15,920	
Purchase of treasury shares	-	(4,160)	-	-	-	(4,160)	-	(4,160)	
Treasury shares transferred to employees	-	19,968	-	(18,730)	-	1,238	-	1,238	
Treasury shares of a subsidiary	-	-	-	(1,693)	-	(1,693)	(1,076)	(2,769)	
Acquisition of non-controlling interests	-	-	-	-	-	-	(2,406)	(2,406)	
Dividend paid	-	-	-	-	(303,857)	(303,857)	(235,301)	(539,158)	
Unclaimed dividends	-	-	-	-	203	203	-	203	
Total transactions with owners	-	15,808	-	(9,363)	(303,654)	(297,209)	(227,335)	(524,544)	
At September 30, 2012	565,572	(2,647)	(331,330)	216,122	3,840,344	4,288,061	1,085,010	5,373,071	
4Q12									
Total comprehensive income									
Profit for the period	-	-	-	-	204,676	204,676	89,699	294,375	
Other comprehensive income									
Foreign currency translation differences for foreign operations	-	-	(10,858)	-	(123)	(10,981)	401	(10,580)	
Exchange differences on monetary items forming part of net investment in foreign operation	-	-	5,247	-	-	5,247	-	5,247	
Net change in fair value of cash flow hedges	-	-	-	(4,636)	-	(4,636)	(953)	(5,589)	
Net change in fair value of cash flow hedges transferred to profit or loss	-	-	-	8,376	-	8,376	(2,804)	5,572	
Net change in fair value of available-for-sale financial assets	-	-	-	9,864	-	9,864	(908)	8,956	
Share of other comprehensive income of associates and joint ventures	-	-	-	(2,574)	(2)	(2,576)	158	(2,418)	
Total other comprehensive income, net of tax	-	-	(5,611)	11,030	(125)	5,294	(4,106)	1,188	
Total comprehensive income	-	-	(5,611)	11,030	204,551	209,970	85,593	295,563	
Transactions with owners of the Company, recognised directly in equity									
Contribution by non-controlling interests	-	-	-	-	-	-	(5,109)	(5,109)	
Share-based payments	-	-	-	11,782	-	11,782	2,044	13,826	
Purchase of treasury shares	-	(6,024)	-	-	-	(6,024)	-	(6,024)	
Treasury shares transferred to employees	-	508	-	(263)	-	245	-	245	
Treasury shares of a subsidiary	-	-	-	(369)	-	(369)	(265)	(634)	
Acquisition of non-controlling interests	-	-	-	(690)	-	(690)	(20,060)	(20,750)	
Realisation of reserve upon disposal of investments and changes in group structure	-	-	5,221	(51)	(4,827)	343	251	594	
Dividend paid	-	-	-	-	-	-	(6,368)	(6,368)	
Unclaimed dividends	-	-	-	-	13	13	-	13	
Total transactions with owners	-	(5,516)	5,221	10,409	(4,814)	5,300	(29,507)	(24,207)	
At December 31, 2012	565,572	(8,163)	(331,720)	237,561	4,040,081	4,503,331	1,141,096	5,644,427	

6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

6c. Changes in the Company's share capital

Issued and paid up capital

As at December 31, 2013, the Company's issued and paid up capital excluding treasury shares comprises 1,784,781,629 (December 31, 2012: 1,785,941,453) ordinary shares.

Share Options

During 4Q13, 2,500 (4Q12: 103,000) share options under the Company's Share Option Plan ("SOP") were exercised and settled by way of issuance of treasury shares.

As at December 31, 2013, there were 1,222,424 (December 31, 2012: 2,023,824) unissued ordinary shares under options granted to eligible employees and directors under the Company's SOP.

Performance Shares

During 4Q13, no (4Q12: nil) performance shares were awarded under the Company's Performance Share Plan ("PSP"), no (4Q12: nil) performance shares were released and no (4Q12: nil) performance shares lapsed.

The total number of performance shares in awards granted conditionally and representing 100% of targets to be achieved, but not released as at December 31, 2013, was 2,169,723 (December 31, 2012: 2,548,333). Based on the multiplying factor, the actual release of the awards could range from zero to a maximum of 3,254,585 (December 31, 2012: 3,822,500) performance shares.

Restricted Shares

During 4Q13, no (4Q12: nil) restricted shares were awarded under the Restricted Share Plan ("RSP"), no (4Q12: 14,726) restricted shares were released and 11,686 (4Q12: 5,289) restricted shares lapsed. Of the restricted shares released, no (4Q12: 14,726) restricted shares were cash-settled.

The total number of restricted shares outstanding, including awards achieved but not released, as at end December 31, 2013 was 6,955,014 (December 31, 2012: 6,708,437). Of this, the total number of restricted shares in awards granted conditionally and representing 100% of targets to be achieved, but not released was 4,492,000 (December 31, 2012: 4,565,100). Based on the multiplying factor, the actual release of the conditional awards could range from zero to a maximum of 6,738,000 (December 31, 2012: 6,847,650) restricted shares.

Treasury shares

During 4Q13, the Company acquired 825,000 (4Q12: 1,171,000) ordinary shares in the Company by way of on-market purchases. 2,500 (4Q12: 103,000) treasury shares were re-issued pursuant to the SOP.

As at December 31, 2013, 2,766,103 (December 31, 2012: 1,606,279) treasury shares were held that may be re-issued upon the exercise of options under the SOP and upon the vesting of performance shares and restricted shares under the PSP and RSP respectively.

7. AUDIT

The figures have not been audited or reviewed by the Company's auditors.

8. AUDITORS' REPORT

Not applicable.

9. ACCOUNTING POLICIES

Except as disclosed in paragraph 10 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at December 31, 2012.

10. CHANGES IN ACCOUNTING POLICIES

The following new/amended FRSs have become effective from January 1, 2013.

Amendments to FRS 1	Presentation of Items of Other Comprehensive Income
Revised FRS 19	Employee Benefits
FRS 113	Fair Value Measurement
Amendments to FRS 107	Disclosures – Offsetting Financial Assets and Financial Liabilities
Improvements to FRSs 2012	
- Amendments to FRS 1	Presentation of Financial Statements
- Amendments to FRS 16	Property, Plant and Equipment
- Amendments to FRS 32	Financial Instruments: Presentation

The adoption of the above FRSs (including consequential amendments) does not have any significant impact on the financial statements.

11. REVIEW OF GROUP PERFORMANCE

Group Overview

The Group net profit grew 9% to \$820.4 million in FY13 from \$753.3 million in FY12, while turnover increased 6% to \$10.8 billion from \$10.2 billion. In 4Q13, the Group net profit grew 9% to \$223.8 million from \$204.7 million in 4Q12, while turnover was up 6% to \$3.0 billion from \$2.8 billion.

Turnover

	<u>4Q13</u>	<u>4Q12</u>	<u>Growth</u>		<u>FY13</u>	<u>FY12</u>	<u>Growth</u>	
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>%</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>%</u>
Utilities	1,239,906	1,392,367	(152,461)	(11)	5,095,297	5,615,449	(520,152)	(9)
Marine	1,692,110	1,378,034	314,076	23	5,522,705	4,428,011	1,094,694	25
Urban Development	2,344	3,593	(1,249)	(35)	8,493	11,605	(3,112)	(27)
Others/Corporate	39,779	41,581	(1,802)	(4)	171,127	133,993	37,134	28
	<u>2,974,139</u>	<u>2,815,575</u>	<u>158,564</u>	<u>6</u>	<u>10,797,622</u>	<u>10,189,058</u>	<u>608,564</u>	<u>6</u>

The decrease in Utilities' turnover in 4Q13 was mainly attributable to our Singapore operations' lower electricity sales and lower High Sulphur Fuel Oil ("HSFO") prices recorded during the period as well as de-consolidation of Salalah. The lower electricity sales in FY13 was mainly due to maintenance inspection of its Singapore's cogeneration plant in January 2013.

Marine's turnover for 4Q13 and FY13 increased mainly due to the higher revenue recognition for rig building projects. Turnover for FY13 was partially offset by lower revenue recognition for offshore and conversion projects.

Turnover of Others/Corporate was mainly contributed by a subsidiary dealing in specialised construction activities. Increase in turnover in FY13 was mainly due to recognition of projects with higher contract values compared to FY12.

11. **REVIEW OF GROUP PERFORMANCE** (Cont'd)

Net profit attributable to owners of the Company ("Net Profit")

	4Q13	4Q12	Growth		FY13	FY12	Growth	
	\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000	%
Utilities	76,196	81,169	(4,973)	(6)	449,902	374,641	75,261	20
Marine	110,597	101,327	9,270	9	336,931	326,711	10,220	3
Urban Development	37,600	21,835	15,765	72	50,215	41,115	9,100	22
Others/Corporate	(600)	345	(945)	NM	(16,600)	10,816	(27,416)	NM
	223,793	204,676	19,117	9	820,448	753,283	67,165	9

The Utilities business delivered strong profit growth of 20%, with net profit increasing to \$449.9 million from \$374.6 million in FY12, due to strong performance from operations in China and gains from the IPO of Salalah in Oman.

Marine's net profit for 4Q13 was mainly due to higher operating profit, partially offset by lower contribution from associates and joint ventures. Net profit for FY13 was higher mainly due to higher operating profit, partially offset by lower interest income and lower contribution from associates and joint ventures.

Urban Development's net profit increased in 4Q13 mainly attributable to writeback of allowance for doubtful debts in its China associate and higher recognition of residential and industrial land sales. Net profit for FY13 was higher mainly attributable to higher recognition of residential and industrial land sales.

Net profit for Others/Corporate decreased in FY13 mainly due to recognition of fair value loss for Gallant Venture upon shareholding dilution from 23.92% to 11.96%.

12. VARIANCE FROM PROSPECT STATEMENT

There is no material change from the previous prospect statement.

13. PROSPECTS

Utilities

In 2014, Utilities' underlying core business is expected to deliver a steady performance compared to 2013.

2014 will see continued growth from our overseas operations. 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\$12.3 billion with completions and deliveries stretching into 2019.

Moving ahead and in anticipation of the tight labour supply situation, the business will further improve operational efficiency, productivity and safety management as well as ensure timely delivery of projects to its customers, although margin remains challenging. Demand remains strong at the new Sembmarine Integrated Yard @ Tuas. Construction of its wholly-owned shipyard in Brazil remains on track to commence initial operations in the second half of 2014.

Urban Development

The Urban Development business is expected to deliver a better performance in 2014, underpinned by land sales in its new 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.

This release contains forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, exchange rate movement, availability and cost of fuel and materials, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy, directives and changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of the management on future events and impact on the Group.

14. SUBSEQUENT EVENTS

- (i) On October 29, 2013, the Group entered into a sale and purchase agreement to divest its entire stake in Sembcorp Enviro (India) and SembRamky Environment Management for a consideration of S\$7.25 million. The disposal was completed on January 27, 2014. An impairment loss of S\$4.6 million had been recognised in 2013.
- (ii) On January 24, 2014, an agreement was signed by a wholly-owned entity in China to divest its 51% stake in Zhumadian China Water Co.,. The total consideration for this entire stake is RMB90 million (S\$19 million). The divestment is expected to be completed in third quarter of 2014 and does not have a material impact to the Group in 2014.
- (iii) On February 26, 2014, a wholly-owned subsidiary completed the acquisition of 45% equity interest in NCC Power Projects (NCCPP) in Andhra Pradesh, India. The total consideration for the stake amounted to INR8,480 million (S\$175 million). The NCCPP is currently building a 1,320-megawatt coal-fired power plant along the coast of Nellore in Andhra Pradesh. The acquisition does not have a material impact to the Group in 2014.

15. **DIVIDEND**

(a) Current Financial Year Reported On

Name of Dividend	Proposed 2013 Final Ordinary Exempt-1-Tier	Proposed 2013 Final Bonus Exempt-1-Tier	2013 Total
Dividend Type	Cash	Cash	Cash
Dividend Amount (cents per shares)	15.0	2.0	17.0

(b) Corresponding Year of the Immediately Preceding Financial Year

Name of Dividend	2012 Final Ordinary Exempt-1-Tier	2012 Total
Dividend Type	Cash	Cash
Dividend Amount (cents per shares)	15.0	15.0

(c) Date payable

The proposed final tax exempt 1-Tier dividend of 17.0 cents per ordinary share, if approved at the AGM to be held on April 24, 2014, will be paid on May 16, 2014.

(d) Books closure date

Notice is hereby given that the Register of Members and Share Transfer Books of the Company will be closed on May 2, 2014 to determine the shareholders' entitlements to the proposed dividend. Duly completed transfers of shares received by the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road, #05-01 Singapore 068902, up to 5.00 p.m. on April 30, 2014 (the "Book Closure Date") will be registered to determine shareholders' entitlements to the proposed dividend. Subject as aforesaid, shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on the Book Closure Date will be entitled to the proposed dividend.

(e) Total Annual Dividend and Capital Distribution (in dollar value)

	FY13 \$'000	FY12 \$'000
Final ordinary dividend*	267,717	267,891
Bonus dividend*	35,696	-
Total	303,413	267,891

*FY13 dividend is estimated based on the share capital of 1,784,781,629 ordinary shares at the end of the financial year.

16. SEGMENTAL REPORTING

FY13

(i) Operating segments

	Utilities	Marine	Urban Development	Others/ Corporate	Elimi- nation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Turnover						
External sales	5,095,297	5,522,705	8,493	171,127	-	10,797,622
Inter-segment sales	42,316	3,177	4,017	28,834	(78,344)	-
Total	5,137,613	5,525,882	12,510	199,961	(78,344)	10,797,622
Results						
Segment results	532,192	648,816	(4,696)	(16,125)	-	1,160,187
Finance income	12,621	8,200	173	50,850	(54,793)	17,051
Finance costs	(103,713)	(8,072)	(1,372)	(59,539)	54,793	(117,903)
	441,100	648,944	(5,895)	(24,814)	-	1,059,335
Share of results of associates and joint ventures	80,675	11,166	49,833	13,350	-	155,024
	521,775	660,110	43,938	(11,464)	-	1,214,359
Tax (expense) / credit	(47,437)	(72,054)	7,520	(5,183)	-	(117,154)
Non-controlling interests	(24,436)	(251,125)	(1,243)	47	-	(276,757)
Net profit for the year	449,902	336,931	50,215	(16,600)	-	820,448
Assets						
Segment assets	4,914,473	6,798,420	298,631	1,765,401	(1,933,156)	11,843,769
Investment in associates and joint ventures	813,949	461,717	491,591	84,992	-	1,852,249
Tax assets	48,873	7,304	1,560	131	-	57,868
Total assets	5,777,295	7,267,441	791,782	1,850,524	(1,933,156)	13,753,886
Liabilities						
Segment liabilities	2,671,510	4,202,354	167,577	1,507,757	(1,933,156)	6,616,042
Tax liabilities	356,919	236,316	317	14,298	-	607,850
Total liabilities	3,028,429	4,438,670	167,894	1,522,055	(1,933,156)	7,223,892
Capital expenditure	334,846	814,978	214	6,233	-	1,156,271
Significant non-cash items						
Depreciation and amortisation	193,562	101,034	1,474	7,223	-	303,293
Allowance made for impairment in value of assets and assets written off (net)	67,957	268	81	3	-	68,309

(ii) Geographical segments

	Revenue		Non-current Assets		Total Assets		Capital Expenditure	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Singapore	4,860,720	45	4,195,254	52	9,402,471	68	706,447	61
Rest of ASEAN, Australia & India	1,231,812	11	754,102	9	833,907	6	16,022	1
China	150,319	1	1,323,843	16	1,460,577	11	23,223	2
Middle East & Africa	299,696	3	317,692	4	411,913	3	3,999	-
UK	534,982	5	704,383	9	782,333	6	29,913	3
Rest of Europe	1,663,895	16	232,801	3	258,176	2	-	-
Brazil	15,482	-	387,948	5	432,835	3	369,985	32
U.S.A.	1,420,550	13	4,475	-	5,649	-	2	-
Other Countries	620,166	6	143,899	2	166,025	1	6,680	1
Total	10,797,622	100	8,064,397	100	13,753,886	100	1,156,271	100

16. SEGMENTAL REPORTING (Cont'd)

FY12

(i) Operating segments

	Utilities	Marine	Urban Development	Others/ Corporate	Elimi- nation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Turnover						
External sales	5,615,449	4,428,011	11,605	133,993	-	10,189,058
Inter-segment sales	48,886	2,112	4,018	44,727	(99,743)	-
Total	5,664,335	4,430,123	15,623	178,720	(99,743)	10,189,058
Results						
Segment results	534,666	554,773	6,271	7,240	-	1,102,950
Finance income	5,776	21,439	189	47,981	(46,833)	28,552
Finance costs	(130,841)	(3,262)	(563)	(52,164)	46,833	(139,997)
	409,601	572,950	5,897	3,057	-	991,505
Share of results of associates and joint ventures	71,967	44,001	37,695	9,588	-	163,251
	481,568	616,951	43,592	12,645	-	1,154,756
Tax (expense)/credit	(71,726)	(49,717)	1,408	(1,663)	-	(121,698)
Non-controlling interests	(35,201)	(240,523)	(3,885)	(166)	-	(279,775)
Net profit for the year	374,641	326,711	41,115	10,816	-	753,283
Assets						
Segment assets	6,041,185	5,368,451	192,761	1,632,196	(1,919,256)	11,315,337
Investment in associates and joint ventures	436,553	433,303	563,768	71,985	-	1,505,609
Tax assets	59,752	2,471	1,560	126	-	63,909
Total assets	6,537,490	5,804,225	758,089	1,704,307	(1,919,256)	12,884,855
Liabilities						
Segment liabilities	4,048,842	3,008,683	137,621	1,320,642	(1,919,256)	6,596,532
Tax liabilities	392,449	229,054	8,519	13,874	-	643,896
Total liabilities	4,441,291	3,237,737	146,140	1,334,516	(1,919,256)	7,240,428
Capital expenditure	777,069	535,980	28	2,853	-	1,315,930
Significant non-cash items						
Depreciation and amortisation	180,696	94,415	1,459	5,050	-	281,620
Allowance made for impairment in value of assets and assets written off (net)	17,150	464	153	-	-	17,767

(ii) Geographical segments

	Revenue		Non-current Assets		Total Assets		Capital Expenditure	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Singapore	5,212,045	51	3,697,617	48	8,463,743	66	952,892	72
Rest of ASEAN, Australia & India	907,890	9	677,983	9	744,247	6	38,928	3
China	100,454	1	1,142,668	15	1,226,366	9	50,883	4
Middle East & Africa	764,446	8	1,190,209	15	1,383,619	11	185,175	14
UK	551,625	5	777,594	10	825,746	6	38,705	3
Rest of Europe	1,483,842	15	-	-	127	-	-	-
Brazil	2,797	-	45,803	1	59,272	1	36,952	3
U.S.A	809,553	8	4,509	-	5,925	-	-	-
Other Countries	356,406	3	153,725	2	175,810	1	12,395	1
Total	10,189,058	100	7,690,108	100	12,884,855	100	1,315,930	100

16. SEGMENTAL REPORTING (Cont'd)

Notes to Segmental Analysis

16a. Operating Segments

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

- (i) The Utilities segment's principal activities are in the provision of energy, water, on-site logistics and solid waste management to industrial and municipal customers. Key activities in the energy sector include power generation and retail, process steam production and supply, as well as natural gas import, supply and retail. In the water sector, the business offers wastewater treatment as well as the production and supply of reclaimed, desalinated and potable water and water for industrial use.
- (ii) The Marine segment focuses principally on providing integrated solutions in the repair, building and conversion of ships and rigs, and offshore engineering and construction.
- (iii) The Urban Development segment owns, develops, markets and manages integrated urban developments comprising industrial parks as well as business, commercial and residential space in Asia.
- (iv) Others / Corporate segment comprises businesses mainly relating to minting, design and construction activities, offshore engineering and others.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

16b. Geographical Segments

The Group operates in nine principal geographical areas: Singapore, China, Rest of ASEAN, Australia & India, Middle East & Africa, UK, Rest of Europe, Brazil, U.S.A and Other Countries. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets and total assets are based on the geographical location of the assets.

16c. Review of segment performance

Please refer to Paragraph 11 for analysis by operating segments.

17. INTERESTED PERSON TRANSACTIONS

Aggregate value of all interested person transactions conducted under
shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual
(excluding transactions less than \$100,000)

	4Q13	FY13
	\$'000	\$'000
<u>Sale of Goods and Services</u>		
Temasek Holdings (Private) Limited and its Associates		
- PSA International Pte Ltd and its Associates	1,408	5,060
- Mapletree Investments Pte Ltd and its Associates	110	1,475
- Singapore Power Limited and its Associates	547	2,169
- Temasek Capital (Private) Limited and its Associates	8,072	9,122
- Singapore Technologies Telemedia Pte Ltd and its Associates	139	577
	10,276	18,403
Starhub Ltd and its Associates	221	927
SATS Ltd and its Associates	53	207
Singapore Telecommunications Ltd and its Associates	-	444
Singapore Airlines Limited and its Associates	1,576	6,424
Singapore Technologies Engineering Ltd and its Associates	1,049	1,049
STATS ChipPAC Ltd and its Associates	126	231
	13,301	27,685
<u>Purchase of Goods and Services</u>		
Temasek Holdings (Private) Limited and its Associates		
- Temasek Capital (Private) Limited and its Associates ¹	226,200	979,283
- Singapore Power Limited and its Associates	1,018	4,243
- Certis CISCO Security Pte Ltd and its Associates	177	372
	227,395	983,898
SMRT Corporation Ltd and its Associates	184	996
Singapore Technologies Engineering Ltd and its Associates	306	431
	227,885	985,325
<u>Management and Support Services</u>		
- Temasek Capital (Private) Limited and its Associates	1,030	2,563
Total interested person transactions	242,216	1,015,573

Note:

1. This relates mainly to the purchase of gas by Sembcorp Cogen Pte Ltd from Sembcorp Gas Pte Ltd for the generation of electricity. Sembcorp Gas Pte Ltd is 30% owned by Seletar Investments Pte Ltd, a wholly-owned subsidiary of Temasek Holdings (Private) Limited.

18. **REPORT OF PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO A DIRECTOR, CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDER**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that, to the best of its knowledge, belief and information, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or the chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

**Kwong Sook May (Ms)
Company Secretary
February 26, 2014**