



1Q2016 Results Announcement

May 4, 2016

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1Q2016 Performance Round-up



Turnover at S\$1.9 billion, down 19%

Profit from Operations at S\$237.5 million, down 6%

Net Profit at S\$107.0 million, down 25%

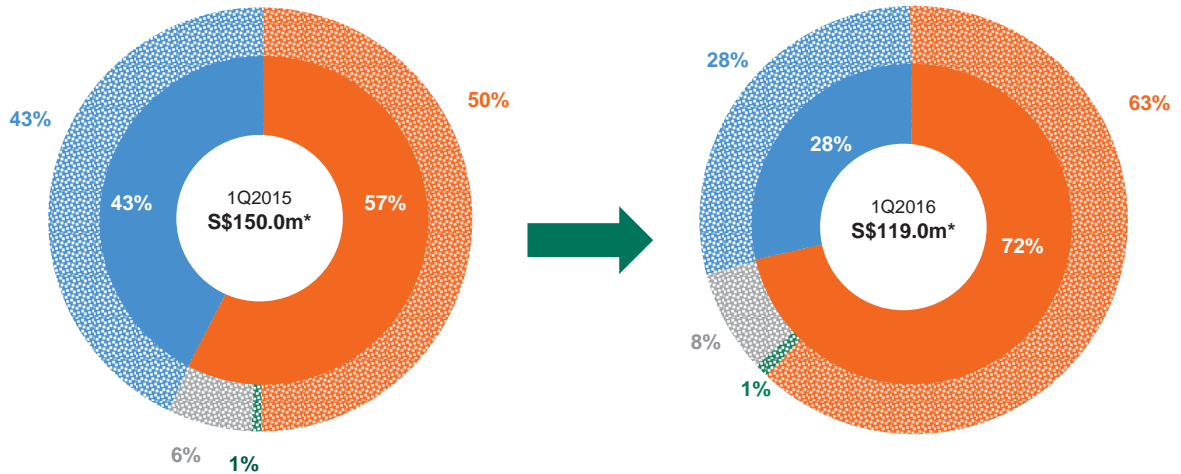
EPS at 5.5 cents

ROE (annualised) at 6.7%

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Group Net Profit Mix

- ▶ Marine
- ▶ SCI Ex-Marine
- ▶ Utilities
- ▶ Urban Development
- ▶ Other Businesses



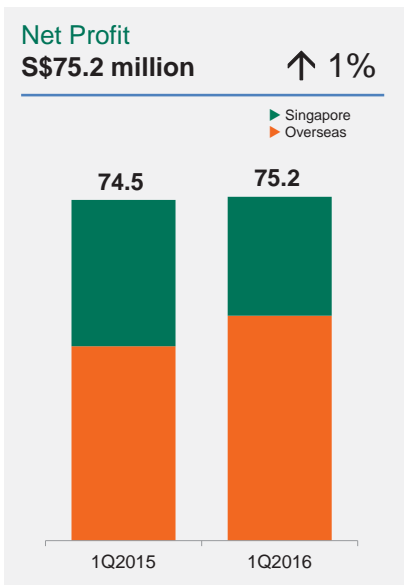
*Excludes Corporate Costs

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Utilities

Building the foundation for long-term growth



Highlights

Stable 1Q2016 performance

- Net profit from overseas operations grew 12%, offsetting weak performance from Singapore

Secured long-term PPAs in India and Myanmar

- Secured 570MW long-term PPA with Telangana. Offtake commenced end-March. 86% of TPCIL's net capacity contracted under long-term PPAs
- Signed 22-year PPA with Myanma Electric Power Enterprise (MEPE) for the 225MW Myingyan IPP

Other India updates

- Increased stake in Indian entities: Sembcorp Green Infra to 67.67% and TPCIL to 87% in April. Sembcorp Gayatri Power to 88% by 2Q2016
- TPCIL's Unit 2 shut down for repairs and annual overhaul in April. Expected to be back in operation in May

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Development of project pipeline progressing well

India



Semcorp Gayatri Power (1,320MW)
94% complete
 COD: 3Q2016 (Unit 1)
 4Q2016 (Unit 2)

India



Semcorp Green Infra
 Rojwas (60MW)
100% complete

UK



Wilton 11 (49MW or 190tph steam)
95% complete
 COD: 2H2016

Singapore



EfW Facility (140tph steam)
82% complete
 COD: 4Q2016

China



Changzhi TWMP (1.3 million m³/day)
82% complete
 COD: end-2016/2017

China

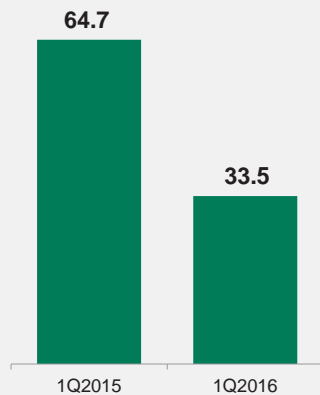


Chongqing Songzao (1,320MW)
82% complete
 COD: 2017

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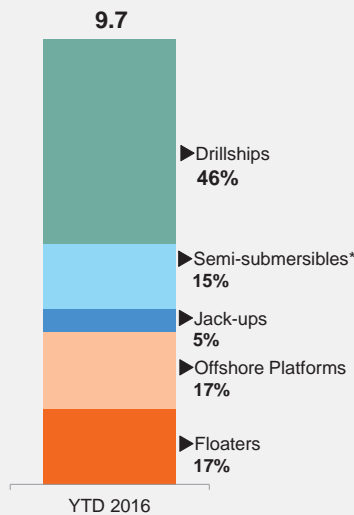
Challenging macro environment

Net Profit*
S\$33.5 million ↓48%



*Sembcorp's share of Marine's net profit

Net Orderbook* (as at Apr 27, 2016)
S\$9.7 billion



*Includes drilling, well intervention, accommodation and crane units

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Updates

Acquired controlling interest in Gravifloat with increase in equity stake to 56%

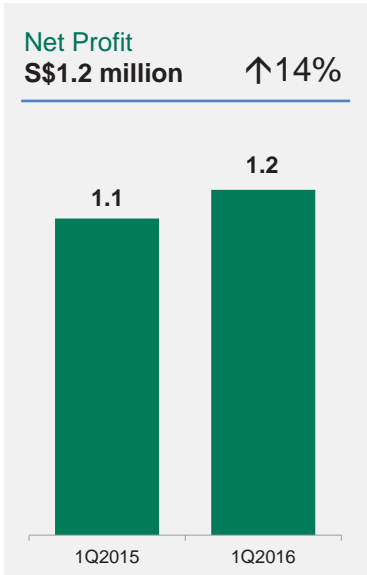
Diversifying product capabilities

- Gravifloat designs and holds patents for a suite of re-deployable, modularised solutions based on its unique near-shore, gravity-based floating LNG terminal solutions
- A cost competitive and compelling alternative to existing onshore and floating LNG facilities, such as FSRUs, FLNG and land terminals

Update on Sete Brasil drillship contracts

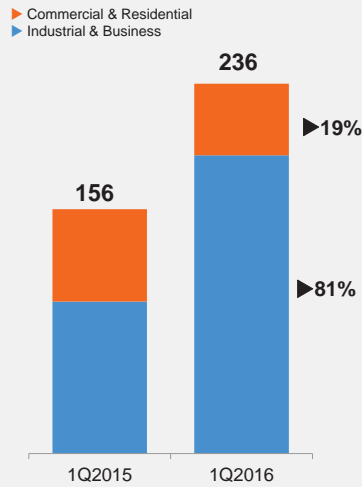
- On April 29, 2016, Sete Brasil filed for judicial recovery
- Sembcorp Marine commenced arbitration proceedings against various subsidiaries of Sete Brasil to preserve its interest under the Sete contracts
- Provision of S\$329 million made in 4Q2015 adequate under present circumstances

Demand for industrial land in Vietnam remains strong



Net Orderbook 236 hectares

- Trans-Pacific Partnership continues to boost industrial land demand in Vietnam



Highlights

Groundbreaking of the Nanjing International Water Hub (NIWH)

- A centre of excellence to facilitate the development and commercialisation of new water technologies
- To serve as an eco-system to attract international water companies and research institutions
- 34,183sqm development to host research facilities, business and conference space
- Targeted to be completed in 2018



Artist's impression of NIWH

Financial Review

Group Profit & Loss



(S\$M)	1Q16	1Q15	Δ%
Turnover	1,895	2,338	(19)
EBITDA*	313	304	3
Profit from Operations	238	254	(6)
EBIT	202	214	(6)
Share of results: Associates & JVs	36	40	(11)
Net Finance Cost	(77)	(26)	(200)
Finance costs	(86)	(32)	(176)
Finance income	9	6	71
PBT	161	228	(29)
Tax	(30)	(40)	26
Non-Controlling Interests	(24)	(46)	47
Net Profit	107	142	(25)
EPS (cents)	5.5	7.8	(30)

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

Group Turnover



(S\$M)	1Q16	1Q15	Δ%
Utilities	895	958	(7)
Marine	918	1,304	(30)
Urban Development*	1	1	(7)
Other Businesses	81	75	8
TOTAL TURNOVER	1,895	2,338	(19)

* 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)	1Q16	1Q15	Δ%
Utilities	154.7	107.0	45
Marine	83.7	142.2	(41)
Urban Development	2.3	2.1	6
Other Businesses	8.9	8.0	12
Corporate*	(12.1)	(5.6)	(117)
TOTAL PFO	237.5	253.7	(6)

*Includes a fair value loss of S\$5.8 million due to the decline in the share price of Gallant Venture, which is classified as an available-for-sale financial asset. Excluding this, Corporate costs in 1Q16 would have been S\$6.3 million.

Group Net Profit



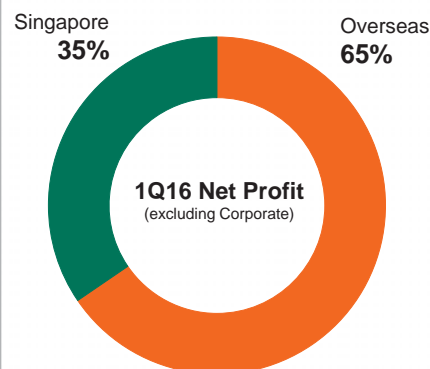
(S\$M)	1Q16	1Q15	Δ%
Utilities	75.2	74.5	1
Marine	33.5	64.7	(48)
Urban Development	1.2	1.1	14
Other Businesses	9.1	9.7	(7)
Corporate*	(12.0)	(7.8)	(54)
TOTAL NET PROFIT	107.0	142.2	(25)

*Includes a fair value loss of S\$5.8 million due to the decline in the share price of Gallant Venture, which is classified as an available-for-sale financial asset. Excluding this, Corporate costs in 1Q16 would have been S\$6.2 million.

Utilities Net Profit



By Geography (\$M)	1Q16	1Q15	Δ%
Singapore*	29.8	32.6	(9)
China	25.6	19.9	29
India	(1.3)	(1.6)	17
Rest of Asia**	5.7	13.7	(58)
Middle East & Africa	12.4	8.7	43
UK & the Americas	13.8	9.4	47
Corporate	(10.8)	(8.2)	(32)
TOTAL NET PROFIT	75.2	74.5	1



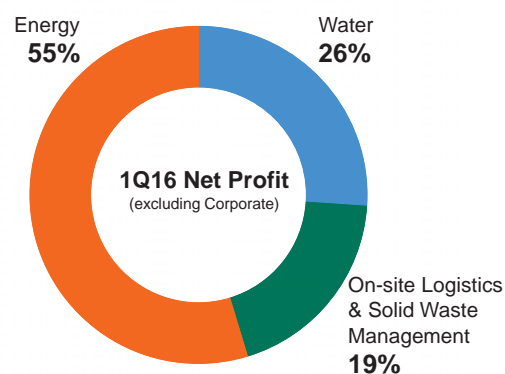
* Singapore: Net Profit breakdown	1Q16	1Q15	Δ%
Energy	7.9	12.2	(35)
Water	8.9	10.6	(16)
On-site Logistics & Solid Waste Management	13.0	9.8	33

** 1Q2015 net profit included S\$6.0 million contribution from SembSITA Pacific. SembSITA Pacific was divested in November 2015.

Utilities Net Profit



By Product Segment (\$M)	1Q16	1Q15	Δ%
Energy	47.0	39.6	19
Water	22.5	24.1	(7)
On-site Logistics & Solid Waste Management	16.5	19.0	(13)
Corporate	(10.8)	(8.2)	(32)
TOTAL NET PROFIT	75.2	74.5	1



Group Capex and Equity Investment



(S\$M) **1Q16** **1Q15**

Capital Expenditure

- Utilities	88.3	179.3
- Marine	101.3	204.4
- Urban Development / Other Businesses	2.2	1.4
	191.8	385.1

Equity Investment

- Utilities	72.6	314.7
- Marine	52.5	-
- Urban Development	2.5	-
	127.6	314.7

Group Free Cash Flow



(S\$M) **1Q16** **1Q15**

CASH FLOW FROM OPERATING ACTIVITIES

- before changes in working capital	291	320
- changes in working capital	(213)	(146)
- tax paid	(10)	(20)
	68	154

CASH FLOW FROM INVESTING ACTIVITIES

- divestments, dividend and interest income	22	25
- investments, capex and non-trade balances*	(240)	(725)
	(218)	(700)

- Add back: expansion capex	298	611
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FREE CASH FLOW	148	65
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* Payables for capital works / fixed assets

Group Borrowings



(\$M)	Mar 31,16	D/C ratio*	Dec 31,15	D/C ratio*
Gross Debt				
Corporate debt	1,152	0.07	1,197	0.08
Project finance debt	3,457	0.21	2,256	0.15
Sembcorp Marine debt	3,902	0.23	3,380	0.23
	8,511	0.51	6,833	0.46
Less: Cash and cash equivalents	(1,927)		(1,606)	
Net debt	6,584	0.39	5,227	0.35

*Total Debt-to-Capitalisation ratio

Financial Indicators



	1Q16	1Q15	FY15
EPS (cents)	21.5*	31.3*	29.2
ROE (%)	6.7*	9.7*	9.4
ROTA (%)	4.2*	4.9*	3.7
Interest Cover (times)	3.6	9.7	7.2
Per Share			
NAV (S\$)	3.60	3.31	3.60

* Annualised

Utilities

The Utilities business' overseas growth strategy remains on track. 2016 will see a full year's contribution from its recently completed TPCIL power plant in India. However, in Singapore, its energy business is expected to face continued intense competition in the power market.

Backed by strong operational, management and technical capabilities, the business remains focused on the execution of its pipeline of projects and the pursuit of new growth opportunities to deliver long-term growth.

Marine

The global oil and gas industry continues to be volatile and uncertain. On April 29, 2016, Sete Brasil filed for judicial recovery.

Sembcorp Marine believes this down-cycle is likely to be more protracted than previous cycles. Whilst maintaining its cautious outlook, Sembcorp Marine is prepared not just to overcome these challenges but to lay stronger foundations for the future when the market recovers.

Sembcorp Marine will continue to actively manage its balance sheet. It remains optimistic of the longer term prospects of its business with facilities being built to cater to the industry's demand for the long term. As an integrated Sembcorp Marine, the business will optimise its capabilities and capacities as well as increase its efficiency and productivity to better serve its partners and customers.

Urban Development

The Urban Development business is expected to deliver a steady operating performance in 2016.

Group

The global downturn in the oil and gas sector and competition in the Singapore power market is expected to continue in 2016. With sound strategies and strong capabilities, the Group is confident that it will continue to create and deliver long-term value and growth.



Vital Partners. Essential Solutions.

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Appendix

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Utilities Turnover

By Geography (S\$M)	1Q16	1Q15	Δ%
Singapore	534.1	772.4	(31)
China	39.3	38.0	3
India	213.2	12.4	NM
Middle East & Africa	24.7	25.4	(3)
UK & the Americas	88.9	116.5	(24)
TOTAL TURNOVER	900.2	964.7	(7)

Note: Figures are stated before intercompany eliminations

Utilities Profit From Operations (PFO)



By Geography (S\$M)	1Q16	1Q15	Δ%
Singapore	45.5	49.4	(8)
China	28.3	22.4	26
India	53.4	3.0	NM
Rest of Asia*	5.7	13.7	(58)
Middle East & Africa	13.4	9.8	37
UK & the Americas	15.9	14.1	13
Corporate	(7.5)	(5.4)	(39)
TOTAL PFO	154.7	107.0	45

* 1Q2015 net profit included S\$6.0 million contribution from SembSITA Pacific. SembSITA Pacific was divested in November 2015.

Utilities Turnover



By Product Segment (S\$M)	1Q16	1Q15	Δ%
Energy	737.1	765.0	(4)
Water	81.1	115.0	(29)
On-site Logistics & Solid Waste Management	82.0	84.7	(3)
TOTAL TURNOVER	900.2	964.7	(7)

Note: Figures are stated before intercompany eliminations

Utilities Profit From Operations (PFO)



By Product Segment (\$M)	1Q16	1Q15	Δ%
Energy	112.8	54.2	108
Water	29.3	35.1	(17)
On-site Logistics & Solid Waste Management	20.1	23.1	(13)
Corporate	(7.5)	(5.4)	(39)
TOTAL PFO	154.7	107.0	45