

November 7, 2005

**SEMBCORP INDUSTRIES ACHIEVES ROBUST 36% GROWTH IN NET PROFIT FOR 9M2005**

- **GROUP PATMI FOR 9M2005 AT \$212.8 MILLION**
- **TURNOVER UP 21% TO \$5.3 BILLION**

SembCorp Industries achieved robust 36% growth in profits attributable to shareholders (PATMI) for the nine-month period (9M2005) to \$212.8 million, with PATMI for the third quarter of 2005 (3Q2005) rising 28% to \$66.1 million. This was led by strong contributions from its Utilities and Marine businesses. Group turnover for 9M2005 climbed 21% to \$5.3 billion.

Fully-owned subsidiary SembCorp Utilities continued to ride on the momentum of its first half performance. Its contribution to Group PATMI for 9M2005 grew by 37% to \$104.7 million, boosted by strong overseas operations in the United Kingdom and Vietnam. Its Singapore operations remained stable and continued to perform well whilst positioning itself to attract potential new customers entering Jurong Island.

SembCorp Marine's 9M2005 turnover increased significantly by 42% to \$1.4 billion. There was growth across all its business segments and its orderbook rose to a high of \$5.7 billion. The Group's share of SembCorp Marine's PATMI increased 30% to \$56.2 million. The increase was due mainly to better operating profits as well as contribution from associates acquired during the course of the year.

The Group's share of SembCorp Logistics' PATMI at 9M2005 climbed 16% to \$26.2 million; on the back of a 14% increase in turnover to \$398.0 million powered by the latter's Supply Chain Management business.

Mr Tang Kin Fei, Group President and CEO said, "We are pleased with our 9M2005 results. The Group has been working hard to position itself strategically in markets and sectors with good growth potential and we have seen some of the results this year. We are confident that 2005 will be a good year for the Group."

## **Outlook**

The Group's overall operating performance for 2005 is expected to be better than that of 2004 on a comparable basis, which excludes profit contribution from KNI in 2004.

## **SembCorp Industries 9M2005 Financial Highlights**

### **Delivered top and bottom-line growth**

- Turnover of \$5.3bn, up 21%
- PATMI of \$212.8m, up 36%
- PATMI before EI of \$198.2m, up 50% (excl KNI)

### **Maintained healthy balance sheet**

- Net cash position
- Interest cover at 10 times

### **Strong operating cash flow**

- Operating cash flow at \$645.3m

### **Positive EVA**

- Strong EVA at \$176.1m

-End-

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