



SembCorp
Marine

FY2005 Results Announcement

February 14, 2006



Scope of Briefing

Part I

- Financial Review

Part II

- Operations Review & Outlook
- Sustaining Growth
- Summary & Financial Targets

Part III

- Q & A



FY2005 Performance Highlights

2005 : Another Record Year

- Revenue increased by 56% to a record high at \$2,119 million
 - Gross profit increased 41% to \$169.5 million
 - Operating profit increased 34% to \$124.5 million
 - PBT increased 41% to \$159.9 million
 - PATMI increased 29% at \$121.4 million
 - PATMI (exclude prior year tax) increased 36% to \$122.0 million
 - EPS at 8.45 cents (2004 : 6.62 cents) : up 28%
 - Total dividend for FY 2005 : 9.5 cents per share
FY 2004 : 7.5 cents per share
- Final dividend of 7.0 cents per share
- Interim dividend of 2.5 cents per share



Earnings & EPS

PATMI growth at 29% & at 36% (exclude prior year tax)

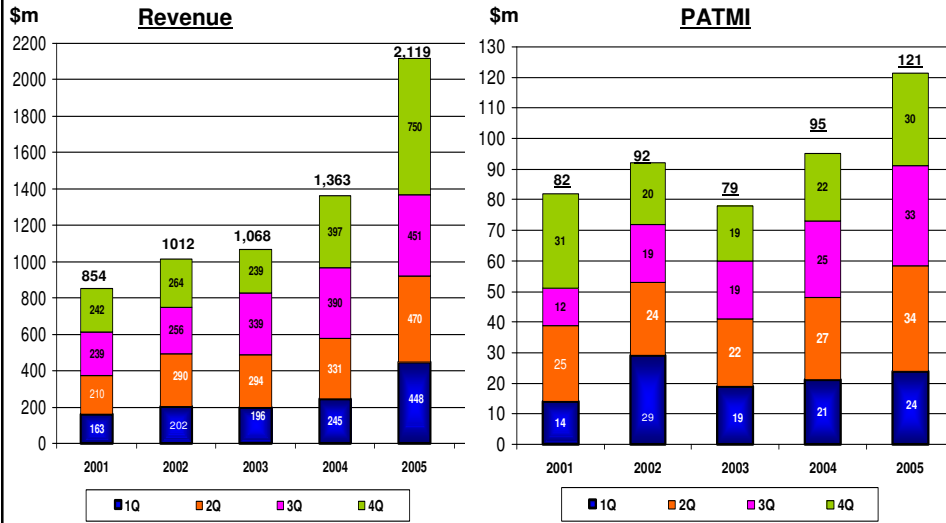
Description \ Year	4Q		% Δ	FY		% Δ
	2005	2004		2005	2004	
Revenue (\$'m)	750.0	396.9	88.9	2,119.3	1,362.8	55.5
EBITDA	45.2	28.1	60.9	162.6	130.5	24.6
Operating Profit (\$'m)	33.1	17.9	84.8	124.5	92.9	34.0
Pre-tax Profit	42.9	28.5	50.3	159.9	113.1	41.4
PATMI	30.3	24.5	23.3	121.4	94.1	29.0
PATMI (exclude prior year tax)	30.9	24.3	26.9	122.0	89.9	35.7
EPS (cents) - Basic	2.09	1.72	21.5	8.45	6.62	27.6
- Diluted	2.04	1.72	18.6	8.25	6.60	25.0



5-Year Revenue & PATMI

FY 2005 revenue grew by 56% to \$2,119 million

FY 2005 PATMI grew by 29% to \$121 million



Performance of Associates

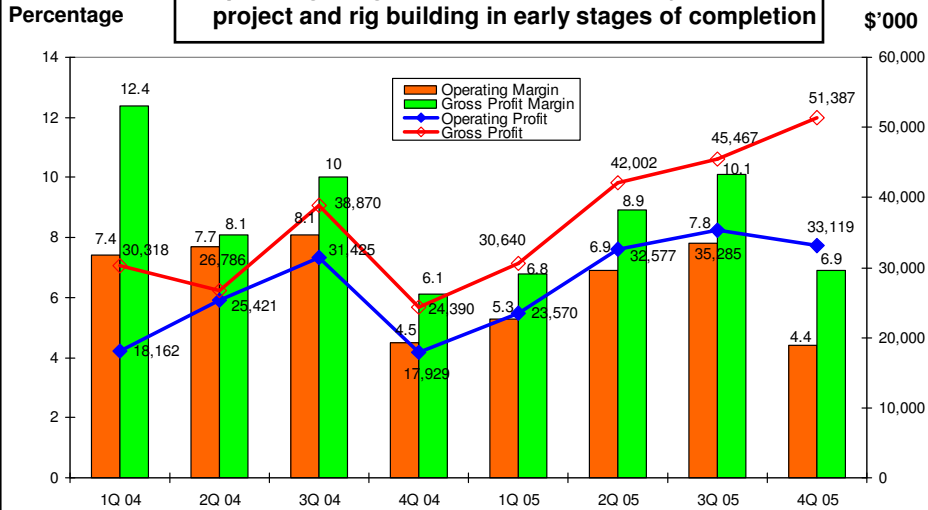
(Profit before Tax)

Increasing contributions from Cosco Shipyard Group

Description	Year		% Δ	FY 2005	FY 2004	% Δ
	4Q 2005	4Q 2004				
CSG/Cosco Dalian	7.83	1.84	326	25.21	6.95	263
Jurong Shipyard Inc	(5.43)	7.39	n.m.	(7.11)	6.06	n.m.
Pacific Workboats	0.71	0.71	-	1.01	1.07	(6)
Others	(0.40)	(0.23)	74	0.43	(0.80)	n.m.
Total	2.71	9.71	(72)	19.54	13.28	47

Operating Margin & Operating Profit

- Gross Profit shows increasing trend
- Operating Margin declines due to turnkey FPSO project and rig building in early stages of completion



Capital/Gearing/ROE

Net Cash at a healthy level at \$381.7 million

Description \ Year	FY2005	FY2004	% change
Shareholders' Funds	1,065.5	968.9	10.0
Capital Employed	1,115.7	1,002.7	11.3
Net Cash	381.7	319.8	19.4
ROE (%)	11.9	10.0	19.3
Net Asset Value (cents)	73.5	67.9	8.3

Free Cashflow

Net Cash provided by operating activities increased by 39% as compared with FY2004
Dividends paid increased 73% to \$99.3 million

Description \ Year	FY2005	FY2004	% change
Cashflow from operation before reinvestment in working capital	163.9	124.0	32.2
Net cash provided by operating activities	303.1	218.3	38.8
Net cash (used in)/provided by investing activities	(172.9)	39.4	n.m
Dividends paid to shareholders	(99.3)	(57.3)	73.3
Net increase in cash & cash equivalent	531.5	469.5	13.2

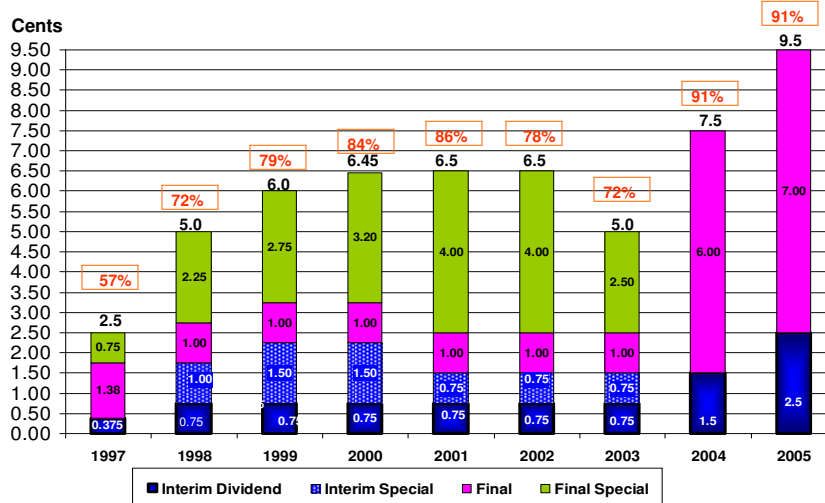
Capex

Investment in Cosco Shipyard Group in January 2005 and Sabine, USA in October 2005

Description \ Year(\$m)	2006 Budget	2005 Budget	FY2005 Actual
Rig	35.8	97.3	97.6
Buildings	2.0	0.7	0.2
Plants, Machinery & Cranes	27.6	17.9	33.2
Office & Workshop Equipment	5.4	4.6	8.6
	70.8	120.5	139.6
Sabine Industries Inc.	-	-	8.6
Cosco Shipyard Group	24.6	49.0	47.5
Others	25.4	-	-
	50.0	49.0	56.1
Total	120.8	169.5	195.7

Commitment to Shareholder Value

Record FY2005 Dividend Payout at 9.5 cents per share
 Dividend payout at 91% of PATMI
 Management Guideline : Not lower than 75% in payout ratio

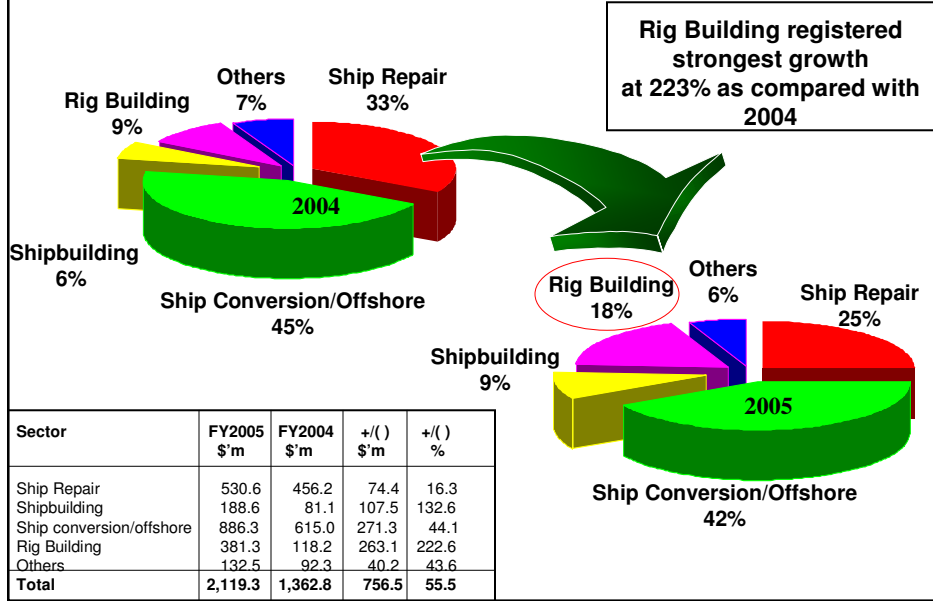


Operations Review & Outlook

GLOBALISED CORE CAPABILITIES



Turnover by Segments



Turnover by Segments (4Q2005 vs 4Q2004 & FY2005 vs FY2004)

All Sectors registered strong increases

Sector	\$'m	4Q 2005	4Q 2004	% Change	FY2005	FY2004	% Change
Ship Repair	137.7	137.7	117.9	16.8	530.6	456.2	16.3
Shipbuilding	42.7	42.7	16.3	162.0	188.6	81.1	132.6
Ship Conversion Offshore	366.2	366.2	171.0	114.2	886.3	615.0	44.1
Rig Building	180.5	180.5	66.3	172.2	381.3	118.2	222.6
Others	22.9	22.9	25.4	(9.8)	132.5	92.3	43.6
Total	750.0	750.0	396.9	88.9	2,119.3	1,362.8	55.5

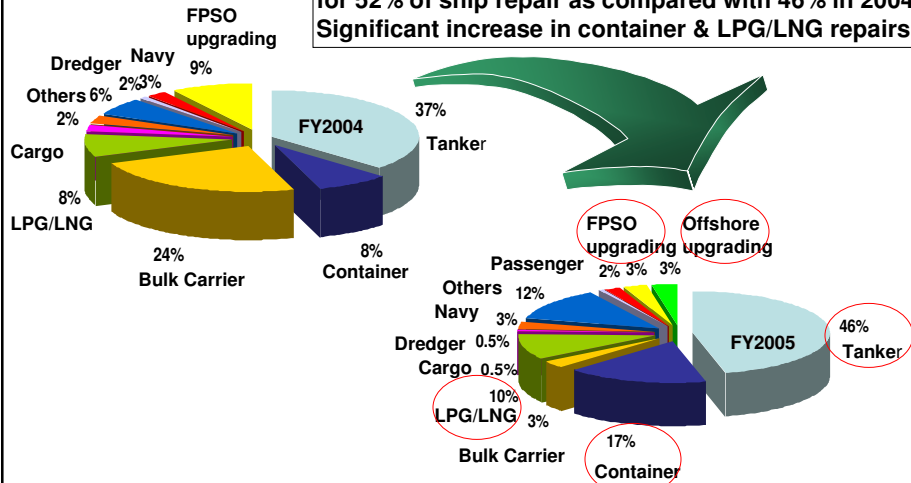
Ship Repair : Review

Average value per vessel increased by 18% to \$1.72 million

Description	Year		
	FY2005	FY2004	% change
Revenue contributions	530.6	456.2	16.3
No. of vessels	309	313	(1.3)
Average value per vessel (\$m)	1.72	1.46	17.8

Ship Repair : Review

Tankers & FPSO/FSO & Offshore Upgradings accounted for 52% of ship repair as compared with 46% in 2004. Significant increase in container & LPG/LNG repairs



Ship Repair : Enquiry Levels

Enquiry levels remain strong. 2006 is expected to be strong

2005			2004		
1H	2H	FY	1H	2H	FY
850	703	1,553	874	654	1,528

Shipbuilding : Review

Increasing shipbuilding contributions with more vessels in work-in-progress stages

Description	Year		
	FY 2005	FY 2004	% change
No. of vessels delivered	3(2)*	4(3)*	(25)
No. of vessels (WIP)	6	6	100
In early stages	3	6	(50)
Percentage completion (\$m)	188.6	81.1	132.6

WIP – work in progress
* - Fast Boat/tugs

Shipbuilding: Review

Shipbuilding activities will remain strong in 2006

Project Completed & Delivered in 2005

Project Name/Type	Customer	Delivery schedule
• 1 st unit 2,600 TEU container	Wan Hai Lines	3Q 2005

Projects in WIP Stages

• 2 nd unit 2,600 TEU container	Wan Hai Lines	1Q 2006
• 3 rd & 4 th 2,600 TEU container	Wan Hai Lines	3Q & 4Q 2006
• 1 st unit 2,600 TEU container	Reederei F Laeisz	3Q 2006
• 2 units 4,950 dwt tanker	Kuwait Oil Tanker	4Q 2006

Projects in Early Stages of Production

• 5 th & 6 th 2,600 TEU container	Wan Hai Lines	2Q & 3Q 2007
• 2 nd unit 2,600 TEU container	Reederei F Laeisz	1Q 2007

Ship Conversion & Offshore : Review

Ship conversion/offshore expected to be strong in 2006

Description	Year		
	FY 2005	FY 2004	% change
No. of vessels completed	2	1	100
No. of vessels (WIP)	5	6	(17)
Projects in early stages	5	1	400
Percentage completion (\$m)	886.3	615.0	44.1

WIP – work in progress



Ship Conversion & Offshore: Review

Ship Conversion & Offshore activities expected to be strong in 2006

Projects completed & delivered in 2005

Project Name/Type	Customer	Delivery schedule
• Modec Venture 11 FPSO conversion	Modec	1Q 2005
• Erha FPSO Topsides installation	Bouygues Offshore	3Q 2005

Projects in WIP stages

• P-50 Topsides installation	Petrobras	1Q 2006
• P-54 marine conversion	Petrobras	1Q 2006
• P-54 Topsides fabrication	Petrobras	1Q 2006
• P-54 Compressor modules	Petrobras	1Q 2006
• Heavy Lift Derrick Pipelay	Sapura Crest	1Q 2007

Projects in early stages of production

• P-54 integration & commissioning	Petrobras	3Q 2007
• ConocoPhillips topsides	ConocoPhillips	2Q 2008
• PRA-1 FPSO conversion	Modec	1Q 2007
• RJS FSO conversion	Modec	4Q 2006

Newly secured project

• WS Enterprise FPSO conversion	Bergessen	4Q 2006
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Rig Building : Review

Rig Building still in early stages of production in 2005
We expect 2006 to be strong

Description	Year	FY 2005	FY 2004	% change
No. of Rigs delivered	- JU	-	1(1)	n.m.
	- Semi	2	-	n.m.
No. of Rigs (WIP)	- JU	4(1)*	1(1)*	300
	- Semi	1	2	(50)
No. in engineering & early production stage	- JU	9	3	200
	- Semi	3	1	200
Percentage completion (\$m)		381.3	118.2	222.6

WIP – work in progress
() PPL Shipyard
(*) 1 unit JV Jack-up

Rig Building : Review

2 units of semi-submersible rigs delivered in 1Q2005

Projects Completed & Delivered in FY2005

Project Name	Type	Customer
• Development Driller I	Semi-submersible	GlobalSantaFe
• Development Driller II	Semi-submersible	GlobalSantaFe

Rig Building : Review

Jack-Up Rig building activities expected to increase substantially in 2006

Projects in WIP Stages

Project Name/Type	Customer	Delivery schedule
• 1 st unit Jack-Up	Kristiansand Drilling	1Q 2006
• 2 nd unit Jack-Up	Wilpower	2Q 2006
• 3 rd unit Jack-Up	Petrojack I	2Q 2007
• 4 th unit Jack-Up	Apexindo	4Q 2006

Projects in Engineering & Early Stages

• 5 th unit Jack-Up	Deep Drilling Invest	3Q 2007
• 6 th unit Jack-Up	WilSuperior	3Q 2007
• 7 th unit Jack-Up	Seatankers	4Q 2007
• 8 th unit Jack-Up	Petrojack II	1Q 2008
• 9 th unit Jack-Up	Japan Drilling	1Q 2008
• 10 th unit Jack-Up	Petrojack III	4Q 2008
• 11 th unit Jack-Up	Awilco	4Q 2007

Newly secured projects

• 12 th unit Jack-Up	Aban Lloyd	2Q 2008
• 13 th unit Jack-Up	Sinvest	4Q 2008



Rig Building : Review

Semi-submersible rig building activities also expected to increase in 2006

Projects in WIP Stages

Project Name/Type	Customer	Delivery schedule
• Lower Hull	Atlantia Offshore	1Q 2006

Projects in Engineering & Early Stages

• 1 st unit Semi-submersible	SeaDrill	3Q 2008
• 2 nd unit Semi-submersible	SeaDrill	4Q 2008
• 3 rd unit Semi-submersible	PetroMena	4Q 2009



Record Contracts Secured in 2005

Month	Value (\$m)	Details
January	\$ 217	1 unit Baker Marine Pacific Class 375 Jack-up rig for Apexindo
February	\$ 161	Fabrication & integration of topsides production modules for newbuild FPSO for ConocoPhillips China
	\$ 123	Design & construction of a Self-Propelled DP2 Heavy Lift Pipelay vessel for SapuraCrest Petroleum Berhad
	\$ 82	Fabrication of a deep draft semi-submersible hull for Atlantia Offshore
	\$ 194	1 unit Baker Marine Pacific Class 375 Jack-up rig for Deep Drilling Invest
March	\$ 196	1 unit Baker Marine Pacific Class 375 Jack-up rig for Wisuperior, a subsidiary of Awilco Offshore ASA
	(US\$605) (\$973)	
April	\$ 212	1 unit Baker Marine Pacific Class 375 Jack-up rig for Seatankers
	\$ 209	1 unit Baker Marine Pacific Class 375 Jack-up rig for Petrojack II
	\$ 215	1 unit Baker Marine Pacific Class 375 Jack-up rig for Japan Drilling
June	\$1,310	2 units of Friede & Goldman ExD designed semi-submersible rigs for SeaDrill
	(US\$1,311) (\$2,162) \$ 216	1 unit Baker Marine Pacific Class 375 Jack-up rig for Petrojack III
July	\$ 127	1 unit FPSO & 1 unit FSO conversions
August	\$ 697	1 unit of Friede & Goldman ExD designed semi-submersible for PetroMena
October	\$ 238	1 unit Baker Marine Pacific Class 375 Jack-up rig for Awilco
	(US\$642) (\$1,062)	
Total	(US\$2,558) \$4,197	



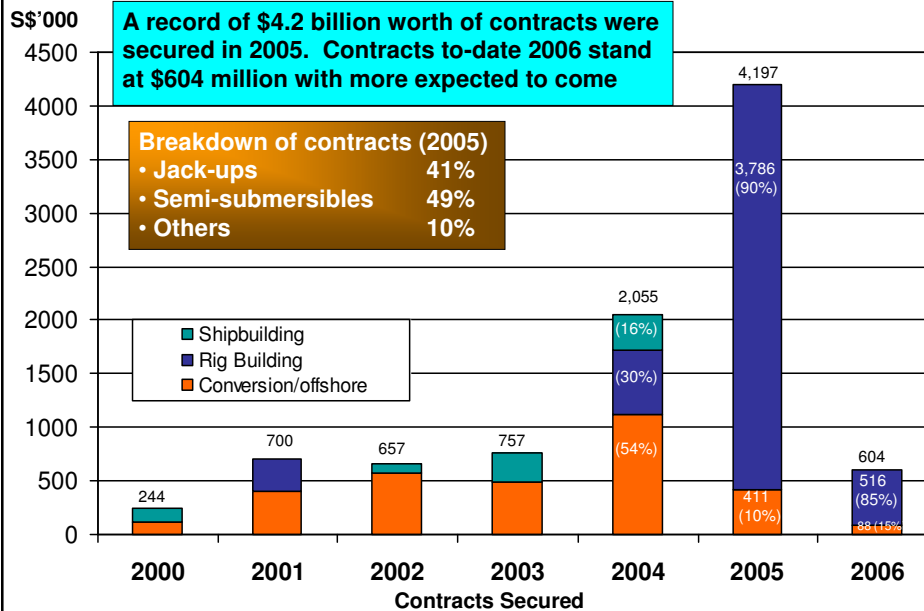
Contracts Secured in 2006 (To-date)

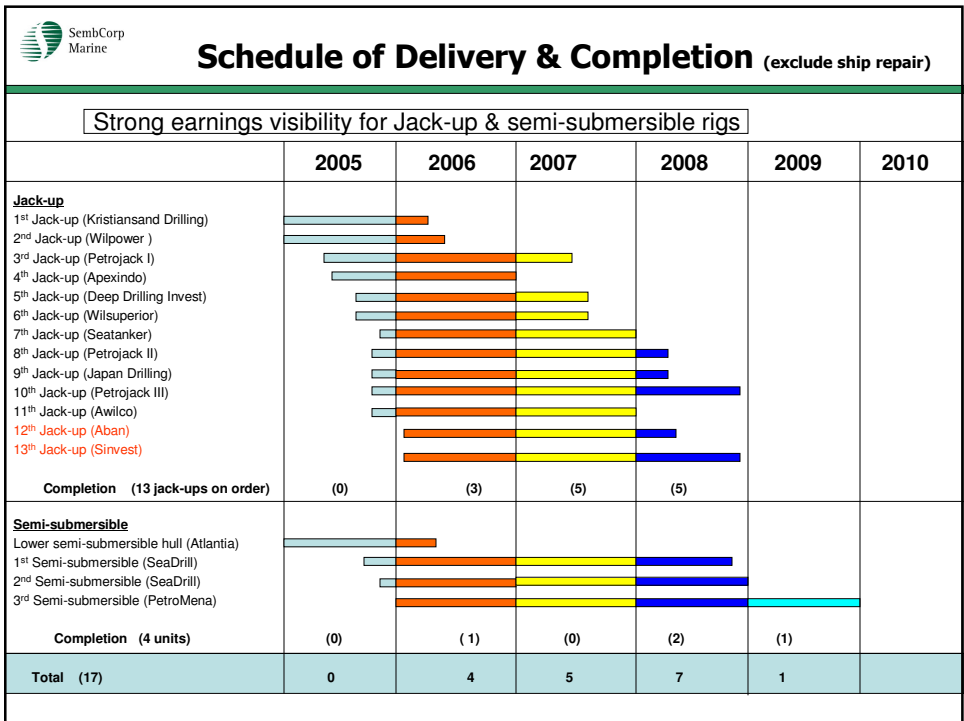
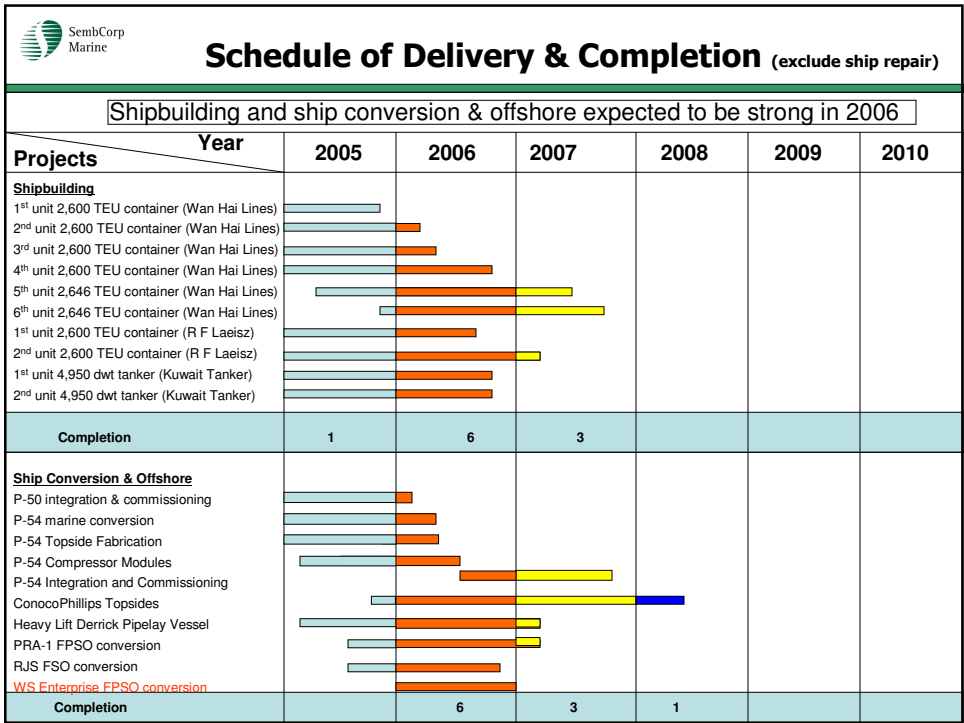
Contracts secured to-date stand at S\$604 million. We expect more

Month	Value		Details
	US\$m	S\$m	
January	\$ 175	\$288	1 unit Baker Marine Pacific Class 375 Jack-up rig for Aban Lloyd Chiles, India
January	\$ 53	\$ 88	1 FPSO conversion – WS Enterprise
Total	\$ 228	\$376	
February	\$ 141	\$228	1 unit of Baker Marine Pacific Class 375 Jack-up rig for Sinvest ASA
Total to-date	\$ 369	\$604	



Record Contracts Secured (exclude ship repair)





Total Order Book (exclude ship repair)

• Order Book remains strong at a record high at \$5.9 billion, including new contracts secured as at February 14, 2006

Sector	S\$m	Contract Value carried forward from 3Q 2005 plus new contracts secured as at to-date	Taken 4Q 2005	Balance	Percentage of Total Order Book
Shipbuilding		341	43	298	5%
Ship Conversion & Offshore		1,446	366	1,080	18%
Rig Building		4,748	181	4,567	77%
Total		6,535	590	5,945	100%

Outlook : Ship Repair

● Ship Repair expected to be strong

- strong demand
- market still competitive
- ability to deliver on schedule important
- high HSSE standards
- owners are more willing to spend in dockings

Outlook : Shipbuilding

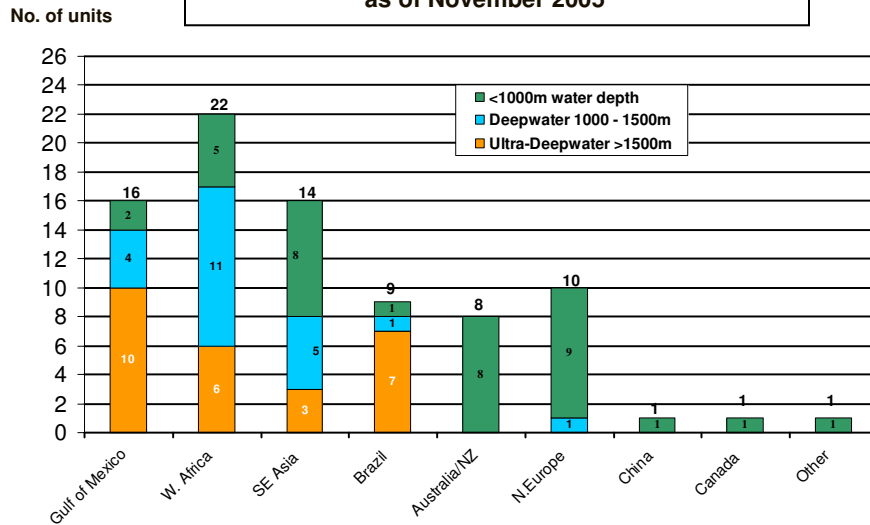
- Shipbuilding supported by strong demand
- Continual demand for niche market in feeder container vessels & offshore supply vessels

Outlook : Ship Conversion & Offshore

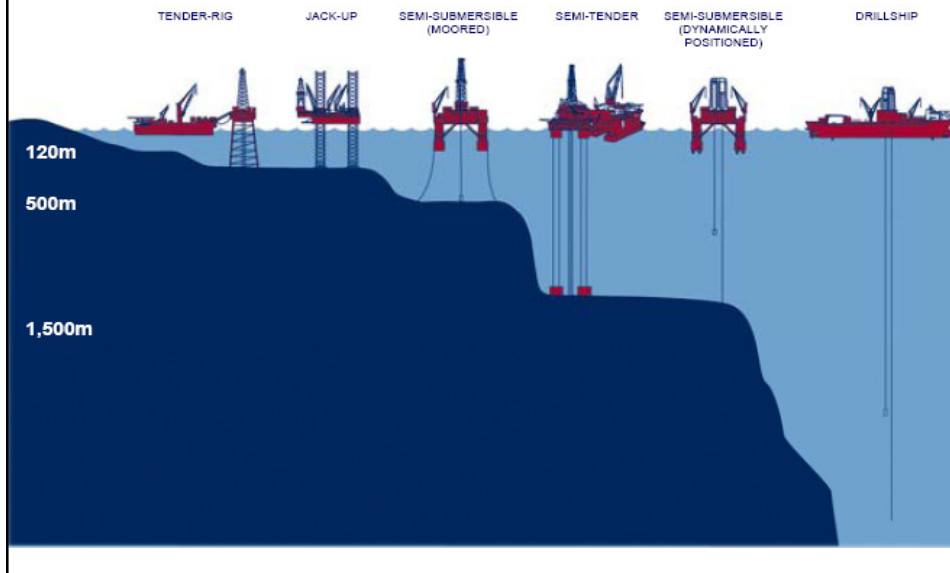
- **Oil and gas demand continues to grow**
 - IEA expects global oil demand in 2006 to increase 2.1% over 2005
 - OPEC sees growth in world oil demand of 1.9% in 2006
 - U.S. EIA sees global oil demand growing 2.1% in 2006
 - Demand for gas continues to grow at robust pace
- **Energy supply remains tight**
 - oil & natural gas prices near record levels
- **Offshore E & P Activity is very strong**
 - worldwide exploration & production spending will continue to rise

Outlook : Ship Conversion & Offshore

84 Production Floaters are Planned or Under Study as of November 2005



Offshore Rig Market



Outlook : Rig Building

High utilisation levels

- offshore drilling market continues to strengthen around the world with high utilisation levels
- operators increasingly commit to long-term charters to ensure rig access

Growing demand for high-specification rigs

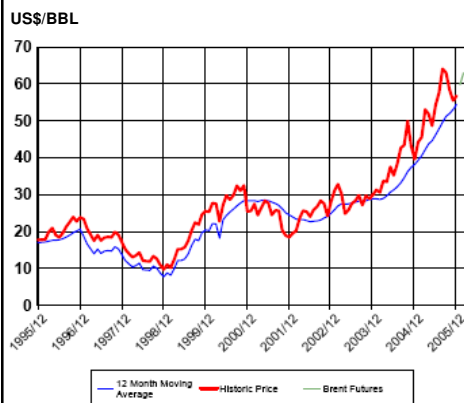
- operators prepared to commit ahead of time in anticipation of their drilling programs

Demand for floaters continues to grow

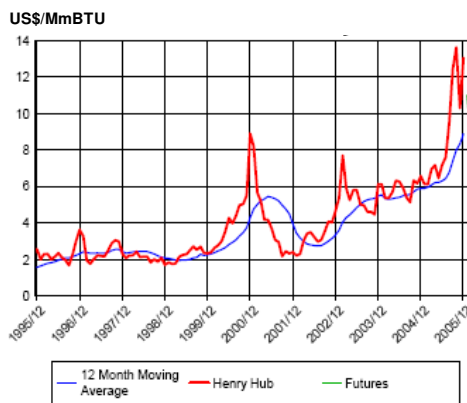
- both standard and deepwater sectors are tightening worldwide
- dayrates increasing across the board

Outlook : Oil & Gas Markets

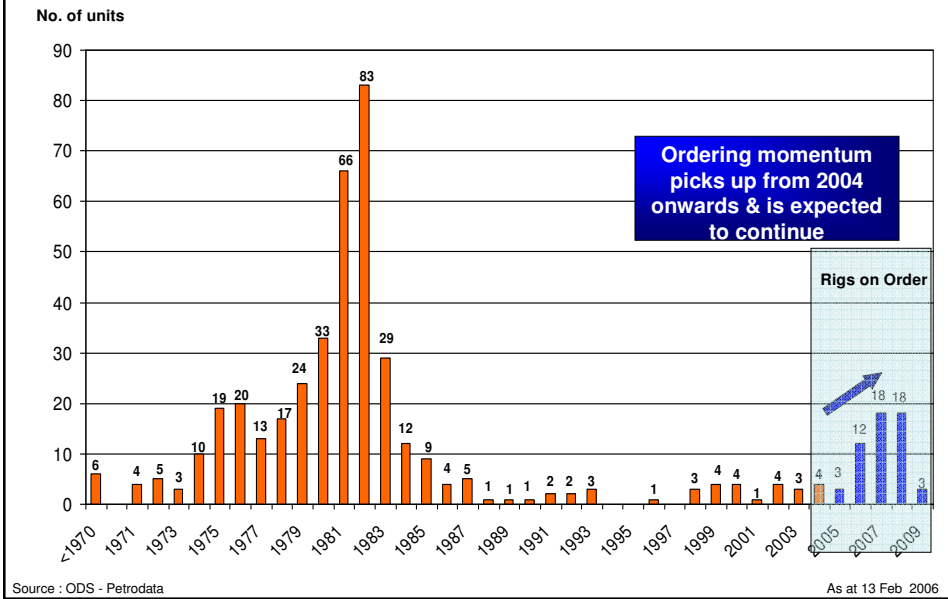
Oil Price – Brent Blend



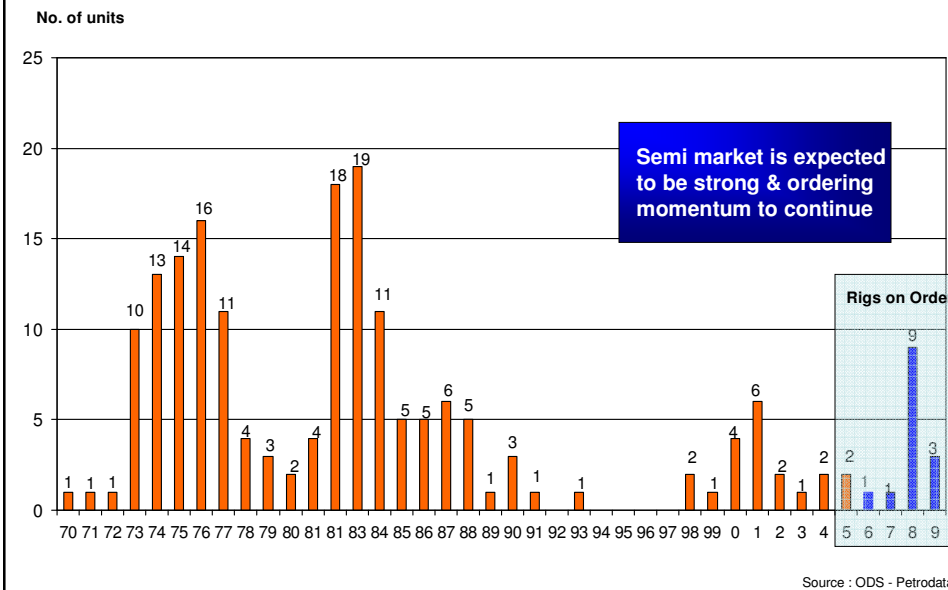
US Natural Gas Price – Henry Hub



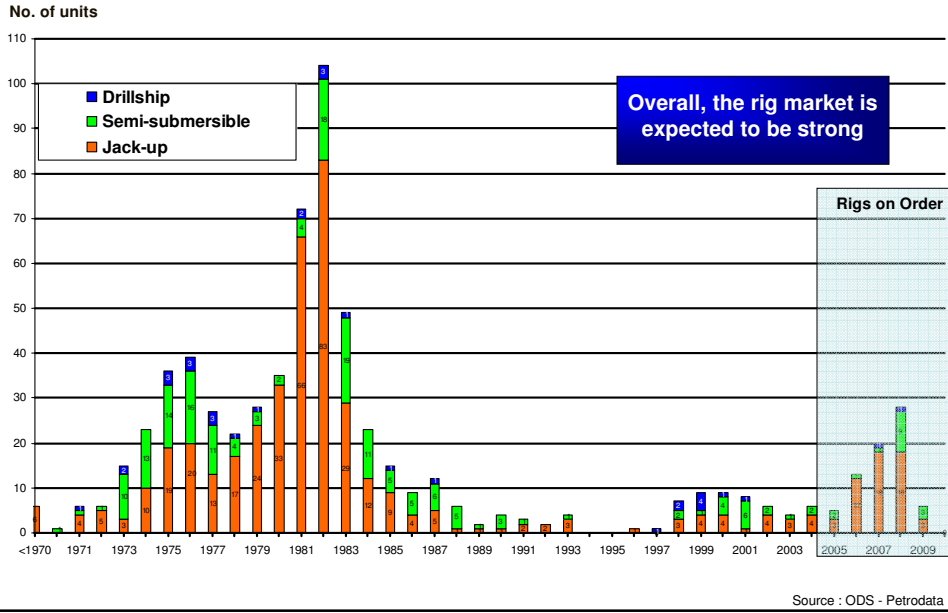
Jack-up : Age Profile & No. on Order



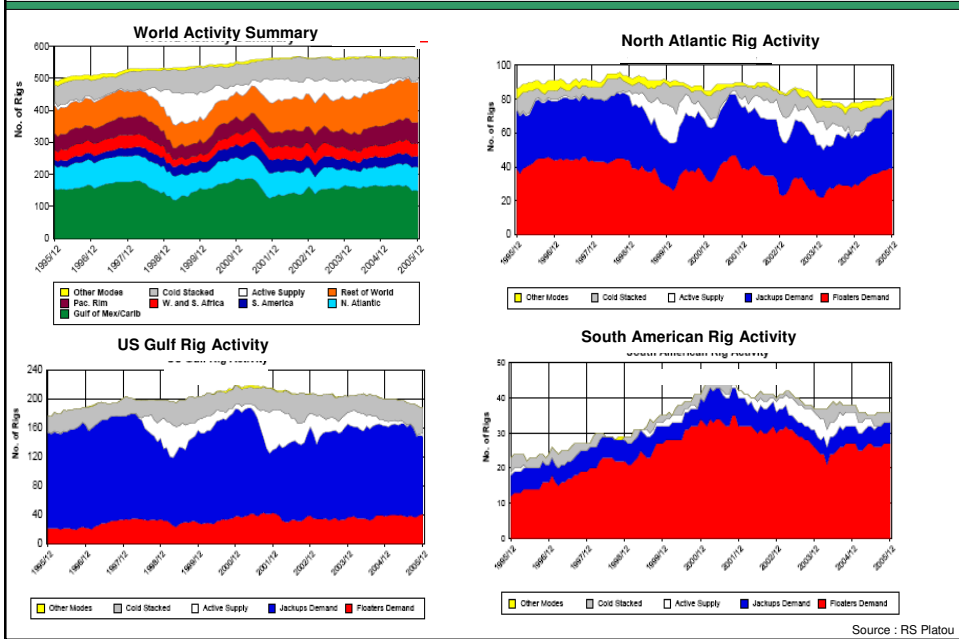
Semi-submersibles : Profile & No on Order



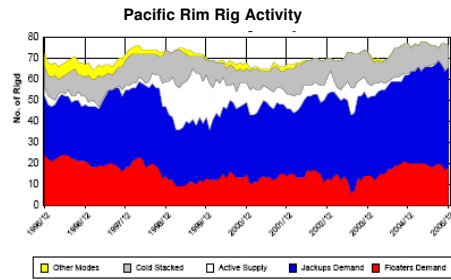
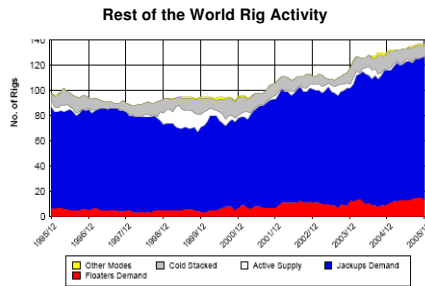
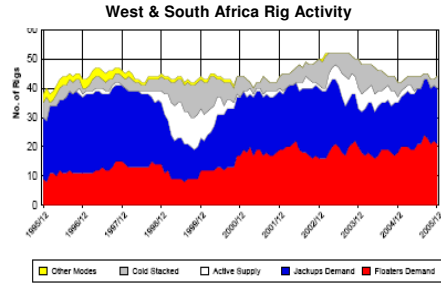
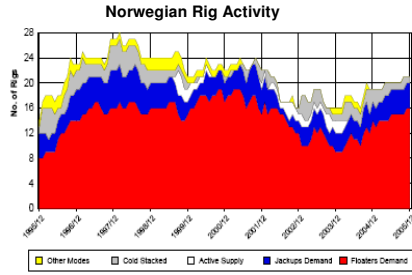
Rigs : Age Profile & Rigs on Order



Outlook : Rig Market (Utilisation)

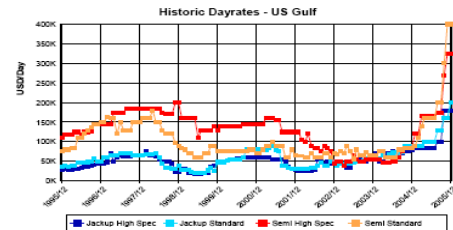
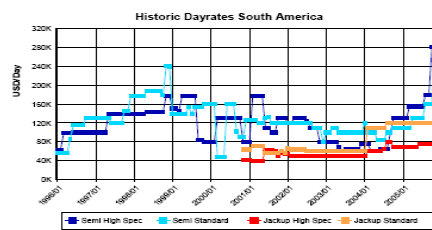
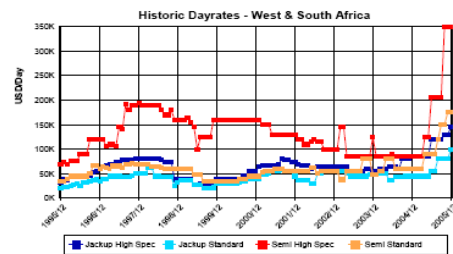
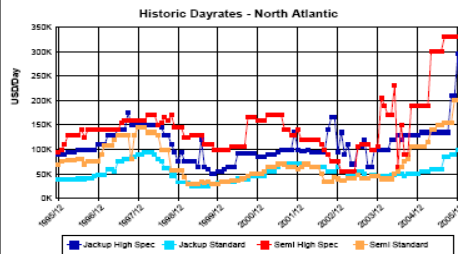


Outlook : Rig Market (Utilisation)



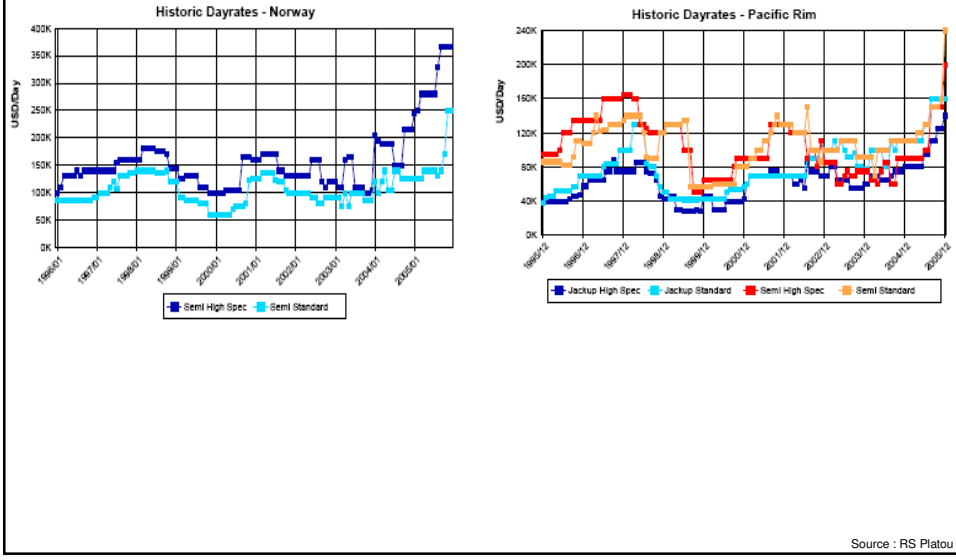
Source : RS Platou

Outlook : Rig Market (Dayrates)



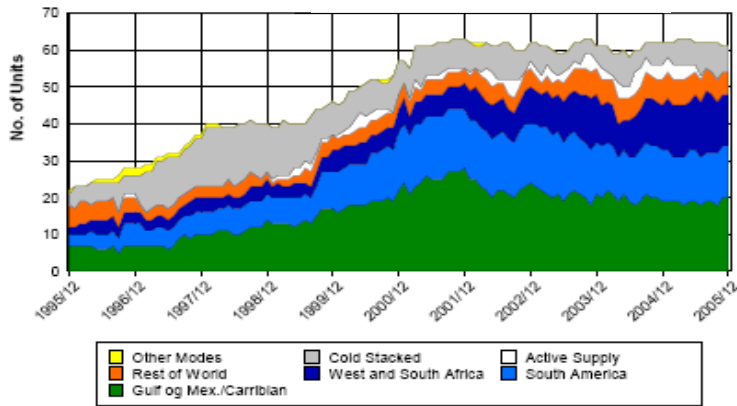
Source : RS Platou

Outlook : Rig Market (Dayrates)



Outlook : Rig Market (Deepwater)

Deepwater 1524 m/ft 5000



Activity Summary

	Drillships			Semi			Sum Active Rigs		
	D	S	U	D	S	U	D	S	U
Gulf of Mexico	5	5	100%	15	15	100%	20	20	100%
South America	6	6	100%	8	8	100%	14	14	100%
West and South Africa	6	6	100%	8	8	100%	14	14	100%
Rest of the World	5	5	100%	6	6	100%	11	11	100%
World Total	22	22	100%	37	37	100%	59	59	100%

Dayrates (\$1000/day)

	U %	Current Month		6 Months Ago		1 Year Ago		2 Years Ago	
		High	Low	High	Low	High	Low	High	Low
Gulf of Mexico	100	475	185	395	185	250	80	180	60
South America	100	300	210	220	210	145	95	210	95
W and S Africa	100	430	290	320	240	220	145	170	60



Strategy for Sustaining Growth

Strengthening our Global Hubs

- Complementary facilities : Singapore, China, Brazil and US

Maximising shipyard capacity

- Singapore-based shipyards

Research & Development

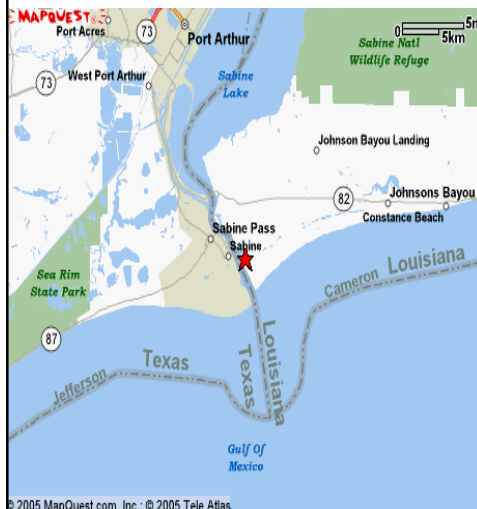
- proprietary designs for rigs

Strategic Alliances with customers

- facilities within the group



Sabine Shipyard: Positioning in Gulf of Mexico Region

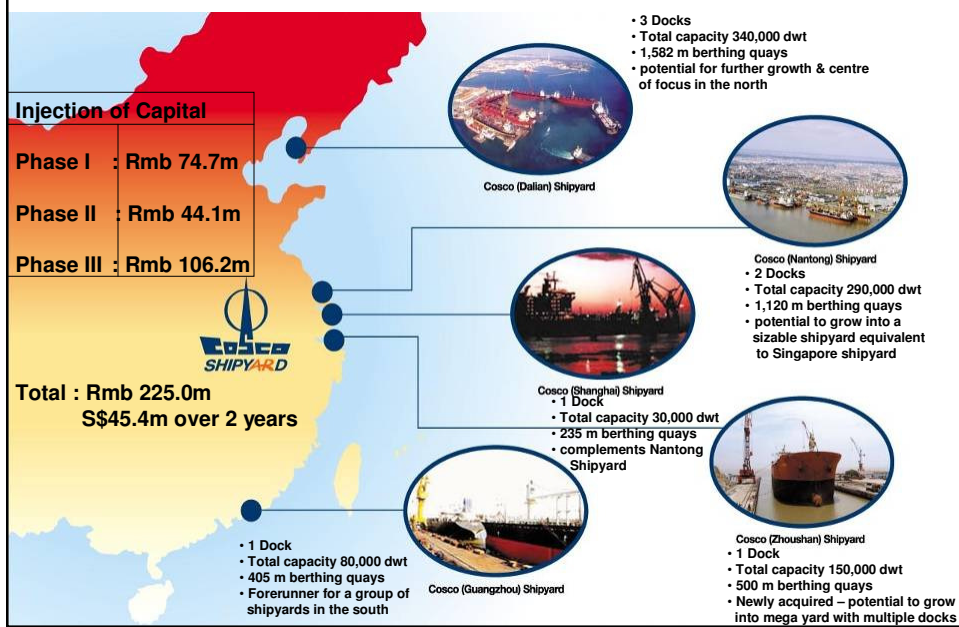


Activities : Repair & Refurbishment of drilling rigs
Offshore construction & related fabrication
Area : 223 acre
Location : Sabine Pass, Texas, USA

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Cosco Shipyard Group : Ship Repair & Offshore

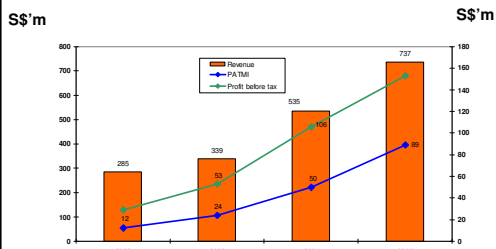
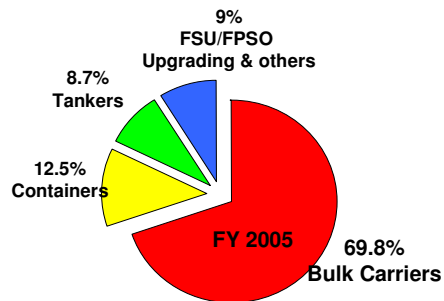


Cosco Shipyard Group : Ship Repair & Offshore

Breakdown of Revenue

Year	2004	2005
Ship Repair	92.2%	79.6%
Others	7.8%	20.4%
Total	100%	100%

70% of repairs from Bulk Carriers



Cosco Shipyard Group effective January 2005



Mãua Jurong (Brazil) :Leveraging between Singapore & Brazil

P-50 on delivery to Petrobras from Mãua Jurong in Brazil



P-50 departing Jurong Shipyard for Mãua Jurong in Brazil



- Marine conversion in Singapore
- Topside fabrication in Brazil
- Topside integration & commissioning in Brazil
- * P-43, P-50 & P-54



Maximising Singapore-based Yard Capacity





Maximising Singapore-based Yard Capacity : Sembawang Shipyard to build rigs

Areas of Specialisation

- 68 hectares of land
- Ship repair
- Ship conversions & modifications
- Upgrading/repair of passenger ships
- **Rig Building**



Dock	Size	Capacity
Premier	384.0m x 64.0m x 9.0m	400,000 dwt
KG VI	318.5m x 39.6m x 8.8m	100,000 dwt
President*	290.0m x 48.0m x 8.5m	150,000 dwt
Republic*	202.0m x 43.0m x 8.0m	60,000 dwt
KPD*	230.0m x 35.0m x 7.3m	65,000 dwt
Total		775,000 dwt



Research & Development: Proprietary Design in Jack Up

Strong Demand for our high specifications Baker Marine Pacific 375 Class Rig



Rig Specifications – enhanced design

Design : Baker Marine Pacific class mobile offshore self-elevating drilling unit
 Operating water : shallow water/375 ft
 Depth : 375 ft
 Drill depth: 30,000 feet
 Cantilever :70 ft no skid off
 Drawworks : 3,000 HP
 Accommodation: 120 persons

- 57 Baker Marine rigs in operation worldwide
- 13 such units secured so far

Research & Development: Track Record & Design

Construction of 5th Generation Dynamic Positioning Semi-submersible Rig



1. Finalization Construction of Upper and Lower Hulls

The upper hull is currently under construction at 100 meters height and 70 meters length and will be lifted by a special crane and conventional crane at the yard of the UCC Osaka. The lifting operation will be completed in late August or early September of 2014.

The lower hull, consisting of two parts of precast concrete, will be lifted and mated in 2014 at the UCC Osaka.

2. Floating of Lower Hulls into Position

The lower hulls will be floated by the UCC Osaka, which measures 200 meters length, 100 meters width and 11 meters depth.

The lower hulls will be mated to the UCC Osaka after the final check-out and testing operations.

3. Load-Out Operation

To facilitate the load-out operation, the upper hull will be lifted and mated to the lower hull in the UCC Osaka. The lifting operation will be completed in late August or early September of 2014.

The mated hulls will be floated and mated to the UCC Osaka after the final check-out and testing operations.

4. Mating Operation

Load-out operation completed with the upper and lower hulls ready for mating. During mating operation, the lower hull will be lifted and mated to the upper hull.

Mating operation completed with upper and lower hulls mated to the UCC Osaka.

The innovative Load-Out & Mating method was adopted for the building of the rig. It's a world-class technical achievement.

Strong Demand for Deepwater Semi-submersible rigs

Specifications

- Friede & Goldman Ex-D-Designed 5th Generation Deepwater Semi-submersible Drilling Rig
- Capable of drilling as a dynamically positioned drilling rig in water depths up to 2286m for operations in moderate environment & conventionally moored in water depths up to 1524m
- Designed for operations in Gulf of Mexico, offshore Brazil & West Africa, etc

• 3 units of semi-submersibles secured so far

Strategic Alliances with Customers

- * We continue to foster Strategic Alliance Partners
- * Continuous support with steady & growing baseload
- * Emphasis on quality, safety & delivery on schedule

Year Effective	1989	1998	1999	2000	2002	2003	2004	2005
Chevron Shipping	◆							
Kumai Sempaku		◆						
NOL Shipping			◆					
P.T. Humpuss Intermoda				◆				
Shell International Shipping					◆			
BP Shipping						◆		
BHP Billiton							◆	
JO Tankers								◆
TESMA (Norway)								
Alaska Tanker Co (USA)								
V Ships (Monaco)								
Taiwan Marine Transport								
TECTO B.V. (Belgium)								
North West Shelf (Australia)								
ASP Shipmanagement								
Type								
Alliance Partners				39%	29%			
Regulars				47%	54%			
Sub-total				86%	83%			
Others				14%	17%			
Total				100%	100%			

Summary : Strong Outlook

- Ship repair demand expected to be strong amid competitive environment
- Good demand for niche shipbuilding
- Strong fundamentals in offshore conversion
- Strong demand for high specification rigs and deepwater drilling units

Summary : Yield plus Growth

- Strong, Resilient Core Businesses
 - Strong market fundamentals
 - Proven track record
 - Moving up the value chain
- Sustaining & Growing our Business
 - Leveraging on network of shipyards for growth
 - Strategic alliances with customers
 - Research & Development
 - Ownership of proprietary Designs
- Superior Returns with Yield and Growth
 - Strong cash flow & financials
 - Modest capital expenditure
 - High & sustainable dividend

Financial Targets

	2005		2006
	Target	Actual	Target
<ul style="list-style-type: none"> Growth in rig building, ship conversion & offshore businesses 	15%	above target	20%
<ul style="list-style-type: none"> ROE - 2004 at 10% 	12%	12%	15%

Thank You

Q & A

