

**SEMBCORP MARINE LIMITED**
**Third Quarter Financial Statement**
**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**
**1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Group			Group		
	3Q 2003	3Q 2002	+ / (-)	YTD 3Q 2003	YTD 3Q 2002	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
<b>Turnover</b>	<b>339,211</b>	<b>256,204</b>	<b>32.4</b>	<b>829,016</b>	<b>748,191</b>	<b>10.8</b>
Cost of sales	(315,213)	(226,976)	38.9	(750,406)	(662,868)	13.2
<b>Gross profit</b>	<b>23,998</b>	<b>29,228</b>	<b>(17.9)</b>	<b>78,610</b>	<b>85,323</b>	<b>(7.9)</b>
Other operating income	5,352	6,527	(18.0)	12,732	11,831	7.6
General and administrative expenses	(11,541)	(15,085)	(23.5)	(32,789)	(37,831)	(13.3)
<b>Operating profit</b>	<b>17,809</b>	<b>20,670</b>	<b>(13.8)</b>	<b>58,553</b>	<b>59,323</b>	<b>(1.3)</b>
Dividend and net interest income	3,542	3,449	2.7	10,055	10,520	(4.4)
Share of results of associated companies & joint venture	2,913	1,592	83.0	6,250	1,176	431.5
<b>Profit before tax and exceptional items (EI)</b>	<b>24,264</b>	<b>25,711</b>	<b>(5.6)</b>	<b>74,858</b>	<b>71,019</b>	<b>5.4</b>
Exceptional items (EI)	110	-	n.m.	407	14,474	(97.2)
<b>Profit before tax</b>	<b>24,374</b>	<b>25,711</b>	<b>(5.2)</b>	<b>75,265</b>	<b>85,493</b>	<b>(12.0)</b>
Taxation	(5,805)	(5,350)	8.5	(15,901)	(12,338)	28.9
<b>Profit after taxation</b>	<b>18,569</b>	<b>20,361</b>	<b>(8.8)</b>	<b>59,364</b>	<b>73,155</b>	<b>(18.9)</b>
Minority Interests	361	(991)	n.m.	(316)	(790)	(60.0)
<b>Net profit attributable to members of the Company</b>	<b>18,930</b>	<b>19,370</b>	<b>(2.3)</b>	<b>59,048</b>	<b>72,365</b>	<b>(18.4)</b>
<b>Net profit attributable to members of the Company (before exceptional items (EI))</b>	<b>18,820</b>	<b>19,370</b>	<b>(2.8)</b>	<b>58,641</b>	<b>57,891</b>	<b>1.3</b>
<b>(before EI and tax write-back)</b>	<b>18,820</b>	<b>19,375</b>	<b>(2.9)</b>	<b>57,915</b>	<b>52,978</b>	<b>9.3</b>
<b>Earnings per share, cents (after exceptional items)</b>						
Basic				4.17	5.14	(18.9%)
Diluted				4.15	5.11	(18.8%)
<b>Earnings per share, cents (before exceptional items)</b>						
Basic				4.14	4.11	0.7%
Diluted				4.12	4.09	0.7%

n.m. : not meaningful

The accompanying notes to the financial statements form an integral part of the financial statements.

	Group			Group		
	3Q 2003	3Q 2002	+ / (-)	YTD 3Q 2003	YTD 3Q 2002	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
Investment income	34	-	n.m.	97	32	203.1
Interest income	3,953	3,799	4.1	10,671	11,166	(4.4)
Interest expense	(445)	(302)	47.4	(713)	(678)	5.2
Depreciation and amortisation	(10,008)	(9,929)	0.8	(28,069)	(29,136)	(3.7)
Write-back/(provision for doubtful debts, net and bad debts written off)	(554)	(5,179)	(89.3)	2,808	(5,595)	n.m.
Provision for stock obsolescence, net	(21)	-	n.m.	(54)	(209)	(74.2)
Foreign exchange gain, net	964	3,165	(69.5)	697	3,547	(80.3)
Profit after taxation (including EI) as a percentage of Turnover	5.47%	7.95%	(31.2)	7.16%	9.78%	(26.8)
Net profit attributable to shareholders (including EI) as a percentage of Issued Capital and Reserves at end of period	2.07%	2.11%	(1.9)	6.47%	7.88%	(17.9)
Profit after taxation (excluding EI) as a percentage of Turnover	5.44%	7.95%	(31.5)	7.11%	7.84%	(9.3)
Net profit attributable to shareholders (excluding EI) as a percentage of Issued Capital and Reserves at end of period	2.06%	2.11%	(2.4)	6.43%	6.30%	2.1

n.m. : not meaningful

#### Notes to the Accounts:

- (i) The Group tax charge in YTD 3Q 2003 included a net write-back of an over provision of tax for \$726,000 in respect of prior years (YTD 3Q 2002: \$4,913,000).
- (ii) There was no material disposal of property, plant and equipment during the period.
- (iii) There was no extraordinary item during the period.
- (iv) The exceptional items comprise:

	GROUP		GROUP	
	3Q 2003	3Q 2002	YTD 3Q 2003	YTD 3Q 2002
	\$'000	\$'000	\$'000	\$'000
Gain on disposal after consideration of realisation of other capital reserves of \$16,471,000 (3Q 2002: \$6,591,000) upon disposal:				
Associated companies	-	-	-	18,295
Other long term equity investments	110	-	407	557
	<u>110</u>	<u>-</u>	<u>407</u>	<u>18,852</u>
Writeback/(provision) for impairment in value of:				
Associated company	-	-	-	(1,309)
Other long term equity investments	-	-	-	(1,151)
Other long term non-equity investments	-	-	-	(1,694)
Quoted warrants	-	-	-	(224)
<b>Exceptional items</b>	<u><b>110</b></u>	<u><b>-</b></u>	<u><b>407</b></u>	<u><b>14,474</b></u>

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

**Balance Sheet**

	Group		Company	
	30-Sep-2003 \$'000	31-Dec-2002 \$'000	30-Sep-2003 \$'000	31-Dec-2002 \$'000
<b>Non Current Assets</b>				
Fixed assets	444,933	447,886	180,265	183,662
Subsidiary companies	-	-	363,402	333,126
Associated companies & joint venture	87,251	101,778	27,689	43,292
Other long-term investments	70,257	92,277	66,248	74,163
Long-term trade debtors	175,162	201,791	70,941	77,349
Goodwill on consolidation	3,999	2,122	-	-
<b>Total Non Current Assets</b>	<b>781,602</b>	<b>845,854</b>	<b>708,545</b>	<b>711,592</b>
<b>Current Assets</b>				
Stocks and work-in-progress	389,409	247,806	-	-
Trade debtors	222,635	201,032	74,989	70,729
Other debtors	73,941	31,424	92,211	129,253
Fixed deposits	74,177	93,952	1,238	6,053
Bank and cash balances	49,314	68,487	6,545	8,591
<b>Total Current Assets</b>	<b>809,476</b>	<b>642,701</b>	<b>174,983</b>	<b>214,626</b>
<b>Current Liabilities</b>				
Trade creditors	432,003	385,912	5,202	5,292
Other creditors and provisions	21,939	21,620	51,950	71,174
Excess progress billings over work-in-progress	3,586	20,980	-	-
Borrowings	136,010	27,709	63,000	23,000
Provision for taxation	20,592	35,902	451	5,772
<b>Total Current Liabilities</b>	<b>614,130</b>	<b>492,123</b>	<b>120,603</b>	<b>105,238</b>
<b>Net Current Assets</b>	<b>195,346</b>	<b>150,578</b>	<b>54,380</b>	<b>109,388</b>
<b>Total Assets less Current Liabilities</b>	<b>976,948</b>	<b>996,432</b>	<b>762,925</b>	<b>820,980</b>
<b>Non-Current Liabilities</b>				
Deferred taxation	43,843	42,775	32,201	32,201
Hire purchase creditors	1,468	57	-	-
Provision for retirement gratuities	3,260	3,296	-	-
<b>Total Non-Current Liabilities</b>	<b>48,571</b>	<b>46,128</b>	<b>32,201</b>	<b>32,201</b>
	<b>928,377</b>	<b>950,304</b>	<b>730,724</b>	<b>788,779</b>
<b>Capital &amp; Reserves</b>				
Share Capital	141,782	141,432	141,782	141,432
Reserves	770,864	798,576	588,942	647,347
	912,646	940,008	730,724	788,779
Minority interests	15,731	10,296	-	-
	<b>928,377</b>	<b>950,304</b>	<b>730,724</b>	<b>788,779</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

**Amount repayable in one year or less, or on demand**

As at 30-Sep-2003		As at 31-Dec-2002	
Secured	Unsecured	Secured	Unsecured
-	136,010,000	-	27,709,000

**Amount repayable after one year**

As at 30-Sep-2003		As at 31-Dec-2002	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

**Details of any collateral** Not Applicable.

1(c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

**Cash Flow Statement for the period ended 30 September**

	<b>Group</b>	
	<b>YTD 3Q 2003</b>	<b>YTD 3Q 2002</b>
	\$'000	\$'000
<b>Cash flow from operating activities</b>		
Operating profit	<b>58,553</b>	<b>59,323</b>
<b>Adjustments for:</b>		
Depreciation of fixed assets	24,793	24,423
Fixed assets written off	7	101
Gain on sale of fixed assets	(34)	-
Amortisation of goodwill on consolidation of subsidiary companies	876	642
Amortisation of redeemable convertible loan stock discount	69	75
<b>Operating income before reinvestment in working capital</b>	<b>84,264</b>	<b>84,564</b>
(Increase)/decrease in debtors	(10,862)	43,898
(Increase)/decrease in stocks and work-in-progress	(124,737)	84,842
Increase/(decrease) in creditors	8,117	(74,456)
Cash generated (used in)/from operations	(43,218)	138,848
Investment and interest income received	10,366	10,786
Interest paid	(667)	(625)
Income taxes paid	(31,368)	(24,467)
<b>Net cash (used in)/provided by operating activities</b>	<b>(64,887)</b>	<b>124,542</b>
<b>Cash flow from investing activities</b>		
Additional interest in a subsidiary company	(4,607)	(18,635)
Investment in associated companies	(250)	(27,526)
Purchase of fixed assets	(13,021)	(10,967)
Purchase of other long term investments	(1,634)	(1,330)
Proceeds from sale of other long term investments	11,290	3,084
Proceeds from sale of associated company	-	28,069
Proceeds from sale of fixed assets	46	890
Dividend from associated companies	3,248	2,285
Capital refund from associated companies	379	2,894
<b>Net cash used in investing activities</b>	<b>(4,549)</b>	<b>(21,236)</b>
<b>Cash flow from financing activities:</b>		
Dividend paid by the Company	(71,841)	(71,470)
Additional short term bank loan	161,485	73,000
Repayment of short term bank loan	(61,252)	(23,045)
Fixed deposit pledged with a bank for banking facilities	-	(53,381)
Repayment of hire purchase creditors	(430)	(184)
Proceeds from issue of new shares:		
- by the Company	2,526	4,271
<b>Net cash provided by/(used in) financing activities</b>	<b>30,488</b>	<b>(70,809)</b>
Net (decrease)/ increase in cash and cash equivalents	(38,948)	32,497
Cash and cash equivalents at beginning of period	109,180	56,472
<b>Cash and cash equivalents at end of period</b>	<b>70,232</b>	<b>88,969</b>

The acquisition of subsidiary companies in 2003 and 2002 has been shown as a single item. The effect on the individual assets and liabilities is set out below.

	<b>Group</b>	
	<b>YTD 3Q 2003</b>	<b>YTD 3Q 2002</b>
	\$'000	\$'000
Fixed assets	8,881	43,997
Other long term unquoted investment	3,700	-
Stocks and work-in-progress	34,260	5,642
Debtors	26,227	30,228
Bank and cash balances	11,267	52
Bank overdrafts, unsecured	(1,174)	(6,787)
Bank loans	(7,652)	(2,800)
Creditors	(40,398)	(50,410)
Current taxation	(642)	(690)
Deferred tax	(335)	-
	<hr/>	<hr/>
Net assets acquired	34,134	19,232
Minority interests	(5,120)	(52)
Amount taken up as associated company	(17,067)	(6,731)
Goodwill on acquisition	2,753	1,851
	<hr/>	<hr/>
Purchase consideration	14,700	14,300
Amount reflected as non-trade receivables	-	(2,400)
	<hr/>	<hr/>
Cash paid	14,700	11,900
	=====	=====

The acquisition of subsidiaries, net of cash is represented by :

Cash paid	(14,700)	(11,900)
Less : Bank and cash balances	11,267	52
Add : Bank overdrafts, unsecured	(1,174)	(6,787)
	<hr/>	<hr/>
Net cash outflow	<b>(4,607)</b>	<b>(18,635)</b>
	=====	=====

Cash and cash equivalents included in the consolidated statement of cash flows comprise:

	<b>Group</b>	
	<b>YTD 3Q 2003</b>	<b>YTD 3Q 2002</b>
	\$'000	\$'000
Fixed deposit, bank and cash balances	123,491	142,350
Less : Fixed deposit pledged with a bank for banking facilities	(53,259)	(53,381)
<b>Cash &amp; cash equivalent in consolidated statement for cash flow</b>	<hr/> <b>70,232</b> <hr/>	<hr/> <b>88,969</b> <hr/>

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

**Statement of Changes in Equity for the period ended 30 September**

	Share capital \$'000	Share premium \$'000	Capital reserve \$'000	Foreign currency translation reserve \$'000	Unappropriated profit \$'000	Total \$'000
<b><u>The Group</u></b>						
Balance at 1 January 2002	140,614	229,329	28,423	5,580	518,942	922,888
Cumulative effect on change in accounting policy						
SAS 12 Income Taxes	-	-	-	-	(1,643)	(1,643)
<b>As restated</b>	<b>140,614</b>	<b>229,329</b>	<b>28,423</b>	<b>5,580</b>	<b>517,299</b>	<b>921,245</b>
Profit for the period	-	-	-	-	72,365	72,365
Dividend paid	-	-	-	-	(71,470)	(71,470)
Translation differences for the period	-	-	-	(1,485)	-	(1,485)
Share issued on exercise of share Options	578	3,693	-	-	-	4,271
Transfer from other capital reserves upon disposal of an associated company	-	-	(3,600)	-	3,600	-
Realisation upon disposal of an associated company	-	-	(6,786)	195	-	(6,591)
Share of an associated company's capital reserves	-	-	105	-	-	105
<b>Balance at 30 September 2002</b>	<b>141,192</b>	<b>233,022</b>	<b>18,142</b>	<b>4,290</b>	<b>521,794</b>	<b>918,440</b>

<b><u>The Group</u></b>						
Balance at 1 January 2003	141,432	234,471	17,983	4,595	541,527	940,008
Profit for the period	-	-	-	-	59,048	59,048
Dividend paid	-	-	-	-	(71,841)	(71,841)
Translation differences for the period	-	-	-	(624)	-	(624)
Share issued on exercise of share options	350	2,176	-	-	-	2,526
Realisation upon disposal of a other long term investment	-	-	(16,471)	-	-	(16,471)
<b>Balance at 30 September 2003</b>	<b>141,782</b>	<b>236,647</b>	<b>1,512</b>	<b>3,971</b>	<b>528,734</b>	<b>912,646</b>

<b><u>The Company</u></b>						
Balance at 1 January 2002	140,614	229,329	960	-	376,626	747,529
Cumulative effect on change in accounting policy						
SAS 12 Income Taxes	-	-	-	-	(1,223)	(1,223)
<b>As restated</b>	<b>140,614</b>	<b>229,329</b>	<b>960</b>	<b>-</b>	<b>375,403</b>	<b>746,306</b>
Profit for the period	-	-	-	-	49,250	49,250
Dividend paid	-	-	-	-	(71,470)	(71,470)
Share issued on exercise of share Options	578	3,693	-	-	-	4,271
<b>Balance at 30 September 2002</b>	<b>141,192</b>	<b>233,022</b>	<b>960</b>	<b>-</b>	<b>353,183</b>	<b>728,357</b>

<b><u>The Company</u></b>						
Balance at 1 January 2003	141,432	234,471	960	-	411,916	788,779
Profit for the period	-	-	-	-	11,260	11,260
Dividend paid	-	-	-	-	(71,841)	(71,841)
Share issued on exercise of share Options	350	2,176	-	-	-	2,526
<b>Balance at 30 September 2003</b>	<b>141,782</b>	<b>236,647</b>	<b>960</b>	<b>-</b>	<b>351,335</b>	<b>730,724</b>

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

During the financial period, the Company issued 3,494,025 ordinary shares of \$0.10 each upon the exercise of options granted under the SembCorp Marine Share Option Plan (the "Plan").

As at 30 September 2003, there were 52,081,075 (30 September 2002: 27,560,900) unexercised options for un-issued ordinary shares of \$0.10 each under the Plan.

The details of the Plan (which was started in 1991 as the Jurong Shipyard Limited Executives' Share Option Scheme) were set out in the financial statements of that year.

- 2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures have not been audited or reviewed by its auditors, Messrs Ernst & Young.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2002.

- 5. If there are any changes in the accounting policies and methods of computation, including any required including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not applicable.

- 6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	Group		+ / (-) %
	YTD 3Q 2003	YTD 3Q 2002	
Earnings per ordinary share of the Group for the financial year based on net profit attributable to shareholders:			
(i) Based on the weighted average number of shares			
(a) after exceptional items (cents)	4.17	5.14	(18.9)
(b) before exceptional items (cents)	4.14	4.11	0.7
Weighted average number of shares	1,415,287,766	1,407,340,149	0.6
(ii) On a fully diluted basis			
(a) after exceptional items (cents)	4.15	5.11	(18.8)
(b) before exceptional items (cents)	4.12	4.09	0.7
Adjusted weighted average number of shares	1,422,256,766	1,415,429,149	0.5

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

	Group			Company		
	Sep-2003	Dec-2002	+/(-) %	Sep-2003	Dec-2002	+/(-) %
Net asset value per ordinary share based on issued share capital at the end of the financial period (cents)	64.37	66.46	(3.1)	51.54	55.77	(7.6)

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

#### Review of Group Performance

##### 3Q 2003 versus 3Q 2002

##### Group Turnover

	3Q 2003	3Q 2002	+/(-)	+/(-)
	S\$m	S\$m	S\$m	%
Ship Repair	87.6	107.7	(20.1)	(18.7)
Conversion	175.8	96.7	79.1	81.8
New Building	55.0	38.5	16.5	42.9
Other Activities	20.8	13.3	7.5	56.4
<b>Group Turnover</b>	<b>339.2</b>	<b>256.2</b>	<b>83.0</b>	<b>32.4</b>

The Group's turnover for 3Q 2003 increased by 32.4% from \$256.2 million in 3Q 2002 to \$339.2 million. The increase was mainly attributable to the increase in conversion jobs and consolidation of PPL Shipyard revenue with effect from July 2003.

##### Group Operating Profit and Pre-tax Profit

The Group operating profit decreased by 13.8% from \$20.7 million in 3Q 2002 to \$17.8 million in 3Q 2003. Excluding exceptional items, the Group's pre-tax profit decreased 5.6% from \$25.7 million in 3Q 2002 to \$24.3 million. The decrease was attributed to consolidation of operating losses of PPL Shipyard in the current quarter offset by better net contributions from associated companies.

##### Group Profit Attributable to Members of the Company

The Group's attributable profits decreased by 2.3% from \$19.4 million in 3Q 2002 to \$18.9 million.

##### YTD 3Q 2003 versus YTD 3Q 2002

##### Group Turnover

	YTD	YTD	+/(-)	+/(-)
	3Q 2003	3Q 2002	S\$m	%
Ship Repair	247.0	338.7	(91.7)	(27.1)
Conversion	329.4	220.4	109.0	49.5
New Building	200.3	136.3	64.0	47.0
Other Activities	52.3	52.8	(0.5)	(0.9)
<b>Group Turnover</b>	<b>829.0</b>	<b>748.2</b>	<b>80.8</b>	<b>10.8</b>

The Group's turnover for period ended 30 September 2003 increased by 10.8% to \$829.0 million. The increase was mainly attributable to the increase in both conversion and new building job volume. However, this was offset by the decline in ship repair revenue of \$91.7 million mainly due to the postponement of vessel repairs as a result of the high freight rates and SARS outbreak during the first half of 2003.



## **Group Operating Profit and Pre-tax Profit**

The Group operating profit decreased marginally by 1.3% from \$59.3 million in YTD 3Q 2002 to \$58.6 million in YTD 3Q 2003. Excluding exceptional items, the Group's pre-tax profit increased 5.4% from \$71.0 million in YTD 3Q 2002 to \$74.9 million. The increase was attributed to better net contributions from associated companies.

## **Group Profit Attributable to Members of the Company**

The Group's attributable profits decreased by 18.4% from \$72.4 million in YTD 3Q 2002 to \$59.0 million. The decrease was mainly due to the lower exceptional gain of \$0.4 million in YTD 3Q 2003 as compared with \$14.5 million in YTD 3Q 2002.

Excluding exceptional items and the effect of prior years tax over-provision, the Group's attributable profits increased by 9.3% from \$53.0 million in YTD 3Q 2002 to \$57.9 million.

### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

In the prospect statement made on 1 August 2003 for the 1H 2003 SGX Announcement, the Group was expected to maintain its operating profit for the third quarter.

The third quarter 2003 operating profit was however lower than projected. This was mainly due to the consolidation of PPL Shipyard's operating losses.

Consequently, the Group operating profit for the first nine months of 2003 was marginally (1.3%) lower than the corresponding period last year.

### **10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

With strong shipping freight rates leading to deferred dockings, the ship repair market is unlikely to improve in the next quarter. In addition, there will be no major conversion project completion in the fourth quarter. Hence, the Group expects a lower operating profit.

As at 30 September 2003, the Group's outstanding order book for newbuilding, conversion and offshore projects stands at S\$1.088 billion.

### **11. Dividend**

#### **(a) Current Financial Period Reported On**

Any dividend recommended for the current financial period reported on? No

#### **(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No

#### **(c) Date payable**

Not applicable.

#### **(d) Books closure date**

Not applicable.

### **12. If no dividend has been declared/recommended, a statement to that effect**

Not applicable.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

**13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

	<b>Ship &amp; rig repairing, building and conversion \$'000</b>	<b>Ship chartering \$'000</b>	<b>Others \$'000</b>	<b>Eliminations \$'000</b>	<b>Total \$'000</b>
<b>(a) By business segment : YTD 3Q 2003</b>					
<b>Revenue</b>					
Sales to external parties	791,144	14,078	23,794	-	829,016
Inter-segment sales	114,850	23	32,123	(146,996)	-
Consolidated sales	<u>905,994</u>	<u>14,101</u>	<u>55,917</u>	<u>(146,996)</u>	<u>829,016</u>
<b>Results</b>					
<b>Segment results</b>	<b>56,159</b>	<b>166</b>	<b>2,228</b>	<b>-</b>	<b>58,553</b>
Exceptional items	407	-	-	-	407
Investment and interest income	10,091	673	4	-	10,768
Interest expenses	(553)	-	(160)	-	(713)
Share of results of associated companies & joint venture	3,598	1,946	706	-	6,250
Profit before taxation	<u>69,702</u>	<u>2,785</u>	<u>2,778</u>	<u>-</u>	<u>75,265</u>
Taxation	(15,805)	(136)	40	-	(15,901)
Profit after taxation	<u>53,897</u>	<u>2,649</u>	<u>2,818</u>	<u>-</u>	<u>59,364</u>
<b>Other information</b>					
Capital additions	12,792	2	227	-	13,021
Depreciation	21,524	2,088	1,181	-	24,793
Amortisation	2,928	-	348	-	3,276
<b>Segment assets</b>	<b>1,038,906</b>	<b>60,758</b>	<b>42,286</b>	<b>-</b>	<b>1,141,950</b>
Interest bearing assets	358,335	11,875	2,297	-	372,507
Investments in associated companies & joint venture	70,525	586	5,510	-	76,621
Consolidated total assets	<u>1,467,766</u>	<u>73,219</u>	<u>50,093</u>	<u>-</u>	<u>1,591,078</u>
<b>Segment liabilities</b>	<b>436,337</b>	<b>5,754</b>	<b>17,471</b>	<b>-</b>	<b>459,562</b>
Interest bearing liabilities	133,891	-	4,813	-	138,704
Deferred taxation	42,764	170	909	-	43,843
Provision for taxation	19,670	275	647	-	20,592
Consolidated total liabilities	<u>632,662</u>	<u>6,199</u>	<u>23,840</u>	<u>-</u>	<u>662,701</u>

**Information by segment on Group operations (cont'd)**

	<b>Ship &amp; rig repairing, building and conversion</b>	<b>Ship chartering</b>	<b>Others</b>	<b>Eliminations</b>	<b>Total</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>(a) By business segment : YTD 3Q 2002</b>					
<b>Revenue</b>					
Sales to external parties	715,742	16,288	16,161	–	748,191
Inter-segment sales	122,836	565	47,940	(171,341)	–
Consolidated sales	838,578	16,853	64,101	(171,341)	748,191
<b>Results</b>					
<b>Segment results</b>	<b>53,553</b>	<b>2,833</b>	<b>2,937</b>	<b>–</b>	<b>59,323</b>
Exceptional items	14,474	–	–	–	14,474
Investment and interest income	10,615	560	23	–	11,198
Interest expenses	(580)	–	(98)	–	(678)
Share of results of associated companies & joint venture	2,036	(491)	(369)	–	1,176
Profit before taxation	80,098	2,902	2,493	–	85,493
Taxation	(11,770)	(608)	40	–	(12,338)
Profit after taxation	68,328	2,294	2,533	–	73,155
<b>Other information</b>					
Capital additions	10,189	–	778	–	10,967
Depreciation	21,172	2,085	1,166	–	24,423
Amortisation	4,446	–	267	–	4,713
<b>Segment assets</b>	<b>880,535</b>	<b>61,840</b>	<b>31,946</b>	<b>–</b>	<b>974,321</b>
Interest bearing assets	359,060	15,526	5,176	–	379,762
Investment in associated companies & joint venture	81,499	270	6,089	–	87,858
Consolidated total assets	1,321,094	77,636	43,211	–	1,441,941
<b>Segment liabilities</b>	<b>339,962</b>	<b>4,243</b>	<b>18,833</b>	<b>–</b>	<b>363,038</b>
Interest bearing liabilities	73,544	–	4,677	–	78,221
Deferred taxation	45,366	183	46	–	45,595
Provision for taxation	23,544	661	763	–	24,968
Consolidated total liabilities	482,416	5,087	24,319	–	511,822

Pricing of inter-segment sales and transfers are carried out on an arm's length basis.

**(b) By geographical area**

The Group operates principally in the Republic of Singapore.

**14. In the review of performance, the factors leading to any material changes in contributions to Turnover and earnings by the business or geographical segments**

Please refer to paragraph 8.

**15. A breakdown of sales**

	<b>Group</b>		
	<b>2003</b>	<b>2002</b>	<b>+/(-)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
Sales reported for first half	489,805	491,987	(0.4)
Operating profit after tax before deducting minority interests reported for first quarter:			
before exceptional items	40,498	38,320	5.7
after exceptional items	40,795	52,794	(22.7)
Sales reported for third quarter	339,211	256,204	32.4
Operating profit after tax before deducting minority interests reported for second quarter:			
before exceptional items	18,459	20,361	(9.3)
after exceptional items	18,569	20,361	(8.8)
Sales reported for third quarter year-to-date	829,016	748,191	10.8
Operating profit after tax before deducting minority interests reported for first half:			
before exceptional items	58,957	58,681	0.5
after exceptional items	59,364	73,155	(18.9)

**16. Interested Person Transactions**

Aggregate value of all transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual

	<b>YTD 3Q 2003</b>	<b>YTD 3Q 2002</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Transaction for the Sales of Goods and Services</b>		
Keppel Corporation Ltd and its associates	769	-
Neptune Orient Lines Ltd and its associates	5,570	5,785
SembCorp Industries Limited and its associates	3,259	6,692
<b>Transaction for the Purchase of Goods and Services</b>		
Keppel Corporation Ltd and its associates	1,539	2,016
Neptune Orient Lines Ltd and its associates	4,009	5,453
SembCorp Industries Limited and its associates	17,370	17,808
<b>Management and Support Services</b>		
SembCorp Industries Limited	825	1,350
<b>Total Interested Person Transactions</b>	<b>33,341</b>	<b>39,104</b>
<b>Treasury Transactions – Placement of Funds (as at 30 September)</b>		
SembCorp Industries Limited and its associates	7,129	3,788

**16. Interested Person Transactions (con't)**

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

	<b>YTD 3Q 2003</b>	<b>YTD 3Q 2002</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Investment transactions</b>		
Neptune Orient Lines Ltd and its associates	-	11,000
Singapore Technologies Engineering Ltd and its associates	-	3,300
	<hr/>	<hr/>
	-	14,300
	<hr/>	<hr/>

**BY ORDER OF THE BOARD**

LIM SEH LI  
Company Secretary  
31 October 2003