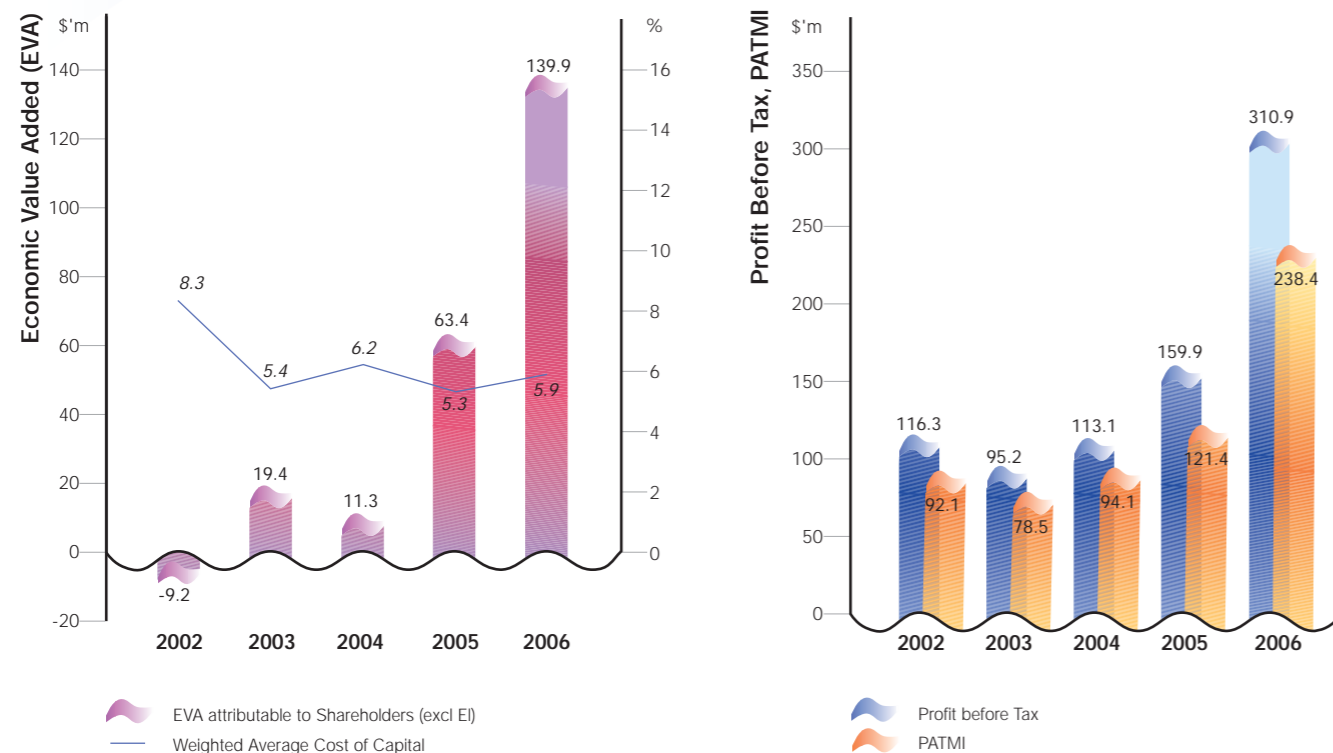
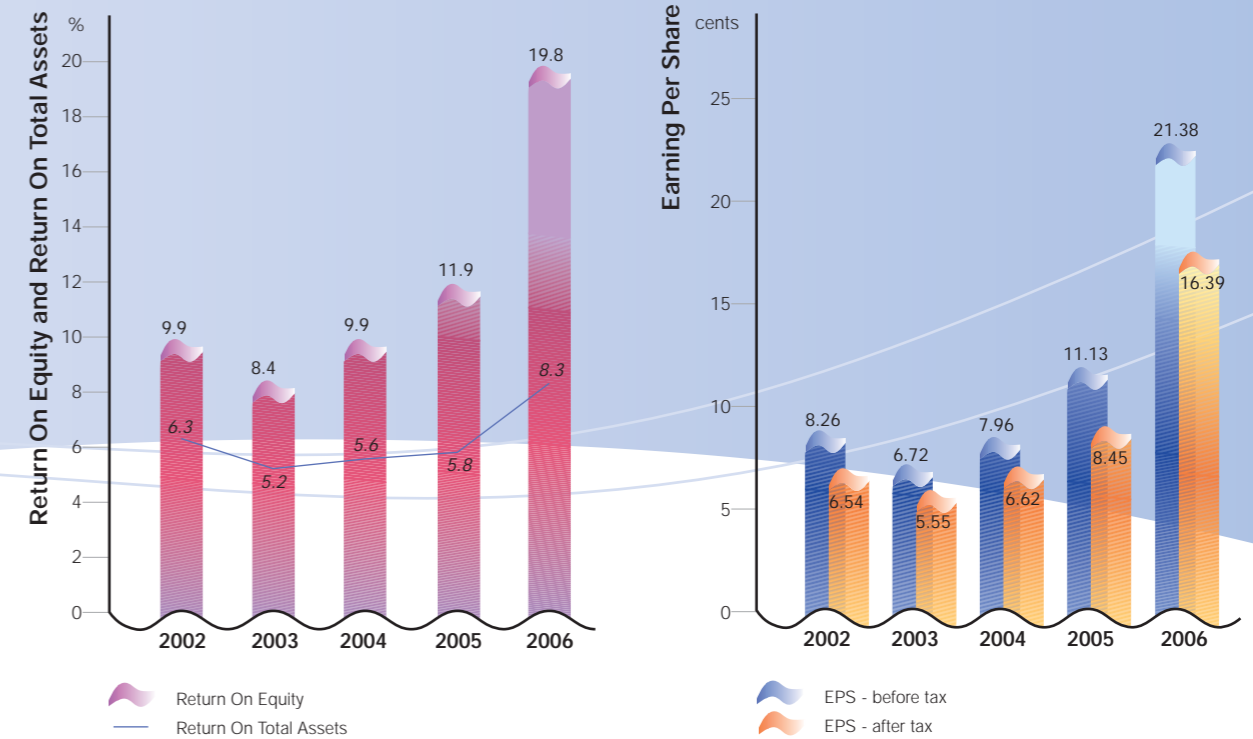
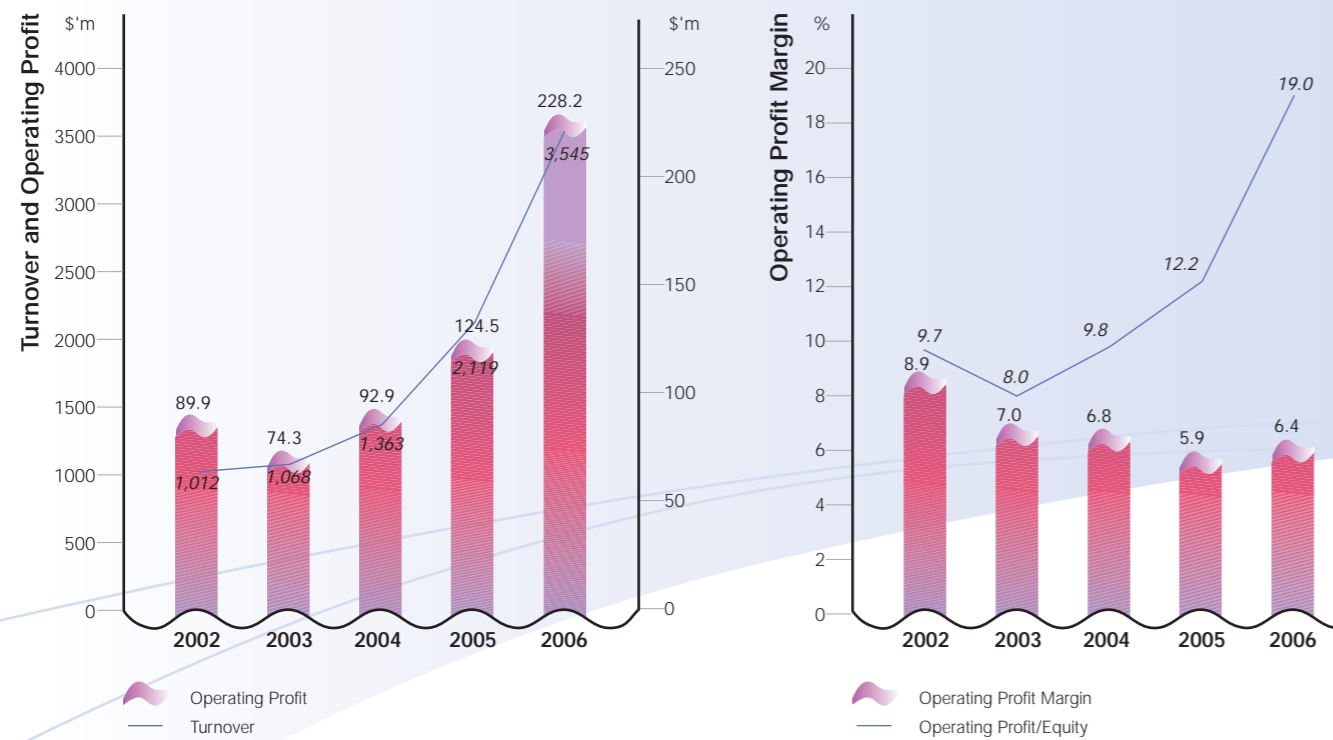


GROUP FIVE-YEAR FINANCIAL SUMMARY

For the year	2002 (\$'000)	2003 (\$'000)	2004 (\$'000)	2005 (\$'000)	2006 (\$'000)
Turnover	1,011,512	1,067,986	1,362,764	2,119,279	3,545,049
Operating Profit	89,883	74,308	92,933	124,549	228,233
Profit Before Tax	116,291	95,186	113,089	159,855	310,871
PATMI	92,098	78,540	94,087	121,398	238,388
Dividend – Interim	16,507	16,584	17,067	28,880	40,867
Dividend – Final	55,159	39,814	69,157	81,495	141,999
Dividend – Total	71,666	56,398	86,224	110,375	182,866
Group Balance Sheet					
Fixed Assets	447,886	452,720	460,020	579,584	679,024
Associated Companies & JVs	101,778	58,700	67,487	106,880	147,255
Other Investments	92,759	71,776	23,666	77,931	346,987
Other Long Term Assets	203,913	172,254	88,258	68,628	69,583
Current Assets	642,219	769,665	1,219,934	1,493,114	2,186,652
Current Liabilities	(492,123)	(531,173)	(651,692)	(982,871)	(1,690,896)
Long Term Liabilities	(46,128)	(52,069)	(204,963)	(227,569)	(368,382)
	950,304	941,873	1,002,710	1,115,697	1,370,223
Share Capital	141,432	142,005	142,761	145,036	418,631
Capital, Foreign Currency Translation & Other Reserves	257,049	236,741	240,772	318,271	209,093
Retained Profits	541,527	548,381	585,367	602,238	710,615
Minority Interests	10,296	14,746	33,810	50,152	31,884
	950,304	941,873	1,002,710	1,115,697	1,370,223
Per Share Data (cents)					
EPS – Before Tax	8.26	6.72	7.96	11.13	21.38
EPS – After Tax	6.54	5.55	6.62	8.45	16.39
Net Tangible Assets	65.65	64.60	67.20	73.22	90.49
Net Asset Value	66.46	65.29	67.87	73.47	91.42
Financial Ratios					
Return on Equity (%)	9.90	8.41	9.92	11.93	19.83
Return on Total Assets (%)	6.30	5.21	5.56	5.80	8.28
Operating Margin (%)	8.89	6.96	6.82	5.88	6.44
Operating Profit/Equity (%)	9.66	7.96	9.80	12.24	18.99
Current Ratio	1.30	1.45	1.87	1.52	1.29
Gearing Ratio (%)	2.95	10.90	15.44	14.05	29.21
Dividend Cover	1.29	1.39	1.10	1.10	1.30



FINANCIAL REVIEW



Shareholders' Returns

Return on Equity, EVA, Dividends and Earnings per Shares

The Group's return on equity (ROE) grew by 67 per cent to 20 per cent in 2006 as a result of the record profit achieved for the year under review. Economic value-added (EVA) attributable to shareholders was \$140 million, an outstanding 121 per cent improvement from 2005.

The Board of Directors of SembCorp Marine is proposing a final and gross dividend of 10 cents per share (less income tax) to optimise utilisation of the section 44 balance and a one-tier tax exempt dividend of 1.5 cents per share, making a total annual dividend of 15.0 cents per share. This significant dividend payout ratio at 77 per cent shows the Group's commitment to shareholder value.

The recommended dividend for 2006 took into consideration the Group's present cash flow position, positive cash flow generated from operations and projected capital requirement. Payment of the final proposed dividend is subject to the approval of shareholders of SembCorp Marine at the forthcoming Annual General Meeting.

To maximise shareholder value, SembCorp Marine will continue its policy of paying high level of final dividends to return excess cash generation from operations where possible, as long as the cash is not required for investments in the future. Some cash resources will be required for the set up of new facilities and capabilities to expand the existing operations and any potential mergers and acquisitions.

Share Purchase Mandate

Apart from the distribution of dividend to shareholders, the Share Purchase Plan provides the Company an alternate avenue to reward shareholders. The Company will again seek shareholders' approval to renew the Share Purchase Mandate for the purchase of up to 10% of the number of ordinary shares in the capital of the Company in the coming Extraordinary General Meeting.

This will give the Company the flexibility to undertake the share purchase exercise expeditiously.