



SEMBCORP MARINE LTD & ITS SUBSIDIARIES
Registration Number: 196300098Z

FIRST QUARTER ENDED 31 MARCH 2009 FINANCIAL STATEMENTS & DIVIDEND ANNOUNCEMENT

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SEMBCORP MARINE LTD AND ITS SUBSIDIARIES
UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2009

The Board of Directors of Sembcorp Marine Ltd wishes to announce the following unaudited results of the Group for the first quarter ended 31 March 2009.

1. GROUP INCOME STATEMENT

	Group		
	1Q 2009	1Q 2008	+ / (-)
	\$'000	\$'000	%
Turnover	1,363,494	916,118	48.8
Cost of sales	(1,217,271)	(819,350)	48.6
Gross profit	146,223	96,768	51.1
Other operating income	19,027	12,220	55.7
Other operating expenses	(9,689)	(6,557)	47.8
General and administrative expenses	(20,958)	(22,967)	(8.7)
Operating profit	134,603	79,464	69.4
Dividend and interest income	2,615	5,663	(53.8)
Finance costs	(1,261)	(4,140)	(69.5)
Share of results of associates and joint ventures	15,328	34,159	(55.1)
Profit before income tax expense	151,285	115,146	31.4
Income tax expense	(24,398)	(20,679)	18.0
Profit for the period	126,887	94,467	34.3
Attributable to:			
Shareholders of the Company	120,199	91,339	31.6
Minority Interests	6,688	3,128	113.8
	126,887	94,467	34.3
Earnings per share (cents)			
Basic	5.85	4.41	32.7
Diluted	5.84	4.38	33.3

NOTES TO GROUP INCOME STATEMENT:

1a. Profit for the period is arrived at after crediting/(charging) the following significant items:

	Group		+ / (-) %
	1Q 2009 \$'000	1Q 2008 \$'000	
Investment income	-	3	n.m.
Interest income	2,615	5,660	(53.8)
Interest expenses	(1,261)	(4,140)	(69.5)
Depreciation and amortisation	(17,572)	(15,770)	11.4
Allowance for doubtful debts/bad debts, net	(259)	-	n.m.
Allowance for inventory obsolescence, net	(22)	(79)	(72.2)
Foreign exchange gain/(loss), net	14,915	(6,271)	n.m.
Gain on disposal of property, plant and equipment, net	68	16	325.0
Fair value adjustment on hedging instruments	(9,280)	7,453	n.m.

	Group		+ / (-) %
	1Q 2009	1Q 2008	
Profit after taxation as a percentage of Turnover	9.31%	10.31%	(9.7)
Net profit attributable to shareholders as a percentage of Issued Capital and Reserves at end of period	8.60%	5.78%	48.8

n.m. : not meaningful

Notes:

- (i) Lower interest income was because of lower interest rates on interest bearing asset balances.
- (ii) The foreign exchange gain in 1Q 2009 was mainly due to the revaluation on United States dollars monetary items.
- (iii) The fair value adjustment on hedging instruments was due to mark-to-market adjustments of foreign currency forward contracts.

1b. Income Tax Expense

The Group's tax charge for 1Q 2009 included a write back of an over provision of tax in respect of prior years of \$2,869,000 (1Q 2008: under provision of tax in respect of prior years of \$9,000). The over provision of tax in respect of prior years is mainly due to a write back of provision for deferred tax arising from a 1% reduction in Singapore corporate income tax rate.

1c. Earnings per ordinary share

Earnings per ordinary share of the Group for the financial period based on net profit attributable to shareholders:	1Q 2009	Group 1Q 2008	+/(-)%
(i) Based on the weighted average number of shares (cents)	5.85	4.41	32.7
Weighted average number of shares	2,055,830,011	2,070,538,917	(0.7)
(ii) On a fully diluted basis (cents)	5.84	4.38	33.3
Adjusted weighted average number of shares	2,058,739,011	2,087,224,917	(1.4)

1d. Explanatory Notes to Group Income Statement

Group turnover increased by 48.8% in 1Q 2009 mainly due to higher percentage of completion achieved in the rig building, offshore, conversion projects and higher repair sales.

Gross profit margin was higher in 1Q 2009 primarily due to higher operating margins from rig building and ship repair businesses.

Other operating income increased mainly due to higher foreign exchange gains.

Other operating expenses increased mainly due to mark-to-market adjustments of foreign currency forward contracts.

The lower general and administrative expenses are mainly due to lower personnel related costs in 1Q 2009.

Decreases in the share of results of associates and joint ventures in 1Q 2009 are mainly due to lower contribution from Cosco Shipyard Group Co. Ltd.

2. BALANCE SHEETS

Balance Sheets	Group		Company	
	31-Mar-2009 \$'000	31-Dec-2008 \$'000	31-Mar-2009 \$'000	31-Dec-2008 \$'000
Non-current Assets				
Property, plant and equipment	709,612	697,702	111,055	111,532
Investment properties	-	-	53,565	54,037
Investment in subsidiaries	-	-	634,707	620,252
Investment in associates and joint ventures	297,400	269,609	107,369	107,369
Other long-term investments	124,154	138,376	88,538	97,317
Long-term trade receivables	16,996	18,025	17,160	18,025
Long-term other receivables	37,521	37,023	73,944	73,944
Intangible assets	6,127	6,127	122	122
Deferred tax assets	14,920	9,436	-	-
Total Non-current Assets	1,206,730	1,176,298	1,086,460	1,082,598
Current Assets				
Inventories and work-in-progress	1,187,073	834,789	-	-
Trade receivables	632,095	480,396	15,052	16,123
Other receivables, deposits and prepayments	69,428	66,302	171,002	166,846
Fixed deposits	1,579,626	1,630,147	-	-
Bank balances and cash	529,768	423,885	4,407	12,454
Total Current Assets	3,997,990	3,435,519	190,461	195,423
Current Liabilities				
Trade payables	1,908,035	1,638,812	10,077	18,843
Other payables	26,316	26,869	121,854	113,103
Provisions	41,653	38,188	-	-
Progress billings in excess of work-in-progress	1,119,601	966,990	-	-
Interest-bearing borrowings	206,255	202,238	149,963	149,945
Derivative financial liabilities	118,013	71,394	-	-
Provision for taxation	179,629	167,149	530	422
Total Current Liabilities	3,599,502	3,111,640	282,424	282,313
Net Current Assets/(Liabilities)	398,488	323,879	(91,963)	(86,890)
Total Assets less Current Liabilities	1,605,218	1,500,177	994,497	995,708
Non-current Liabilities				
Long-term interest-bearing borrowings	18,000	20,000	-	-
Long-term derivative financial liabilities	93,286	49,731	-	-
Deferred tax liabilities	52,666	61,261	30,888	34,163
Long-term other payables	2,423	2,603	32,849	32,849
Other provisions	6,506	6,623	2,895	2,895
Total Non-current Liabilities	172,881	140,218	66,632	69,907
	1,432,337	1,359,959	927,865	925,801
Capital & Reserves				
Share capital	443,347	443,347	443,347	443,347
Reserves	954,722	874,638	484,518	482,454
	1,398,069	1,317,985	927,865	925,801
Minority interests	34,268	41,974	-	-
	1,432,337	1,359,959	927,865	925,801

NOTES TO GROUP BALANCE SHEETS:

2a. Group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31-Mar-2009		As at 31-Dec-2008	
Secured	Unsecured	Secured	Unsecured
12,000,000	194,255,000	12,000,000	190,238,000

Amount repayable after one year

As at 31-Mar-2009		As at 31-Dec-2008	
Secured	Unsecured	Secured	Unsecured
18,000,000	-	20,000,000	-

Details of Collateral

Borrowing amounting to \$30,000,000 (31 December 2008: \$32,000,000) is secured on corporate guarantee from a subsidiary.

2b. Net asset value

	Group			Company		
	Mar-2009	Dec-2008	+ / (-) %	Mar-2009	Dec-2008	+ / (-) %
Net asset value per ordinary share based on issued share capital at the end of the financial year (cents)	67.91	64.11	5.9	45.07	45.03	0.1

2c. Explanatory Notes to Balance Sheets

(i) Group

Derivative financial liabilities

'Derivative financial liabilities' increased due to mark-to-market adjustments of foreign currency forward contracts.

Inventories and work-in progress, Trade receivables and Trade payables

'Inventories and work-in-progress', 'Trade receivables' and 'Trade payables' increased significantly mainly due to increase in rig building, offshore and conversion projects.

Progress billings in excess of work-in-progress

'Progress billings in excess of work-in-progress' increased significantly mainly due to receipts from customers for both rig building projects in progress and completed projects.

(ii) Company

Net Current Liabilities

The Company negative working capital was due to the timing of dividend distribution from subsidiaries.

3. CONSOLIDATED CASH FLOW STATEMENT

	Group	
	1Q 2009	1Q 2008
	\$'000	\$'000
Cash flows from operating activities:		
Operating profit	134,603	79,464
Adjustments for:		
Depreciation of property, plant and equipment, net	17,554	15,372
Gain on disposal of property, plant and equipment, net	(68)	(16)
Property, plant and equipment written off	4	-
Share-based payment expenses	1,387	2,829
Fair value adjustment on hedging instruments	9,280	(7,453)
Amortisation	18	398
Negative goodwill	(298)	-
Operating income before reinvestment in working capital	162,480	90,594
(Increase)/decrease in receivables	(154,889)	53,109
(Increase)/decrease in inventories and work-in-progress	(199,673)	766,744
Increase/(decrease) in payables	296,843	(47,720)
Cash generated from operations	104,761	862,727
Investment and interest income received	2,257	5,460
Interest paid	(2,632)	(3,957)
Income taxes paid	(11,821)	(6,755)
Net cash inflow from operating activities	92,565	857,475
Cash flow from investing activities:		
Purchase of property, plant and equipment	(26,341)	(24,166)
Proceeds from sale of property, plant and equipment	841	16
Acquisition of minority interest	(13,428)	-
Net cash outflow from investing activities	(38,928)	(24,150)
Cash flow from financing activities:		
Payments on finance leases	(290)	(161)
Repayment of borrowings	(111,304)	(227,256)
Proceeds from borrowings	113,303	182,759
Proceeds from issue of shares by the Company	16	798
Purchase of Treasury shares	-	(50,326)
Net cash inflow/(outflow) from financing activities	1,725	(94,186)
Net increase in cash and cash equivalents	55,362	739,139
Cash and cash equivalents at beginning of period	2,054,032	740,477
Cash and cash equivalents at end of period	2,109,394	1,479,616

NOTES TO CONSOLIDATED CASH FLOW STATEMENT:

3a. Cash and cash equivalents

Cash and cash equivalents in the consolidated cash flow statement comprise the following balance sheet amounts:

	31-Mar-2009	31-Mar-2008
	\$'000	\$'000
Fixed deposits	1,579,626	1,222,808
Bank balances and cash	529,768	266,601
Bank overdraft	-	(9,793)
	<u>2,109,394</u>	<u>1,479,616</u>

3b. Explanatory Notes to Consolidated Cash Flow Statement

Net cash inflow from operating activities for 1Q 2009 was \$92.6 million. The operating cash flow was mainly contributed by the operating margins from rig building and ship repair businesses and the completion of rig building projects in 1Q 2009. The decrease in cash inflow from operating activities from \$857.5 million in 1Q 2008 to \$92.6 million in 1Q 2009 was mainly due to receipts from more ongoing and completed projects in 1Q 2008 as compared to 1Q 2009 arising from collections in accordance with the agreed projects payment terms.

Net cash outflow from investing activities for 1Q 2009 was \$38.9 million. The Group spent \$26.3 million on expansion and operational capital expenditures and \$13.4 million on acquisition of minority interest in 1Q 2009.

Net cash inflow from financing activities for 1Q 2009 was \$1.7 million. It relates mainly to proceeds from bank borrowings offset by repayment of bank borrowings.

4. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group	
	1Q 2009	1Q 2008
	\$'000	\$'000
Profit for the period	126,887	94,467
Other comprehensive income, after tax		
Translation adjustments	26,840	(5,897)
Net fair value changes of cash flow hedges	(57,475)	55,118
Net fair value changes of available-for-sale financial assets	(12,465)	(194,185)
Other comprehensive expense for the period	(43,100)	(144,964)
Total comprehensive income/(expense) for the period	83,787	(50,497)
Attributable to:		
Shareholders of the Company	77,785	(53,121)
Minority Interests	6,002	2,624
Total comprehensive income/(expense) for the period	83,787	(50,497)

5. STATEMENTS OF CHANGES IN EQUITY

5a. Statements of Changes in Equity for the Group

<u>GROUP</u>	Attributable to shareholders of the Company						Total	Minority interests	Total Equity
	Share capital	Reserve for own shares	Capital reserves	Foreign currency translation reserve	Other reserves	Revenue reserve			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000			
1Q 2009									
At 1 January 2009	443,347	(55,855)	14,084	(3,143)	(36,445)	955,997	1,317,985	41,974	1,359,959
Issuance of treasury shares	-	10,185	-	-	(10,250)	-	(65)	-	(65)
Cost of share-based payment - charged to income statement	-	-	-	-	2,364	-	2,364	18	2,382
Acquisition of minority interest	-	-	-	-	-	-	-	(13,726)	(13,726)
Total comprehensive income for the period	-	-	-	25,209	(67,623)	120,199	77,785	6,002	83,787
At 31 March 2009	443,347	(45,670)	14,084	22,066	(111,954)	1,076,196	1,398,069	34,268	1,432,337
1Q 2008									
At 1 January 2008	442,549	-	14,084	(18,304)	506,393	735,338	1,680,060	25,656	1,705,716
Issue of shares under Share Option Plan	798	-	-	-	-	-	798	-	798
Purchase of treasury shares	-	(50,326)	-	-	-	-	(50,326)	-	(50,326)
Issuance of treasury shares	-	8,148	-	-	(8,148)	-	-	-	-
Cost of share-based payment - charged to income statement	-	-	-	-	2,809	-	2,809	20	2,829
Total comprehensive income for the period	-	-	-	(5,393)	(139,067)	91,339	(53,121)	2,624	(50,497)
At 31 March 2008	443,347	(42,178)	14,084	(23,697)	361,987	826,677	1,580,220	28,300	1,608,520

5b. Statements of Changes in Equity of the Company

<u>COMPANY</u>	Share capital	Reserve for own shares	Capital reserves	Other reserves	Revenue reserve	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>1Q 2009</u>						
At 1 January 2009	443,347	(55,855)	960	55,271	482,078	925,801
Issuance of treasury shares	-	10,185	-	(10,169)	-	16
Cost of share-based payment						
- charged to income statement	-	-	-	596	-	596
- issued to employees of subsidiaries	-	-	-	1,762	-	1,762
Total comprehensive income for the period	-	-	-	(6,767)	6,457	(310)
At 31 March 2009	443,347	(45,670)	960	40,693	488,535	927,865
<u>1Q 2008</u>						
At 1 January 2008	442,549	-	960	347,065	546,459	1,337,033
Issue of shares under Share Option Plan	798	-	-	-	-	798
Purchase of treasury shares	-	(50,326)	-	-	-	(50,326)
Issuance of treasury shares	-	8,148	-	(8,148)	-	-
Cost of share-based payment						
- charged to income statement	-	-	-	614	-	614
- issued to employees of subsidiaries	-	-	-	2,191	-	2,191
Total comprehensive income for the period	-	-	-	(119,477)	836	(118,641)
At 31 March 2008	443,347	(42,178)	960	222,245	547,295	1,171,669

5c. Changes in the Company's share capital

Issued and Paid Up Capital

As at 31 March 2009, the Company's issued and paid up capital, excluding treasury shares comprises 2,058,661,505 (31 March 2008: 2,059,386,623) ordinary shares.

Share Options

During 1Q 2009, the Company issued 21,150 ordinary shares for cash upon the exercise of the options under the Company's Share Option Plan ("SOP") by way of issuance of treasury shares (1Q 2008: 516,150 ordinary shares issued by way of issuance of new shares).

As at 31 March 2009, there were 25,795,519 (31 March 2008: 34,944,345) unissued ordinary shares under options granted to eligible employees and directors under the Company's SOP.

Performance Shares

During 1Q 2009, there was no (1Q 2008: Nil) performance share granted under the Company's Performance Share Plan ("PSP").

The Company released 411,600 (1Q 2008: 1,627,500) performance shares during 1Q 2009 to the participants for the performance period 2006 to 2008.

The total number of performance shares in awards granted conditionally and representing 100% of targets to be achieved, but not released as at 31 March 2009 was 1,770,000 (31 March 2008: 2,905,000). Based on the multiplying factor, the actual release of the awards could range from zero to a maximum of 2,655,000 (31 March 2008: 4,357,500) performance shares.

Restricted Shares

During 1Q 2009, there was no (1Q 2008: Nil) restricted share granted conditionally under the Company's Restricted Stock Plan ("RSP"). 1,182,233 (1Q 2008: 477,894) restricted shares were vested and 76,925 (1Q 2008: 25,522) restricted shares lapsed.

The Company released a total of 2,401,652 (1Q 2008: 687,653) restricted shares during 1Q 2009 to the participants of which 669,267 restricted shares being second partial release for performance period 2006 to 2007 and the balance 1,732,385 restricted shares being first partial release for the performance period 2007 to 2008.

The total number of restricted shares outstanding, including awards achieved but not released, as at 31 March 2009, was 7,466,507 (31 March 2008: 5,721,705). Of this, the total number of restricted shares in awards granted conditionally and representing 100% of targets to be achieved, but not released as at 31 March 2009 was 3,417,200 (31 March 2008: 4,120,326). Based on the multiplying factor, the actual release of the conditional awards could range from zero to a maximum of 5,125,800 (31 March 2008: 5,356,424) restricted shares.

Treasury Shares

During 1Q 2009, the Company made no (1Q 2008: 14,300,000) purchases of its ordinary shares.

The Company issued 2,834,402 (1Q 2008: 2,315,153) treasury shares during 1Q 2009 pursuant to the SOP, PSP and RSP.

As at 31 March 2009, 12,709,965 (31 March 2008: 11,984,847) treasury shares were held that may be issued upon the exercise of the options under the SOP and upon the vesting of performance shares and restricted shares under the PSP and RSP respectively.

6. AUDIT

The figures have not been audited or reviewed. However, our auditors have performed certain procedures and enquiries. These procedures are substantially less in scope than an audit or a review in accordance with Singapore Standard on Review Engagements (SSRE) 2410.

7. AUDITORS' REPORT

Not applicable.

8. ACCOUNTING POLICIES

Except as disclosed in paragraph 9 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 31 December 2008.

9. CHANGES IN ACCOUNTING POLICIES

With effect from 1 January 2009, the Group adopted the following new/amended FRS, which are relevant to the Group's operations:

FRS 1 (revised 2008)	Presentation of Financial Statements
FRS 23 (revised 2007)	Borrowing Costs
FRS 108	Operating Segments

The adoption of the above FRS does not have any significant impact on the financial statements.

10. REVIEW OF GROUP PERFORMANCE

Group Overview

1Q 2009 versus 1Q 2008

	1Q 2009	1Q 2008	+ / (-)	+ / (-)
	\$'m	\$'m	\$'m	%
Rig Building	759.5	484.1	275.4	56.9
Offshore and Conversion	401.0	222.3	178.7	80.4
Repair	196.0	188.4	7.6	4.0
Shipbuilding	-	0.8	(0.8)	n.m.
Other Activities	7.0	20.5	(13.5)	(65.9)
Group Turnover	1,363.5	916.1	447.4	48.8

Group turnover for 1Q 2009 increased by 48.8% to \$1,363.5 million from \$916.1 million in 1Q 2008.

Group Operating Profit and Pre-tax Profit

Group operating profits increased by 69.4% to \$134.6 million in 1Q 2009 from \$79.5 million in 1Q 2008.

Group pre-tax profits increased by 31.4% to \$151.3 million from \$115.1 million in 1Q 2008. The increase is mainly attributable to higher operating margins from rig building and ship repair businesses, offset by lower contribution from Cosco Shipyard Group Co. Ltd.

Group Profit Attributable to Members of the Company

Group attributable profits for 1Q 2009 increased by 31.6% to \$120.2 million from \$91.3 million in 1Q 2008.

11. VARIANCE FROM PROSPECT STATEMENT

There is no variance from the previous forecast.

12. PROSPECTS

The Group has a net order book of S\$8.42 billion with completion and deliveries stretching till early 2012. This includes the S\$378 million rig order contract secured in early April 2009 from SeaDragon Offshore Limited for an ultra-deepwater harsh environment semi-submersible rig from a bare-deck hull for delivery by end 2010.

The long-term fundamentals driving the future deepwater activities continue to be strong with the futures market pointing toward a rebound in oil and gas prices. Overall, the macro situation has not affected the deepwater rig activity with many of the major players (oil majors and national oil companies) in the sector having announced their intentions to increase or maintain E&P spending according to their long-term plan.

For ship repair, Singapore's strategic location and its reputation as an international maritime centre coupled with the Group's strategic alliances and partnerships fostered with long-term customers will provide a stable base-load to cushion the impact of the current economic turmoil.

The market for large FPSO units and production platforms is expected to remain strong based on owners' long-term commercial viability of the projects. Such projects have longer gestation periods and constitute part of the owners' investment portfolio designed to provide future output to replace depleting reserves.

Notwithstanding the current challenges due to the economic downturn and the credit crunch leading to the possibility of some deferrals and cancellations, the Group does not expect any material adverse impact on its performance.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, exchange rate movement, cost of capital and capital availability, competition from other companies and venues for the sale and distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

13. DIVIDEND

No interim dividend for the period ended 31 March 2009 is recommended.

14. SEGMENTAL REPORTING

	Ship & rig repair, building, conversion and offshore \$'000	Ship chartering \$'000	Others \$'000	Eliminations \$'000	Total \$'000
(i) By business segment: 1Q 2009					
Turnover					
Sales to external parties	1,359,145	-	4,349	-	1,363,494
Inter-segment sales	-	-	46,914	(46,914)	-
Consolidated sales	1,359,145	-	51,263	(46,914)	1,363,494
Results					
Segment results	132,858	251	1,494	-	134,603
Dividend and interest income	2,613	-	2	-	2,615
Finance costs	(1,261)	-	-	-	(1,261)
Share of results of associates & joint venture	13,284	2,030	14	-	15,328
Profit before taxation	147,494	2,281	1,510	-	151,285
Taxation	(23,697)	(348)	(353)	-	(24,398)
Profit after taxation	123,797	1,933	1,157	-	126,887
Other information					
Capital expenditure	26,341	-	13,428	-	39,769
Depreciation	17,249	-	305	-	17,554
Amortisation	18	-	-	-	18
Other segment assets	3,135,087	16,255	30,019	-	3,181,361
Interest bearing assets	1,685,435	-	21,864	-	1,707,299
Investments in associates & joint venture	275,009	21,869	522	-	297,400
Deferred tax assets	14,861	-	59	-	14,920
Tax recoverable	3,740	-	-	-	3,740
Total segment assets	5,114,132	38,124	52,464	-	5,204,720
Other segment liabilities	3,290,990	7	21,368	-	3,312,365
Interest bearing liabilities	227,723	-	-	-	227,723
Deferred tax liabilities	52,052	-	614	-	52,666
Provision for taxation	176,994	525	2,110	-	179,629
Total segment liabilities	3,747,759	532	24,092	-	3,772,383

14. **SEGMENTAL REPORTING (Cont'd)**

	Ship & rig repair, building, conversion and offshore \$'000	Ship chartering \$'000	Others \$'000	Eliminations \$'000	Total \$'000
(i) By business segment: 1Q 2008					
Turnover					
Sales to external parties	901,826	-	14,292	-	916,118
Inter-segment sales	-	-	49,312	(49,312)	-
Consolidated sales	901,826	-	63,604	(49,312)	916,118
Results					
Segment results					
Dividend and interest income	5,582	-	81	-	5,663
Finance costs	(4,140)	-	-	-	(4,140)
Share of results of associates & joint venture	31,616	2,522	21	-	34,159
Profit before taxation	110,372	2,508	2,266	-	115,146
Taxation	(19,804)	(451)	(424)	-	(20,679)
Profit after taxation	90,568	2,057	1,842	-	94,467
Other information					
Capital expenditure	24,166	-	-	-	24,166
Depreciation	15,121	-	251	-	15,372
Amortisation	398	-	-	-	398
Other segment assets					
Interest bearing assets	1,414,396	-	21,355	-	1,435,751
Investments in associates & joint venture	215,804	14,082	403	-	230,289
Tax recoverable	4,558	-	379	-	4,937
Total segment assets	4,549,002	31,916	57,777	-	4,638,695
Other segment liabilities					
Interest bearing liabilities	408,934	-	-	-	408,934
Deferred tax liabilities	125,664	-	759	-	126,423
Provision for taxation	119,369	538	2,452	-	122,359
Total segment liabilities	2,996,838	548	32,789	-	3,030,175

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

14. SEGMENTAL REPORTING (CONT'D)

(ii) *By geographical area*

The Group operates principally in the Republic of Singapore. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

	Singapore \$'000	Rest of Asia \$'000	Europe \$'000	Others \$'000	Eliminations \$'000	Total \$'000
1Q 2009						
Revenue from external customers	319,434	450,002	434,750	159,308	-	1,363,494
Total segment assets	4,800,834	393,552	-	10,334	-	5,204,720
Capital expenditure	37,432	2,251	-	86	-	39,769
1Q 2008						
Revenue from external customers	231,172	316,426	314,830	53,690	-	916,118
Total segment assets	4,245,269	377,504	-	15,922	-	4,638,695
Capital expenditure	15,127	9,014	-	25	-	24,166

14a. Review of segment performance

Please refer to paragraph 10.

15. **INTERESTED PERSON TRANSACTIONS**

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

	1Q 2009	1Q 2008
	\$'000	\$'000
Transaction for the Sales of Goods and Services		
Neptune Orient Lines Ltd and its associates	-	1,630
PSA International Pte Ltd and its associates	1,133	-
Transaction for the Purchase of Goods and Services		
Sembcorp Industries Limited and its associates	7,022	7,068
Management and Support Services		
Sembcorp Industries Limited	63	63
Total Interested Person Transactions	8,218	8,761

16. **CONFIRMATION PURSUANT TO THE RULE 705(4) OF THE LISTING MANUAL**

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the first quarter ended 31 March 2009 unaudited financial results to be false or misleading.

BY ORDER OF THE BOARD

**KWONG SOOK MAY/TAN YAH SZE
JOINT COMPANY SECRETARIES**

8 May 2009