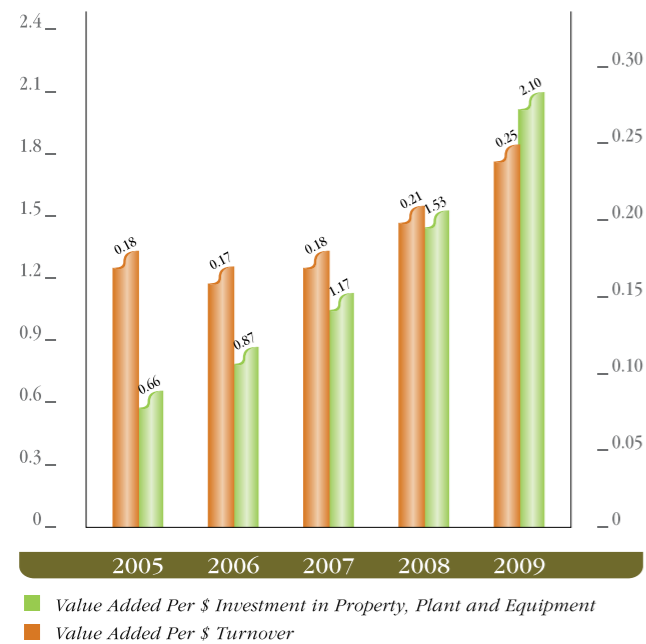


VALUE ADDED STATEMENT

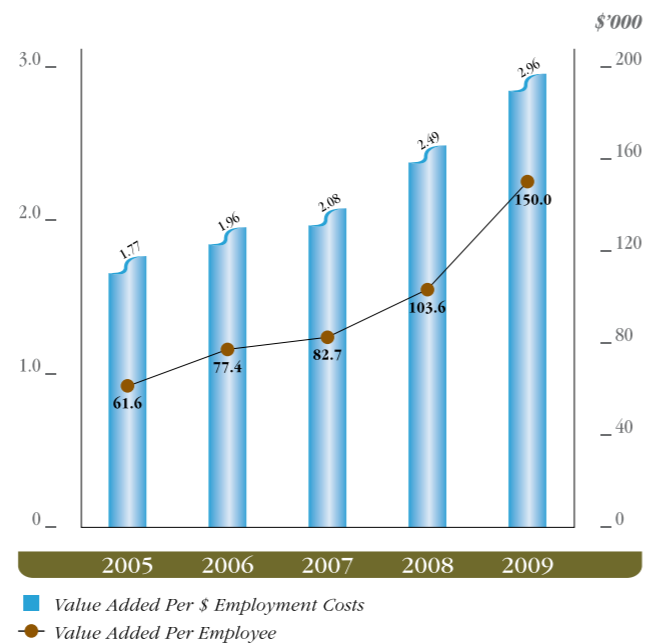
	2005 \$'000	2006 \$'000	2007 \$'000	2008 \$'000	2009 \$'000
Turnover	2,119,279	3,545,049	4,513,123	5,063,948	5,724,742
Less: Bought In Materials	(1,734,961)	(2,957,566)	(3,722,062)	(3,993,848)	(4,297,115)
Gross Value Added From Operations	384,318	587,483	791,061	1,070,100	1,427,627
Investment, Interest & Other Income	42,917	79,514	292,629	67,140	67,222
Share Of Associates' Results	12,313	40,923	74,075	56,995	17,549
Share Of Joint Ventures' Results	1,011	3,441	7,718	8,305	7,850
Other Non-Operating Expenses	(12,409)	(30,792)	(20,143)	(78,108)	(31,836)
Foreign Exchange Transactions	–	–	(302,922)	(43,749)	–
	428,150	680,569	842,418	1,080,683	1,488,412
Distribution:					
To Employees : Salaries, Wages & Benefits	216,533	299,052	379,897	429,895	482,128
To Government : Income & Other Taxes	41,888	73,880	130,198	111,677	166,809
To Providers of Capital :					
Interest Paid on Borrowings	4,785	10,549	13,692	11,370	5,329
Dividends	98,036	122,362	216,266	209,259	226,666
Retained in Business :					
Depreciation and Amortisation	37,766	45,514	66,353	70,592	75,248
Retained Profits	23,362	116,026	24,723	220,659	473,452
Minority Interests	4,186	10,143	10,738	21,324	56,647
Non-Production Costs	1,594	3,043	551	5,907	2,133
Total Distribution	428,150	680,569	842,418	1,080,683	1,488,412
Average Number of Employees	6,241	7,592	9,570	10,330	9,515
Employment Costs	216,533	299,052	379,897	429,895	482,128
Value Added Per Employee	61.58	77.38	82.66	103.59	150.04
Employment Cost Per Employee	34.70	39.39	39.70	41.62	50.67
Value Added Per Employment Costs	1.77	1.96	2.08	2.49	2.96
Value Added Per Dollar Investment in Property, Plant and Equipment	0.66	0.87	1.17	1.53	2.10
Value Added Per Dollar Turnover	0.18	0.17	0.18	0.21	0.25

Financial Review

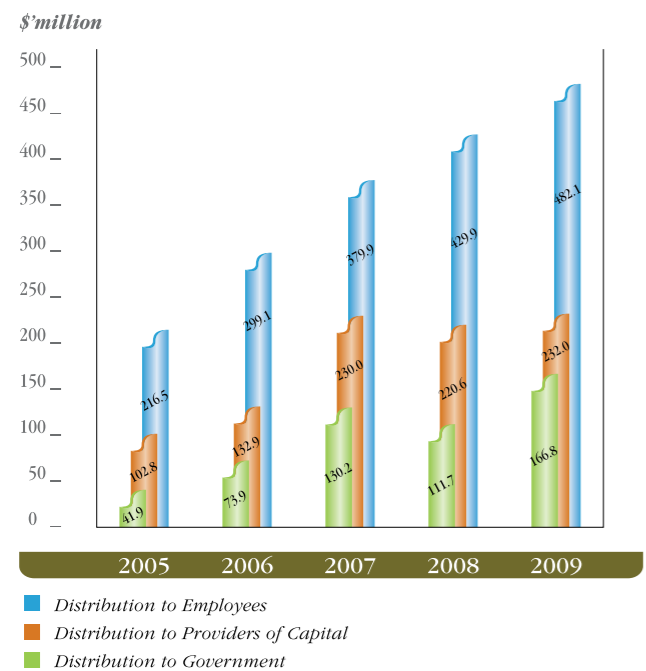
Productivity Ratios



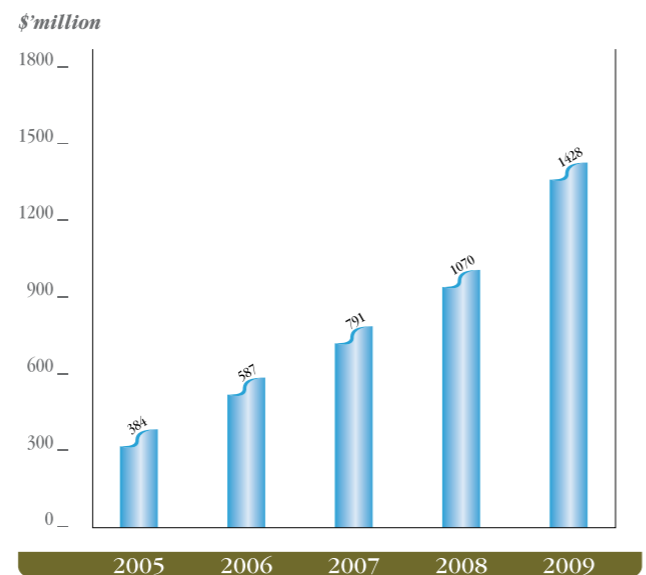
Productivity Ratios



Distribution of Value Added



Gross Value Added



ECONOMIC VALUE ADDED

	2009 \$'000	2008 \$'000
Net Operating Profit Before Tax	882,236	479,658
Adjust for:		
Share of Associates and Joint Ventures' Results	25,399	65,300
Interest Expenses	7,997	13,066
Others	21,984	13,360
Adjusted Profit Before Interest and Tax	937,616	571,384
Cash Operating Taxes (Note 1)	(155,396)	(98,612)
NOPAT	782,220	472,772
Average Capital Employed (Note 2)	1,908,465	1,951,809
Weighted Average Cost of Capital (Note 3)	6.3%	6.0%
Capital Charge	120,233	117,109
EVA	661,987	355,663
Less: Minority Share of EVA	53,888	19,166
EVA Attributable to Ordinary Shareholders	608,099	336,497

Note 1: The reported current tax is adjusted for the statutory tax impact of interest expense.

Note 2: Monthly average total assets less non-interest bearing liabilities plus timing provision, goodwill written off / amortised / impaired and present value of operating leases.

Note 3: The Weighted Average Cost of Capital is calculated in accordance with Sembcorp Group EVA Policy as follows:

- Cost of Equity using Capital Asset Pricing Model with market risk premium at 6.0% (2008: 6.0%);
- Risk-free rate of 2.08% (2008: 2.74%) based on yield-to-maturity of Singapore Government 10 years Bonds;
- Ungeared beta 0.7 (2008: 0.6) based on Sembcorp Industries risk categorisation; and
- Cost of Debt rate at 4.98% (2008: 3.53%) using 5-year Singapore Dollar Swap Offered rate plus 300 basis point. (2008: 5-year Singapore Dollar Swap Offered rate plus 55 basis point)