



SIA ENGINEERING COMPANY

FY2010/11 Performance Review – Financial Review

Summary of Group Results

	FY1011	FY0910	Variance
	\$M	\$M	%
Revenue	1,106.9	1,006.4	+ 10.0
Expenditure	971.2	896.0	+ 8.4
Operating profit	135.7	110.4	+ 22.9
Share of JV & Assoc Cos' Profits	144.4	129.7	+ 11.3
Profit before tax	296.1	262.6	+ 12.8
Net profit	258.5	236.1	+ 9.5
Net profit margin (%)	23.4	23.5	- 0.1 pts

Breakdown of Group Revenue

	FY1011 \$M	FY0910 \$M	Variance %
Airframe & Component Overhaul	542.5	500.8	+ 8.3
Fleet Management	163.8	128.6	+ 27.4
Repair & Overhaul	706.3	629.4	+ 12.2
Line Maintenance	400.6	377.0	+ 6.3
	1,106.9	1,006.4	+ 10.0

Group Expenditure

	FY1011 \$M	FY0910 \$M	Variance %
Staff costs	452.9	413.5	+ 9.5
Materials	223.9	220.4	+ 1.6
Subcontract costs	126.8	93.3	+ 35.9
Overheads	167.6	168.8	- 0.7
Expenditure	971.2	896.0	+ 8.4

Profit Contribution

	FY1011 \$M	FY0910 \$M	Variance %
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<u>Operating Segments</u>			
Repair & Overhaul	41.2	31.5	+ 30.8
Line Maintenance	94.5	78.9	+ 19.8
	135.7	110.4	+ 22.9
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<u>JVs and Associated Cos</u>			
Engine Overhaul and Component	130.6	106.7	+ 22.4
Others	13.8	23.0	- 40.0
	144.4	129.7	+ 11.3
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SIA vs Non-SIA Revenue

	SIA \$M	Non-SIA \$M	Total \$M
SIAEC	629.7	413.8	1,043.5
<i>% of non-SIA work</i>		40%	
Subsidiary Cos	44.8	52.8	97.6
<i>% of non-SIA work</i>		54%	
JV & Associated Cos			
- Engine Overhaul and Component	240.8	2,405.9	2,646.7
- Others	41.1	243.2	284.3
	281.9	2,649.1	2,931.0
<i>% of non-SIA work</i>		90%	
Combined revenue	956.4	3,115.7	4,072.1
<i>% of non-SIA work</i>		77%	

4Q FY10/11 Group Results

	4Q FY1011 \$M	4Q FY0910 \$M	Variance %	
Revenue	272.0	272.6	-	0.2
Expenditure	241.4	231.4	+	4.3
Operating profit	30.6	41.2	-	25.7
Surplus on disposal of fixed assets	0.9	6.1	-	85.2
Share of JV & Assoc Cos' Profits	33.5	28.4	+	18.0
Profit before tax	67.9	78.7	-	13.7
Provision for tax	6.5	3.9	+	66.7
Net profit	60.9	73.9	-	17.6
Net profit margin (%)	22.4	27.1	-	4.7 pts

Financial Statistics

	As at Mar 11	As at Mar 10	Variance %
Shareholders' equity (\$M)	1,302.7	1,264.8	+ 3.0
Net asset value per share (cents)	119.4	117.0	+ 2.1
Cash position (Grp) (\$M)	581.4	425.8	+ 36.5
	FY1011	FY0910	
EPS (cents)	23.8	21.9	+ 8.6 %
Return on average shareholders' funds (%)	20.1	18.9	+ 1.2 pts



Operations Review

Line Maintenance

+6.6% 

Flights handled at
Changi Airport

FY10/11

110,217

FY09/10

103,360

12 New Contracts



HONGKONG AIRLINES
香港航空



深圳航空
Shenzhen Airlines



Biman
BANGLADESH AIRLINES



SOUTH EAST ASIAN
AIRLINES



Air Méditerranée



BERJAYA
BERJAYA AIR
www.Berjaya-Air.com



mandala



海南航空
HAINAN AIRLINES

10 Renewed Contracts



cargolux

KOREAN AIR



ROYAL BRUNEI



ASIANA AIRLINES



Aircraft & Component Services



	<u>FY10/11</u>	<u>FY09/10</u>
'A' checks*	457	452
'C' checks	113	91
'D' checks	21	19

* Performed in Singapore & Bahrain

15 New Contracts



Dubai
Air Wing



STRATEGIC COLLABORATIONS

Nov 2010

JV with Panasonic Avionics Corp

- State-of-the-art facility in Singapore will meet growing demand for In-flight Entertainment Equipment MRO services

Nov 2010

Launch of 6th overseas line maint JV

- Vietnam JV starts with strong base load of 9 airline customers

Apr 2011

Launch of SAFRAN JV

- World-leading avionics OEM, SAFRAN, opens its first avionics Centre of Excellence in Asia



STRATEGIC CUSTOMERS

Oct 2010

Airbus: A340 fleet management

- 6-year contract for 5 SIA A340-500 aircraft

Dec 2010

SilkAir: A319/320 fleet management

- \$500 million in contract value
- 5-year contract covers SilkAir's fleet

May 2010

Royal Brunei: B777 fleet management

- Contract covers 6 B777-200ER aircraft



Proposed Final Dividend

	FY1011	FY0910
<u>Final Dividend</u> <u>(in cents per share)</u>		
Ordinary	14.0	13.0
Special	10.0	-
Total Dividend	30.0*	18.0
Dividend Yield**	7.4%	5.1%

* Inclusive of interim dividend of 6 cents per share paid on 1 December 2010.

** Based on share price as of 31 March 2011

- In the near term, demand for our core businesses is expected to be sustained.
- JV business volumes expected to grow, reflecting recovery of engine and component business.
- Prevailing economic environment, including weak US\$, continues to pose challenges.
- Efforts to improve productivity & manage costs continue.
- Broad range of services, diversified operations & continuing drive to deliver outstanding quality remain our key strengths.



Thank you