



**SIA ENGINEERING
COMPANY**

FY2013/14 Performance Review





**SIA ENGINEERING
COMPANY**

Financial Review



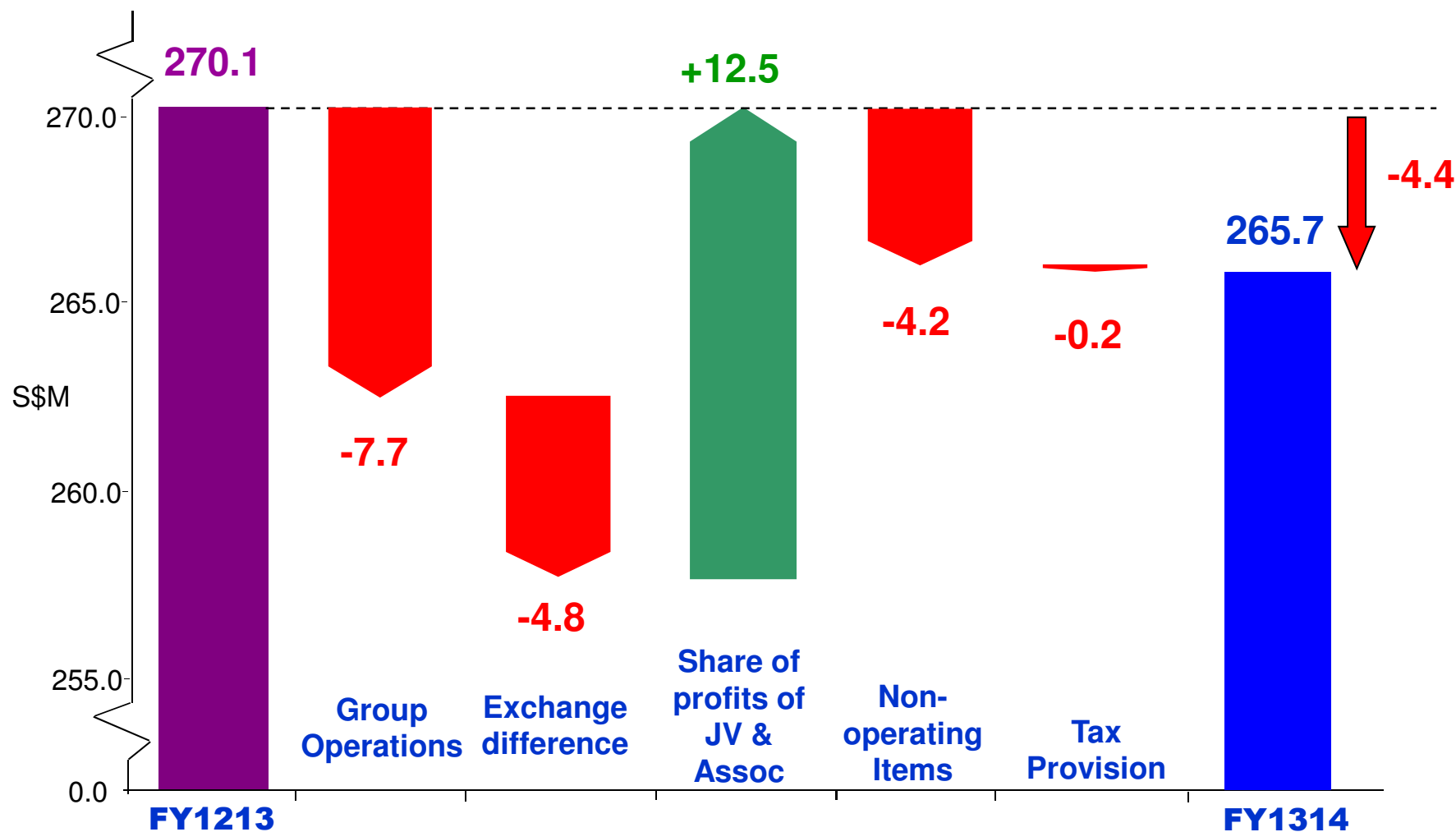
Summary of Group Results

FY1314

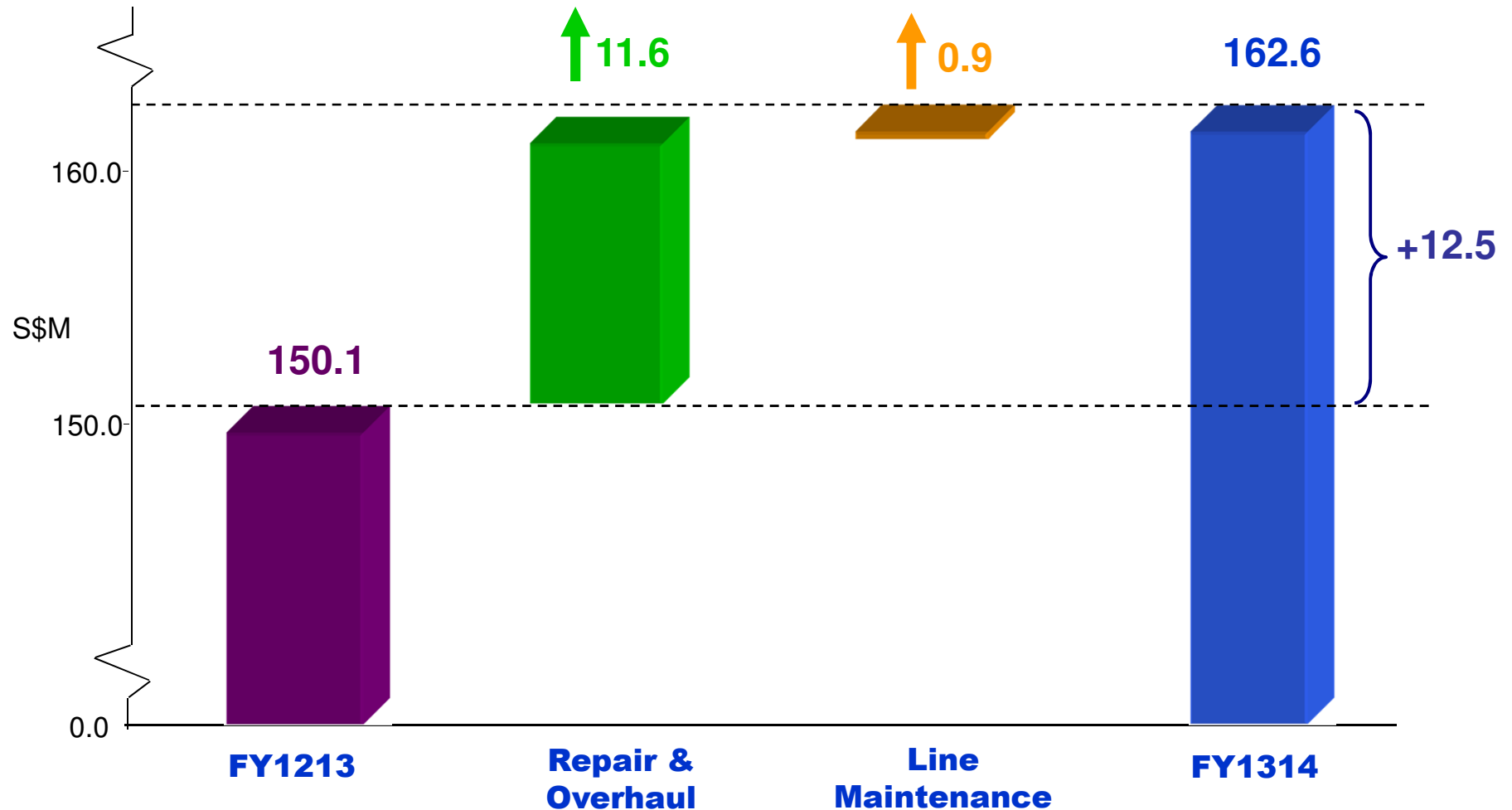
	FY1314	FY1213	Variance	
	\$M	\$M	%	
Revenue	1,178.2	1,146.7	+	2.7
Expenditure	1,062.6	1,018.6	+	4.3
Operating profit	115.6	128.1	-	9.8
Share of results of Assoc/JVs, net of tax	162.6	150.1	+	8.3
Profit before tax	294.0	297.0	-	1.0
Net profit	265.7	270.1	-	1.6
Net profit margin (%)	22.6	23.6	-	1.0 ppt



Group Profit for FY1314



Share of results of Assoc/JVs, net of tax



Joint Venture and Associated Companies

FY1314

	FY1314 \$M	FY1213 \$M	Variance %
<u>Share of profits after tax</u>			
Repair and Overhaul			
- Engine Repair & Overhaul Centres	125.0	112.6	+ 11.0
- Others	34.9	35.7	- 2.2
	159.9	148.3	+ 7.8
Line Maintenance	2.7	1.8	+ 50.0
	162.6	150.1	+ 8.3



Breakdown of Group Revenue

FY1314

	FY1314 \$M	FY1213 \$M	Variance %	
Airframe & Component Overhaul	579.1	551.7	+	5.0
Fleet Management	164.5	173.6	-	5.2
Repair & Overhaul	743.6	725.3	+	2.5
Line Maintenance	434.6	421.4	+	3.1
	1,178.2	1,146.7	+	2.7



Group Expenditure

FY1314

	FY1314 \$M	FY1213 \$M	Variance %	
Staff costs	508.4	498.2	+	2.0
Materials	223.1	214.2	+	4.2
Subcontract costs	145.7	136.7	+	6.6
Overheads	185.4	169.5	+	9.4
Expenditure	1,062.6	1,018.6	+	4.3



Group Operating Profit by Segment

FY1314

	FY1314 \$M	FY1213 \$M	Variance %
Repair & Overhaul	32.5	39.7	- 18.1
Line Maintenance	83.1	88.4	- 6.0
	115.6	128.1	- 9.8



SIA vs Non-SIA Revenue

FY1314

	SIA \$M	Non-SIA \$M	Total \$M
SIAEC	654.6	408.6	1,063.2
<i>% of non-SIA work</i>		38%	
Subsidiary Cos	61.8	99.9	161.7
<i>% of non-SIA work</i>		62%	
JV & Associated Cos			
- Engine Overhaul and Component	1,034.3	2,601.0	3,635.3
- Others	55.5	289.5	345.0
	1,089.8	2,890.5	3,980.3
<i>% of non-SIA work</i>		73%	
Combined revenue	1,806.2	3,399.0	5,205.2
<i>% of non-SIA work</i>		65%	



Summary of Group Results

4Q1314

	4Q1314 \$M	4Q1213 \$M	Variance %	
Revenue	311.1	283.5	+	9.7
Expenditure	276.9	252.6	+	9.6
Operating profit	34.2	30.9	+	10.7
Share of results of Assoc/JVs, net of tax	36.1	38.0	-	5.0
Profit before tax	73.2	73.2	-	-
Net profit	65.2	65.9	-	1.1
Net profit margin (%)	21.0	23.2	-	2.2 ppt



Breakdown of Group Revenue

4Q1314

	4Q1314 \$M	4Q1213 \$M	Variance %
Airframe & Component Overhaul	155.6	135.1	+ 15.2
Fleet Management	44.7	40.0	+ 11.8
Repair & Overhaul	200.3	175.1	+ 14.4
Line Maintenance	110.8	108.4	+ 2.2
	311.1	283.5	+ 9.7



Group Expenditure

4Q1314

	4Q1314 \$M	4Q1213 \$M	Variance %
Staff costs	124.6	129.6	- 3.9
Materials	60.1	51.8	+ 16.0
Subcontract costs	43.4	35.5	+ 22.3
Overheads	48.8	35.7	+ 36.7
Expenditure	276.9	252.6	+ 9.6



Group Operating Profit by Segment

4Q1314

	4Q1314 \$M	4Q1213 \$M	Variance %
Repair & Overhaul	11.7	9.3	+ 25.8
Line Maintenance	22.5	21.6	+ 4.2
	34.2	30.9	+ 10.7



Statement of Cash Flows

\$M	FY1314	FY1213
Cash flow generated from / (used in) :		
- Operating activities	113.0	133.6
- Investing activities	101.4	110.5
- Financing activities	(201.6)	(219.0)
Net cash inflow	12.8	25.1
Cash & cash equivalents at beginning of year	522.9	497.9
Effect of exchange rate changes	*	(0.1)
Cash & cash equivalents at end of year	535.7	522.9

* Amount less than \$0.1M.



Group Balance Sheet

	31 Mar 2014 \$M	31 Mar 2013 \$M
Equity attributable to owners of the parent	1,360.9	1,301.9
Non-controlling interests	29.6	27.3
Total equity	1,390.5	1,329.2
Non-current liabilities	40.4	25.3
	1,430.9	1,354.5
<u>Represented by:</u>		
Non-current assets	842.0	796.1
Cash	535.7	522.9
Other current assets	329.4	313.7
	865.1	836.6
Less: Current liabilities	(276.2)	(278.2)
Net current assets	588.9	558.4
	1,430.9	1,354.5



Financial Statistics

	FY1314	FY1213	Variance
Basic earnings per share (cents)	23.9	24.5	- 2.6 %
Return on average shareholders' funds (%)	20.0	21.1	- 1.1 ppt

	31 Mar 14	31 Mar 13	Variance
Net asset value per share (cents)	122.0	117.7	+ 3.7 %



Final Dividend

	FY1314	FY1213
<u>Final Dividend</u> <u>(in cents per share)</u>		
Ordinary	13.0	15.0
Special	5.0	-
Total Dividend	25.0 *	22.0

* Inclusive of interim dividend of 7 cents per share paid on 28 November 2013.





**SIA ENGINEERING
COMPANY**

Operations Review



Core Business



Line Maintenance

34 airports in 7 countries



Aircraft & Component Services

**6 hangars in Singapore
2 hangars in the Philippines**



Fleet Management

**Fleet size of 170 aircraft
from 12 airlines**



Line Maintenance

+18.2%

Flights handled at
Changi Airport

FY13/14

135,366

FY12/13

114,523

12 New Contracts



11 Renewed Contracts



Aircraft & Component Services

SINGAPORE



Hangar 1
May 1982
3 bays: widebody aircraft



Hangar 2
Jun 1992
2 bays: Airbus aircraft



Hangar 3
Oct 2001
1 bay: B777



Hangar 4
May 2005
1-bay: B747-400 PTF capability



Hangar 5
Dec 2004
1 bay: specialised painting capability



Hangar 6
Apr 2010
1 bay: A380 & B777-300ER



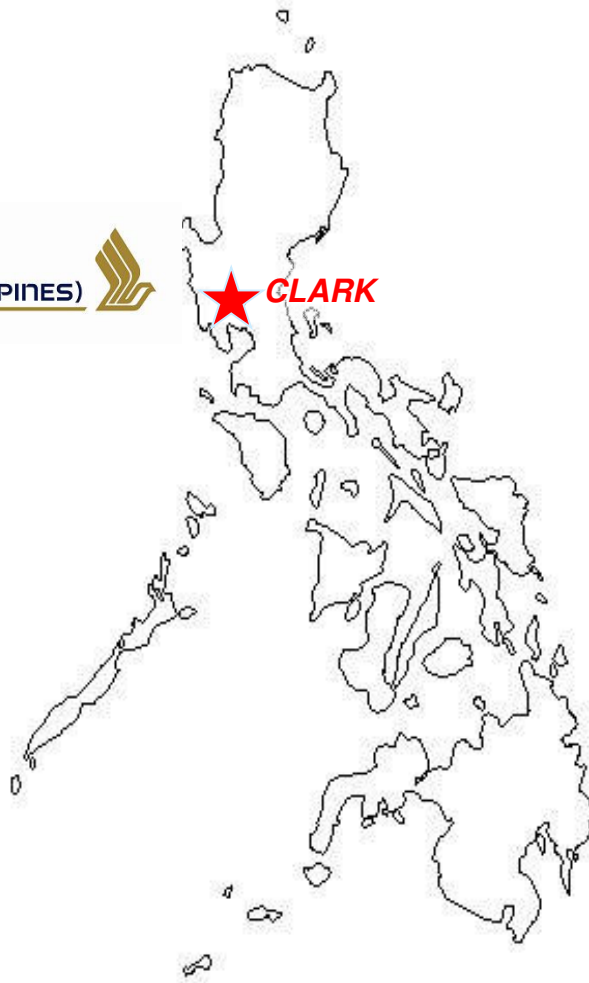
Aircraft & Component Services

PHILIPPINES

SIA ENGINEERING (PHILIPPINES)



★ CLARK



Hangar 1
July 2009
1 bay: A320



Hangar 2
Apr 2013
1 bay: narrow-body aircraft



Hangar 3
2014 (under construction)
1 bay: widebody aircraft



Aircraft & Component Services



Maintenance checks at Singapore base:

	<u>FY13/14</u>	<u>FY12/13</u>
'D' checks	37	46
'C' checks	88	72
'A'* checks	384	395

* Include 'A' checks done at Line Maintenance

15 New Contracts @Singapore Base

Maintenance checks at Clark base:

	<u>FY13/14</u>	<u>FY12/13</u>
'C' checks	29	27
'A' & 'E' checks	30	40
Release & Ad-hoc	32	15



Fleet Management



122 aircraft



26 aircraft



2 aircraft



13 aircraft



7 aircraft

FMP fleet: 170 aircraft

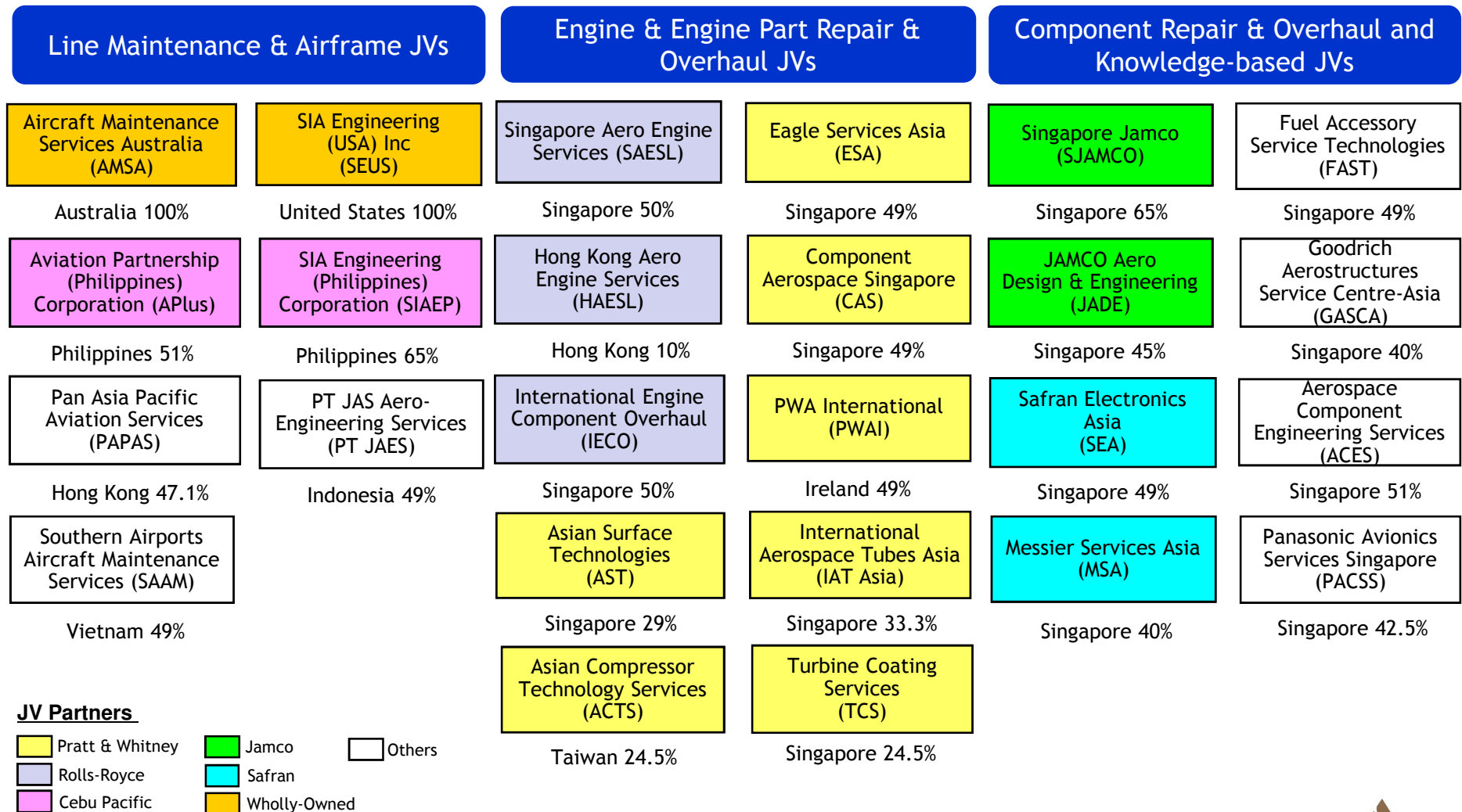
ONE OF THE WORLD'S LARGEST FLEET MANAGEMENT SERVICE PROVIDERS



SIA ENGINEERING COMPANY



SIAEC Group: 25 JVs in 9 countries



Outlook

- Asian airlines continue to grow, generating demand for MRO services.
- Aviation industry faces competitive challenges, exerting pressure on MRO rates.
- Group focusing on initiatives to improve productivity & efficiency, to enhance competitiveness.
- Performance of Group is expected to remain stable.





**SIA ENGINEERING
COMPANY**

FY2013/14 Performance Review

