

UNAUDITED RESULTS FOR THE THIRD QUARTER AND NINE MONTHS
ENDED 31 DECEMBER 2018

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED INCOME STATEMENT
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2018 (IN \$ MILLION)

	The Group		The Group	
	3rd Quarter 2018-19	3rd Quarter 2017-18 (Restated)	9 Months 2018-19	9 Months 2017-18 (Restated)
REVENUE	255.9	271.0	764.9	818.5
EXPENDITURE				
Staff costs	122.8	123.5	370.3	374.5
Material costs	33.4	45.8	108.2	135.9
Depreciation of property, plant and equipment	12.5	12.1	37.3	35.7
Amortisation of intangible assets	0.9	1.4	3.1	4.1
Company accommodation	12.5	12.3	37.4	37.6
Subcontract costs	30.5	32.7	91.9	102.7
Other operating expenses	27.4	24.4	79.3	70.4
	240.0	252.2	727.5	760.9
OPERATING PROFIT	15.9	18.8	37.4	57.6
Interest income	1.9	1.1	5.6	3.6
Interest on external borrowings	(0.1)	(0.2)	(0.5)	(0.6)
Surplus on disposal of property, plant and equipment	1.0	0.4	1.1	0.9
Surplus on disposal of a subsidiary company	0.3	-	0.3	-
Share of profits of associated companies, net of tax	9.6	17.9	51.2	52.9
Share of profits of joint venture company, net of tax	9.6	22.9	30.4	31.9
PROFIT BEFORE TAXATION	38.2	60.9	125.5	146.3
Taxation expense	(4.6)	(5.3)	(13.0)	(15.1)
PROFIT FOR THE PERIOD	33.6	55.6	112.5	131.2
PROFIT ATTRIBUTABLE TO:				
OWNERS OF THE PARENT	33.1	55.3	111.6	130.6
Non-controlling interests	0.5	0.3	0.9	0.6
	33.6	55.6	112.5	131.2
BASIC EARNINGS PER SHARE (CENTS)	2.95	4.95	9.97	11.67
DILUTED EARNINGS PER SHARE (CENTS)	2.95	4.94	9.95	11.65

Notes - Profit for the period is arrived at after charging/(crediting) the following:

	The Group		The Group	
	3rd Quarter 2018-19	3rd Quarter 2017-18	9 Months 2018-19	9 Months 2017-18
	\$M	\$M	\$M	\$M
Provision/ (Writeback) for impairment of trade debtors, net	0.1	0.2	(0.1)	2.6
Exchange loss/ (gain), net	1.4	1.7	(0.3)	4.5
Under/ (Over) provision of tax in respect of prior year	0.3	*	(0.2)	*
Provision for stock obsolescence, net	1.2	0.8	2.9	2.5

1(a)(i) Consolidated Statement of Comprehensive Income

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2018 (IN \$ MILLION)

	The Group		The Group	
	3rd Quarter 2018-19	3rd Quarter 2017-18 (Restated)	9 Months 2018-19	9 Months 2017-18 (Restated)
PROFIT FOR THE PERIOD	33.6	55.6	112.5	131.2
OTHER COMPREHENSIVE INCOME				
<u>Items that will not be reclassified to profit or loss:</u>				
Actuarial gain/(loss) on remeasurement of defined benefit plan	*	*	*	*
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Foreign currency translation	(0.4)	(9.1)	24.8	(27.4)
Realisation of foreign currency translation reserves on disposal of a subsidiary	(0.1)	-	(0.1)	-
Net fair value adjustment on cash flow hedges	0.3	(0.5)	1.8	(0.7)
Share of other comprehensive income of associated/joint venture companies	(0.4)	1.1	(4.8)	4.2
	(0.6)	(8.5)	21.7	(23.9)
OTHER COMPREHENSIVE INCOME, NET OF TAX	(0.6)	(8.5)	21.7	(23.9)
TOTAL COMPREHENSIVE INCOME	33.0	47.1	134.2	107.3
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
OWNERS OF THE PARENT	32.4	47.2	132.4	107.9
Non-controlling interests	0.6	(0.1)	1.8	(0.6)
	33.0	47.1	134.2	107.3

* Amount less than \$0.1M

STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2018 (IN \$ MILLION)

	The Company		The Company	
	3rd Quarter 2018-19	3rd Quarter 2017-18 (Restated)	9 Months 2018-19	9 Months 2017-18 (Restated)
PROFIT FOR THE PERIOD	60.4	41.8	131.2	125.6
OTHER COMPREHENSIVE INCOME				
Other comprehensive income, net of tax <u>Item that may be reclassified subsequently to profit or loss:</u>				
Net fair value adjustment on cash flow hedges	0.3	(0.5)	1.8	(0.7)
TOTAL COMPREHENSIVE INCOME	60.7	41.3	133.0	124.9

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

BALANCE SHEETS AS AT 31 DECEMBER 2018 (IN \$ MILLION)

	The Group			The Company		
	31 Dec 2018	31 Mar 2018 (Restated)	1 Apr 2017 (Restated)	31 Dec 2018	31 Mar 2018 (Restated)	1 Apr 2017 (Restated)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT						
Share capital	420.0	420.0	420.0	420.0	420.0	420.0
Treasury shares	(18.0)	(21.3)	(15.2)	(18.0)	(21.3)	(15.2)
Capital reserve	2.9	2.8	2.7	2.9	2.8	2.7
Share-based compensation reserve	4.7	7.1	16.0	4.7	7.1	16.0
Foreign currency translation reserve	(14.3)	(38.9)	-	-	-	-
Fair value reserve	(0.2)	3.6	(0.6)	1.5	(0.3)	0.4
Equity transaction reserve	(2.4)	(2.4)	(2.4)	-	-	-
General reserve	1,092.4	1,112.8	1,119.3	823.3	824.1	830.5
	1,485.1	1,483.7	1,539.8	1,234.4	1,232.4	1,254.4
NON-CONTROLLING INTERESTS	39.7	31.3	34.0	-	-	-
TOTAL EQUITY	1,524.8	1,515.0	1,573.8	1,234.4	1,232.4	1,254.4
NON-CURRENT LIABILITIES						
Deferred taxation	23.4	24.2	26.4	21.5	22.3	23.6
Long-term bank loan	14.1	17.3	21.9	-	-	-
	37.5	41.5	48.3	21.5	22.3	23.6
	1,562.3	1,556.5	1,622.1	1,255.9	1,254.7	1,278.0
Represented by :						
PROPERTY, PLANT AND EQUIPMENT	269.1	287.6	315.8	210.5	229.1	254.4
INTANGIBLE ASSETS	45.7	67.7	65.3	10.3	8.3	6.1
SUBSIDIARY COMPANIES	-	-	-	147.3	131.5	127.8
ASSOCIATED COMPANIES	402.1	392.5	380.0	222.8	220.9	192.9
JOINT VENTURE COMPANY	155.1	151.9	162.0	61.9	61.9	61.9
PREPAYMENTS	15.9	-	-	-	-	-
CURRENT ASSETS						
Trade debtors	76.7	70.9	87.5	58.0	52.7	60.5
Contract assets	217.7	195.7	109.2	198.9	180.9	105.6
Prepayments and other debtors	21.6	19.8	14.7	9.2	11.2	7.6
Amount owing by immediate holding company	44.2	42.0	78.9	43.3	40.6	77.1
Amounts owing by related parties	33.5	41.9	48.8	49.0	49.0	49.6
Inventories	34.8	34.2	37.3	22.7	24.5	27.0
Short-term deposits	427.5	433.6	531.2	398.6	416.4	518.1
Cash and bank balances	43.9	66.1	70.5	16.1	39.8	40.4
	899.9	904.2	978.1	795.8	815.1	885.9
Less:						
CURRENT LIABILITIES						
Trade and other creditors	175.9	189.9	212.0	141.9	141.7	172.8
Contract liabilities	26.4	32.3	38.2	26.3	32.2	38.2
Amounts owing to related parties	0.4	0.4	9.2	9.8	19.4	26.2
Bank loans	6.2	4.6	4.0	-	-	-
Tax payable	16.6	20.2	15.7	14.7	18.8	13.8
	225.5	247.4	279.1	192.7	212.1	251.0
NET CURRENT ASSETS	674.4	656.8	699.0	603.1	603.0	634.9
	1,562.3	1,556.5	1,622.1	1,255.9	1,254.7	1,278.0

1(b)(ii) Aggregate amount of group's borrowings and debt securities
(in \$ Million)

Amount repayable in one year or less, or on demand

As at 31 Dec 2018		As at 31 Mar 2018	
Secured	Unsecured	Secured	Unsecured
-	6.2	-	4.6

Amount repayable after one year

As at 31 Dec 2018		As at 31 Mar 2018	
Secured	Unsecured	Secured	Unsecured
-	14.1	-	17.3

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED CASH FLOW STATEMENT
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2018 (IN \$ MILLION)

	The Group		The Group	
	3rd Quarter 2018-19	3rd Quarter 2017-18 (Restated)	9 Months 2018-19	9 Months 2017-18 (Restated)
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before taxation	38.2	60.9	125.5	146.3
Adjustments for:				
Depreciation of property, plant and equipment	12.5	12.1	37.3	35.7
Amortisation of intangible assets	0.9	1.4	3.1	4.1
Share-based compensation expense	0.9	0.8	3.3	1.5
Surplus on disposal of property, plant and equipment	(1.0)	(0.4)	(1.1)	(0.9)
Surplus on disposal of a subsidiary company	(0.3)	-	(0.3)	-
Interest income	(1.9)	(1.1)	(5.6)	(3.6)
Interest on external borrowings	0.1	0.2	0.5	0.6
Share of profits of associated and joint venture companies, net of tax	(19.2)	(40.8)	(81.6)	(84.8)
Exchange differences	1.4	1.7	(0.3)	4.5
Operating profit before working capital changes	31.6	34.8	80.8	103.4
Decrease/ (Increase) in debtors	8.9	(17.1)	(5.2)	(8.5)
Increase in contract assets	(11.4)	(9.0)	(22.0)	(70.7)
Decrease/(Increase) in inventories	0.6	0.6	(0.8)	1.7
(Decrease)/ Increase in creditors	(1.4)	(2.1)	3.6	(22.6)
(Decrease)/ Increase in contract liabilities	(3.0)	(3.3)	(5.9)	0.1
(Increase)/ Decrease in amounts owing by immediate holding company	(8.1)	11.7	(1.2)	32.8
(Increase)/ Decrease in amounts owing by related parties, net	(4.7)	3.2	8.4	(4.2)
Cash generated from operations	12.5	18.8	57.7	32.0
Income taxes paid	(7.2)	(6.2)	(17.9)	(16.1)
NET CASH PROVIDED BY OPERATING ACTIVITIES	5.3	12.6	39.8	15.9

CONSOLIDATED CASH FLOW STATEMENT
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2018 (IN \$ MILLION)

	The Group		The Group	
	3rd Quarter 2018-19	3rd Quarter 2017-18 (Restated)	9 Months 2018-19	9 Months 2017-18 (Restated)
CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure	(5.4)	(7.9)	(18.7)	(26.2)
Purchase of intangible assets	(1.5)	(2.4)	(12.9)	(9.3)
Proceeds from disposal of property, plant and equipment	1.2	1.4	2.2	3.3
Proceeds from disposal of a subsidiary company, net of cash disposed of	1.6	-	1.6	-
Proceeds from capital reduction of an associated company	-	3.3	-	3.3
Investment in an associated company	-	(2.0)	(1.9)	(2.0)
Interest received from deposits	1.6	0.8	4.7	3.9
Dividends received from associated and joint venture companies	41.5	26.3	85.7	73.1
NET CASH PROVIDED BY INVESTING ACTIVITIES	39.0	19.5	60.7	46.1
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from exercise of share options	-	-	-	1.0
Proceeds from issuance of share capital by a subsidiary company to non-controlling interests	6.7	1.7	8.8	1.7
Proceeds from borrowings	0.2	-	0.4	3.3
Repayment from borrowings	(0.8)	(1.3)	(2.9)	(2.9)
Interest paid	(0.1)	(0.2)	(0.5)	(0.6)
Dividends paid	(33.6)	(44.7)	(134.3)	(201.5)
Dividends paid by a subsidiary company to non-controlling interests	(0.4)	(0.5)	(2.2)	(2.7)
Purchase of treasury shares	-	(3.6)	-	(9.8)
NET CASH USED IN FINANCING ACTIVITIES	(28.0)	(48.6)	(130.7)	(211.5)
NET CASH INFLOW/ (OUTFLOW)	16.3	(16.5)	(30.2)	(149.5)
CASH AND CASH EQUIVALENTS AT BEGINNING PERIOD	455.0	467.2	499.7	601.7
Effect of exchange rate changes	0.1	(1.1)	1.9	(2.6)
CASH AND CASH EQUIVALENTS AT END PERIOD	471.4	449.6	471.4	449.6
ANALYSIS OF CASH AND CASH EQUIVALENTS				
Short-term deposits	427.5	374.5	427.5	374.5
Cash and bank balances	43.9	75.1	43.9	75.1
CASH AND CASH EQUIVALENTS AT END PERIOD	471.4	449.6	471.4	449.6

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENTS OF CHANGES IN EQUITY

FOR THE THIRD QUARTER ENDED 31 DECEMBER 2018 (IN \$ MILLION)

The Group	Attributable to Owners of the Parent									Non-controlling interests	Total equity
	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Foreign currency translation reserve	Fair value reserve	Equity transaction reserve	General reserve	Total		
Balance at 1 October 2018	420.0	(18.0)	2.9	3.8	(14.5)	0.7	(2.4)	1,092.9	1,485.4	32.8	1,518.2
Profit for the period	-	-	-	-	-	-	-	33.1	33.1	0.5	33.6
Actuarial gain on remeasurement of defined benefit plan	-	-	-	-	-	-	-	*	*	*	*
Foreign currency translation	-	-	-	-	(0.5)	-	-	-	(0.5)	0.1	(0.4)
Realisation of foreign currency translation reserves on disposal of a subsidiary	-	-	-	-	(0.1)	-	-	-	(0.1)	-	(0.1)
Net fair value adjustment on cash flow hedges	-	-	-	-	-	0.3	-	-	0.3	-	0.3
Share of other comprehensive income of associated/joint venture companies	-	-	-	-	0.8	(1.2)	-	-	(0.4)	-	(0.4)
Other comprehensive income, net of tax	-	-	-	-	0.2	(0.9)	-	-	(0.7)	0.1	(0.6)
Total comprehensive income for the period	-	-	-	-	0.2	(0.9)	-	33.1	32.4	0.6	33.0
Capital contribution	-	-	-	-	-	-	-	-	-	6.7	6.7
Share-based compensation expense	-	-	-	0.9	-	-	-	-	0.9	-	0.9
Dividends	-	-	-	-	-	-	-	(33.6)	(33.6)	(0.4)	(34.0)
Total contributions by and distributions to owners	-	-	-	0.9	-	-	-	(33.6)	(32.7)	6.3	(26.4)
Balance at 31 December 2018	420.0	(18.0)	2.9	4.7	(14.3)	(0.2)	(2.4)	1,092.4	1,485.1	39.7	1,524.8

* Amount less than \$0.1M

STATEMENTS OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2017 (IN \$ MILLION)

The Group	Attributable to Owners of the Parent									Non-controlling interests	Total equity
	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Foreign currency translation reserve	Fair value reserve	Equity transaction reserve	General reserve	Total		
Balance at 1 October 2017	420.0	(17.4)	2.8	5.6	(85.5)	2.3	(2.4)	1,127.1	1,452.5	31.3	1,483.8
Impact of change in accounting policy	-	-	-	-	68.0	-	-	(81.2)	(13.2)	-	(13.2)
Restated balance at 1 October 2017	420.0	(17.4)	2.8	5.6	(17.5)	2.3	(2.4)	1,045.9	1,439.3	31.3	1,470.6
Restated profit for the period	-	-	-	-	-	-	-	55.3	55.3	0.3	55.6
Actuarial gain on remeasurement of defined benefit plan	-	-	-	-	-	-	-	*	*	*	*
Foreign currency translation	-	-	-	-	(8.7)	-	-	-	(8.7)	(0.4)	(9.1)
Net fair value adjustment on cash flow hedges	-	-	-	-	-	(0.5)	-	-	(0.5)	-	(0.5)
Share of other comprehensive income of associated/joint venture companies	-	-	-	-	*	1.1	-	-	1.1	-	1.1
Other comprehensive income, net of tax	-	-	-	-	(8.7)	0.6	-	*	(8.1)	(0.4)	(8.5)
Restated total comprehensive income for the period	-	-	-	-	(8.7)	0.6	-	55.3	47.2	(0.1)	47.1
Capital contribution	-	-	-	-	-	-	-	-	-	1.7	1.7
Share-based compensation expense	-	-	-	0.8	-	-	-	-	0.8	-	0.8
Share options lapsed	-	-	-	*	-	-	-	*	-	-	-
Purchase of treasury shares	-	(3.6)	-	-	-	-	-	-	(3.6)	-	(3.6)
Dividends	-	-	-	-	-	-	-	(44.7)	(44.7)	(0.6)	(45.3)
Total contributions by and distributions to owners	-	(3.6)	-	0.8	-	-	-	(44.7)	(47.5)	1.1	(46.4)
Restated balance at 31 December 2017	420.0	(21.0)	2.8	6.4	(26.2)	2.9	(2.4)	1,056.5	1,439.0	32.3	1,471.3

* Amount less than \$0.1M

STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2018 (IN \$ MILLION)

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 October 2018	420.0	(18.0)	2.9	3.8	1.2	796.5	1,206.4
Profit for the period	-	-	-	-	-	60.4	60.4
Other comprehensive income, net of tax:							
Net fair value adjustment on cash flow hedges	-	-	-	-	0.3	-	0.3
Other comprehensive income, net of tax	-	-	-	-	0.3	-	0.3
Total comprehensive income for the period	-	-	-	-	0.3	60.4	60.7
Share-based compensation expense	-	-	-	0.9	-	-	0.9
Dividends	-	-	-	-	-	(33.6)	(33.6)
Total contributions by and distributions to owners	-	-	-	0.9	-	(33.6)	(32.7)
Balance at 31 December 2018	420.0	(18.0)	2.9	4.7	1.5	823.3	1,234.4

STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2017 (IN \$ MILLION)

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 October 2017	420.0	(17.4)	2.8	5.6	0.2	778.8	1,190.0
Impact of change in accounting policy	-	-	-	-	-	(13.2)	(13.2)
Restated balance at 1 October 2017	420.0	(17.4)	2.8	5.6	0.2	765.6	1,176.8
Restated profit for the period	-	-	-	-	-	41.8	41.8
Other comprehensive income, net of tax:							
Net fair value adjustment on cash flow hedges	-	-	-	-	(0.5)	-	(0.5)
Other comprehensive income, net of tax	-	-	-	-	(0.5)	-	(0.5)
Restated total comprehensive income for the period	-	-	-	-	(0.5)	41.8	41.3
Share-based compensation expense	-	-	-	0.8	-	-	0.8
Share options lapsed	-	-	-	*	-	*	-
Purchase of treasury shares	-	(3.6)	-	-	-	-	(3.6)
Dividends	-	-	-	-	-	(44.7)	(44.7)
Total contributions by and distributions to owners	-	(3.6)	-	0.8	-	(44.7)	(47.5)
Restated balance at 31 December 2017	420.0	(21.0)	2.8	6.4	(0.3)	762.7	1,170.6

* Amount less than \$0.1M

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

SHARE CAPITAL AND SHARE PLANS IN THE COMPANY

(A) Share Capital

During the period October to December 2018, there was no issuance of new ordinary shares.

Group and Company	Number of Shares	Share Capital (\$ Million)
Issued and fully paid share capital <u>Ordinary Shares</u> Balance at 1 October 2018 and 31 December 2018	1,124,116,360	420.0

As at 31 December 2018, the Company has an issued share capital of 1,124,116,360 ordinary shares (31 December 2017: 1,124,116,360 ordinary shares) of which 5,005,974 were held by the Company as treasury shares (31 December 2017: 5,818,957). The treasury shares held represents 0.4% (31 December 2017: 0.5%) of the total number of issued shares (excluding treasury shares).

The Company has no subsidiary holdings as at 31 December 2018 and 31 December 2017.

(B) Employee Share Option Plan

As at 31 December 2018, there were no share options of the Company outstanding (31 December 2017: 4,150,800). During the period 1 October 2017 to 31 December 2017, no options were exercised under the Employee Share Option Plan. All options have expired as of 30 June 2018.

(C) Restricted Share Plan and Performance Share Plan

- (i) **Management staff are entitled to the Restricted Share Plan ("RSP"). In addition, senior management staff are entitled to participate in the Performance Share Plan ("PSP"). Both plans** were first approved by the shareholders of the Company on 25 July 2005 and expired on 24 July 2015. On 21 July 2014, the shareholders of the Company approved the RSP 2014 and PSP 2014, which replaced the RSP and PSP respectively.
- (ii) Depending on the achievement of pre-determined targets over a stipulated period for the RSP and PSP, the final number of restricted shares and performance shares awarded could range between 0% and 150% of the initial grant of the restricted shares and between 0% and 200% of the initial grant of the performance shares.
- (iii) As at 31 December 2018, the number of **outstanding shares granted under the Company's RSP** and PSP were 2,027,730 (31 December 2017: 1,697,066) and 497,631 (31 December 2017: 385,187) respectively. The movement of these share awards during the quarter from 1 October 2018 to 31 December 2018 is as follows:

RSP

Date of grant	Balance at 01.10.2018	Adjustment *	Cancelled	Released	Balance at 31.12.2018
06.07.2015	168,175	-	(2,512)	-	165,663
07.07.2016	198,713	-	(4,065)	-	194,648
07.07.2017	802,139	-	(12,840)	-	789,299
06.07.2018	894,080	-	(15,960)	-	878,120
Total	2,063,107	-	(35,377)	-	2,027,730

* Adjustment at the end of performance period upon meeting stated performance targets and adjustments for number of days in service for retirees.

PSP

Date of grant	Balance at 01.10.2018	Adjustment *	Cancelled	Released	Balance at 31.12.2018
07.07.2016	129,044	-	-	-	129,044
07.07.2017	193,287	-	-	-	193,287
06.07.2018	175,300	-	-	-	175,300
Total	497,631	-	-	-	497,631

* Adjustment at the end of performance period upon meeting stated performance targets and adjustments for number of days in service for retirees.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 31 December 2018, the Company has an issued share capital of 1,119,110,386 ordinary shares (31 March 2018: 1,118,187,403) excluding 5,005,974 ordinary shares (31 March 2018: 5,928,957) held by the Company as treasury shares.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

During the period 1 October 2018 to 31 December 2018, the Company did not purchase any treasury shares (1 October 2017 to 31 December 2017: 1,111,800). The Company did not transfer any treasury shares to employees on vesting of share-based incentive plans (1 October 2017 to 31 December 2017: nil on exercise of share options and vesting of share-based incentive plans).

Treasury shares are presented as a component within equity attributable to owners of the parent.

Group and Company	Number of Shares	Treasury Shares (\$ Million)
<u>Treasury shares</u>		
Balance at 1 October 2018 and 31 December 2018	5,005,974	18.0

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

The Company has no subsidiary holdings as at 31 December 2018 and 31 December 2017. There were no sales, transfers, cancellation and/or use of subsidiary holdings for the period 1 October 2018 to 31 December 2018.

2. Whether the figures have been audited or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).

The figures have not been audited nor reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared to the audited financial statements as at 31 March 2018 except for the adoption of the Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that are mandatory for financial year beginning on or after 1 April 2018 (details as shown in paragraph 5 below).

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted new Financial Reporting Standards in Singapore ("FRSs") and interpretations effective for the financial period beginning 1 April 2018 as follows:

(i) Application of IFRS 1 optional exemptions

IFRS 1 requires that the Group applies IFRS on a retrospective basis, as if such accounting policy had always been applied. If there are changes to accounting policies arising from new or amended standards effective 1 April 2018, restatement of comparatives may be required because IFRS 1 requires both the opening balance sheet and comparative information to be prepared using the most current accounting policies. IFRS 1 provides mandatory exceptions and optional exemptions from retrospective application, which are often different from those specific transition provisions in individual FRSs applied to the FRS financial statements.

The Group made the following allowable transition adjustments that have an impact on the financial statements:

- a) Fair value as deemed cost exemption for property, plant and equipment
The Group elected and regarded the fair values of certain aircraft rotatable spares as their deemed cost at the date of transition to IFRS 1 on 1 April 2017.
- b) Foreign currency translation reserve
The Group elected to reset the foreign currency translation reserve for all foreign operations to zero as at the date of transition to IFRS 1 on 1 April 2017.

(ii) IFRS 15 Revenue from Contracts with Customer

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

The Group adopted IFRS 15 in its financial statements for the year ending 31 March 2019, using the retrospective approach. As a result, the Group has applied all of the requirements of IFRS 15 retrospectively, and the comparative period presented in the 2018/19 financial statements will be restated.

Following the presentation requirements in IFRS 15, the Group has presented the contract assets and contract liabilities separately and the comparative figures have been restated.

The impact on the comparatives for the financial statements of this reporting period on adoption of IFRS 1 and IFRS 15 are as follows:

Consolidated Income Statement (in \$ million)

	3rd Quarter 2017-18	9 Months 2017-18
Decrease in depreciation of property, plant and equipment	0.6	1.8
Increase in taxation	(0.1)	(0.3)
Increase in profit attributable to owners of the parents	0.5	1.5
Increase in basic earnings per share (cents)	0.05	0.13
Increase in diluted earnings per share (cents)	0.05	0.13

Balance Sheets (in \$ million)

	The Group		The Company	
	31 Mar 2018	1 Apr 2017	31 Mar 2018	1 Apr 2017
Increase in foreign currency translation reserve	67.3	68.0	-	-
Decrease in general reserve	(79.5)	(82.2)	(12.2)	(14.2)
Decrease in deferred taxation	(2.3)	(2.7)	(2.3)	(2.7)
Decrease in property, plant and equipment	(13.4)	(15.8)	(13.4)	(15.8)
Decrease in trade debtors	(197.0)	(110.5)	(182.2)	(106.9)
Increase in contract assets	195.7	109.2	180.9	105.6
Decrease in trade and other creditors	(32.5)	(38.4)	(32.4)	(38.4)
Increase in contract liabilities	32.3	38.2	32.2	38.2

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group		Group	
	3rd Quarter 2018-19	3rd Quarter 2017-18 (Restated)	9 Months 2018-19	9 Months 2017-18 (Restated)
Earnings per share (cents)				
- Basic *	2.95	4.95	9.97	11.67
- Diluted #	2.95	4.94	9.95	11.65

* Based on the weighted average number of ordinary shares in issue excluding treasury shares.

Based on the weighted average number of ordinary shares in issue excluding treasury shares, after adjusting for the dilutive effect of options.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital excluding treasury shares of the issuer at the end of the:-
 (a) current financial period reported on; and
 (b) immediately preceding financial year.

	Group		Company	
	As at 31 Dec 18	As at 31 Mar 18 (Restated)	As at 31 Dec 18	As at 31 Mar 18 (Restated)
Net asset value per share (cents)	132.7	132.7	110.3	110.2

8. A review of the performance of the group, to the extent necessary for a reasonable **understanding of the group's business. The review must discuss any significant factors that** affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

GROUP EARNINGS

Third Quarter FY2018-19

The Group posted a profit attributable to owners of the parent of \$33.1 million for the third quarter of FY2018-19, a decrease of \$22.2 million or 40.1%. \$20.9 million of the decrease was mainly due to one-time events from the associated and joint venture companies.

Operating profit of \$15.9 million was \$2.9 million or 15.4% lower year-on-year. Revenue of \$255.9 million was lower by \$15.1 million or 5.6%, mainly from lower airframe and fleet management revenue, partially mitigated by higher line maintenance revenue. Expenditure at \$240.0 million decreased at a lower rate of 4.8%, mainly due to lower material costs in line with the lower workload.

Share of profits of associated and joint venture companies at \$19.2 million was \$21.6 million or 52.9% lower year-on-year, due mainly to the impact of one-time events of \$20.9 million, which included, inter alia,:-

- a revision in fee structure of an engine shop in 2018 that evened out its revenue over the year instead of a lump sum adjustment in the third quarter of the last financial year;
- a foreign exchange adjustment made for the functional currency change of an associated company; and
- a one-time tax charge booked by certain associated companies in the current quarter¹.

Basic earnings per share was 2.95 cents for the current period.

Year-to-date (April – December 2018)

The Group recorded a profit attributable to owners of the parent of \$111.6 million for the nine months ended 31 December 2018, a decrease of \$19.0 million or 14.5%.

Revenue at \$764.9 million was lower by \$53.6 million or 6.5%, primarily due to lower airframe and fleet management revenue, offset in part by higher line maintenance revenue. Expenditure decreased \$33.4 million or 4.4% to \$727.5 million, largely from decreases in material and subcontract costs. Operating profit decreased by \$20.2 million or 35.1% to \$37.4 million.

Share of profits of associated and joint venture companies was \$81.6 million, a decrease of \$3.2 million or 3.8%. Contributions from the engine and component centres were \$1.0 million lower, while contributions from the airframe and line maintenance segment were \$2.2 million lower. In the third quarter of FY2018-19, certain engine and component centres provided a one-time tax adjustment¹. Excluding this adjustment, contributions from the engine and component segment would be higher.

Basic earnings per share was 9.97 cents for the current period.

GROUP FINANCIAL POSITION

As at 31 December 2018, equity attributable to owners of the parent of \$1,485.1 million was \$1.4 million or 0.1% higher than at 31 March 2018, with profits earned for the period and a gain in foreign currency translation reserve as a result of the strengthening of the US dollar against the Singapore dollar largely offset by the payment of the final and interim dividends in respect of FY2017-18 and FY2018-19 respectively.

Total assets decreased \$16.1 million or 0.9% to \$1,787.8 million at 31 December 2018. The cash balance of the Group was \$471.4 million, a decrease of \$28.3 million or 5.7%.

Net asset value per share as at 31 December 2018 was 132.7 cents.

¹ Restructuring plans at the parent company of these associated companies affected certain qualifying criteria of their group tax incentive scheme. In the absence of an agreed revised tax incentive scheme, tax provision was revised upwards to the prevailing corporate tax rate.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

OUTLOOK

The operating environment remains challenging. The Company will continue to focus on our transformation journey and investments in technologies. We will manage our portfolio of joint ventures to drive sustainable growth.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared/recommended for the quarter ended 31 December 2018 as the Company declares dividends (if any) at half year and full year results announcement.

13. Interested Person Transactions

(In \$ Million)

The aggregate value of all Interested Person Transactions (“IPTs”) entered into during the third quarter of Financial Year 2018/19 are as follows:

Name of Interested Person	Non-Mandated Aggregate value of all IPTs (excluding all mandated transactions pursuant to Rule 920 of the SGX Listing Manual and transactions less than \$100,000)	Mandated Aggregate value of all IPTs conducted under a shareholders’ mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000)
Singapore Airlines Limited Group - Singapore Airlines Limited	-	153.5 *
Total	-	153.5

* Includes principal, interest and service fees, in respect of Treasury transactions.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (namely, its Chief Executive Officer, Executive Vice-President and Chief Financial Officer) in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Lu Ling Ling
Company Secretary
8 February 2019

Singapore Co. Regn. No.: 198201025C

CONFIRMATION BY THE BOARD

We, Tang Kin Fei and Png Kim Chiang, being two directors of SIA Engineering Company Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the third quarter and nine months FY2018/19 financial results to be false or misleading in any material respect.

On behalf of the Board,



TANG KIN FEI
Chairman



PNG KIM CHIANG
Chief Executive Officer

8 February 2019