

UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 30 JUNE 2009

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

**CONSOLIDATED PROFIT AND LOSS ACCOUNTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2009 (IN \$ MILLION)**

	The Group	
	1st Quarter 2009-10	1st Quarter 2008-09
REVENUE	244.2	250.2
EXPENDITURE		
Staff costs	102.3	116.4
Material costs	53.4	49.6
Depreciation	8.6	9.1
Amortisation of intangibles	1.5	1.4
Company accommodation	10.7	11.2
Subcontract costs	29.0	25.8
Other operating expenses	26.4	20.3
	231.9	233.8
OPERATING PROFIT	12.3	16.4
Interest income	0.3	1.9
Interest on external borrowings	*	*
Loss on disposal of fixed assets	(0.1)	*
Dividend received from long-term investment	3.9	3.7
Share of profits of associated companies	19.2	28.3
Share of profits of joint venture companies	16.4	15.3
PROFIT BEFORE TAXATION	52.0	65.6
TAXATION	(6.6)	(6.4)
PROFIT FOR THE PERIOD	45.4	59.2
PROFIT ATTRIBUTABLE TO:		
EQUITY HOLDERS OF THE COMPANY	45.1	58.7
Minority interests	0.3	0.5
	45.4	59.2
Basic earnings per share (cents)	4.18	5.46
Diluted earnings per share (cents)	4.17	5.41

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

	The Group	
	1st Quarter 2009-10	1st Quarter 2008-09
	S\$M	S\$M
Provision for impairment of trade debtors, net	0.5	3.4
Exchange loss, net	6.1	0.1
Under/ (over) provision of tax in respect of prior year	1.1	*
Provision for stock obsolescence	*	*

* Amount less than \$0.1M

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 AT 30 JUNE (IN \$ MILLION)

	The Group		The Company	
	30 Jun 2009	31 Mar 2009	30 Jun 2009	31 Mar 2009
SHARE CAPITAL	256.6	255.6	256.6	255.6
RESERVES				
General reserve	1,017.0	971.9	662.1	626.6
Share-based compensation reserve	42.9	39.6	42.9	39.6
Foreign currency translation reserve	(71.7)	(36.4)	-	-
Fair value reserve	0.7	(1.8)	0.7	(1.8)
	988.9	973.3	705.7	664.4
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	1,245.5	1,228.9	962.3	920.0
MINORITY INTERESTS	26.7	26.5	-	-
TOTAL EQUITY	1,272.2	1,255.4	962.3	920.0
DEFERRED TAXATION	25.6	24.9	21.3	20.6
LONG-TERM LIABILITY				
Finance lease commitments				
- repayable after one year	*	*	-	-
	1,297.8	1,280.3	983.6	940.6
Represented by :				
FIXED ASSETS	317.3	313.2	287.0	287.7
INTANGIBLES	6.1	6.7	3.8	4.8
SUBSIDIARY COMPANIES	-	-	39.6	37.7
ASSOCIATED COMPANIES	385.5	403.7	164.7	164.7
JOINT VENTURE COMPANIES	120.6	126.7	56.6	56.6
LONG-TERM INVESTMENTS	14.6	14.6	14.6	14.6
LOAN TO SUBSIDIARY COMPANY	-	-	1.2	1.1
CURRENT ASSETS				
Trade and other debtors	71.1	82.1	54.8	64.9
Immediate holding company	73.7	77.9	70.6	76.1
Related parties	17.4	20.6	13.4	12.6
Stocks	43.4	35.7	35.6	28.8
Work-in-progress	60.5	48.5	58.9	46.6
Short-term deposits	360.6	324.0	358.8	322.5
Cash and bank balances	70.6	48.5	50.3	25.0
	697.3	637.3	642.4	576.5
Less:				
CURRENT LIABILITIES				
Trade and other creditors	224.2	202.1	208.0	185.0
Finance lease commitments				
- repayable within one year	0.1	0.1	-	-
Bank loans	0.3	0.8	-	-
Current tax payable	19.0	18.9	18.3	18.1
	243.6	221.9	226.3	203.1
NET CURRENT ASSETS	453.7	415.4	416.1	373.4
	1,297.8	1,280.3	983.6	940.6

* Amount less than \$0.1M

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30/06/2009		As at 31/03/2009	
Secured	Unsecured	Secured	Unsecured
S\$0.1M	S\$0.3M	\$0.1M	\$0.8M

Amount repayable after one year

As at 30/06/2009		As at 31/03/2009	
Secured	Unsecured	Secured	Unsecured
*	-	*	-

* Amount less than \$0.1M

Details of any collateral

The secured borrowings as at 30 Jun 2009 and 31 Mar 2009 pertains to finance leases of equipment and vehicles.

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 STATEMENTS
FOR THE FIRST QUARTER ENDED 30 JUNE 2009 (IN \$ MILLION)**

	The Group	
	1st Quarter 2009-10	1st Quarter 2008-09
NET CASH PROVIDED BY OPERATING ACTIVITIES	44.8	34.0
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(12.7)	(19.7)
Purchase of intangible assets	(0.9)	(0.2)
Dividends received from associated and joint venture companies	23.0	6.9
Dividend received from long-term investment	3.9	3.7
Proceeds from disposal of fixed assets	*	*
Interest received from deposits	0.3	0.8
NET CASH PROVIDED BY/ (USED IN) INVESTING ACTIVITIES	13.6	(8.5)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from exercise of share options	0.9	2.0
Proceeds from issuance of share capital by subsidiary company to minority shareholders	1.0	-
Net (repayment of)/ proceeds from borrowings	(0.5)	1.1
Interest paid	*	*
Repayment of finance lease obligations	*	*
Dividends paid by subsidiary company to minority interests	(0.1)	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	1.3	3.1
NET CASH INFLOW	59.7	28.6
CASH AND CASH EQUIVALENTS AT 1 APRIL	372.5	437.3
Effect of exchange rate changes	(1.0)	(0.3)
CASH AND CASH EQUIVALENTS AT 30 JUNE	431.2	465.6
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Short-term deposits	360.6	436.4
Cash and bank balances	70.6	29.2
CASH AND CASH EQUIVALENTS AT 30 JUNE	431.2	465.6

* Amount less than \$0.1M

CASH FLOW FROM OPERATING ACTIVITIES (IN \$ MILLION)

	The Group	
	1st Quarter 2009-10	1st Quarter 2008-09
Profit before taxation	52.0	65.6
Adjustments for:		
Depreciation of fixed assets	8.6	9.1
Amortisation of intangibles	1.5	1.4
Share-based payment expense	3.4	4.4
Loss on disposal of fixed assets	0.1	*
Interest income	(0.3)	(1.9)
Interest on external borrowings	*	*
Share of profits of associated and joint venture companies	(35.6)	(43.6)
Exchange differences	6.1	0.1
Dividend received from long-term investment	(3.9)	(3.7)
Operating profit before working capital changes	31.9	31.4
Decrease/ (Increase) in debtors	8.0	(4.6)
Increase in stocks / work-in-progress	(19.7)	(10.1)
Increase in creditors	20.2	27.2
Decrease/ (Increase) in amounts owing from related companies	7.4	(9.9)
Cash generated from operations	47.8	34.0
Income taxes paid	(3.0)	*
NET CASH PROVIDED BY OPERATING ACTIVITIES	44.8	34.0

* Amount less than \$0.1M

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

With effect from 1 January 2009, FRS1 Presentation of Financial Statements requires an entity to present all non-owner changes in equity in a Consolidated Statement of Comprehensive Income. This is only a change in the presentation and does not change the recognition, measurement or disclosure of specific transactions and other events required by other FRSs.

	The Group	
	1st Quarter 2009-10	1st Quarter 2008-09
PROFIT FOR THE PERIOD	45.4	59.2
OTHER COMPREHENSIVE INCOME		
Foreign currency translation	(36.3)	(8.1)
Net fair value adjustment on cash flow hedges	2.5	0.2
Total other comprehensive income, net of tax	(33.8)	(7.9)
TOTAL COMPREHENSIVE INCOME	11.6	51.3
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO: EQUITY HOLDERS OF THE COMPANY	12.3	51.0
Minority interests	(0.7)	0.3
	11.6	51.3

1(d)(ii) 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 FIRST QUARTER ENDED 30 JUNE 2009 (IN \$ MILLION)**

The Group	Attributable to Equity Holders of the Company						Minority interests	Total equity
	Share capital	Fair value reserve	Share-based compensation reserve	Foreign currency translation reserve	General reserve	Total		
Balance at 1 April 2009	255.6	(1.8)	39.6	(36.4)	971.9	1,228.9	26.5	1,255.4
Total comprehensive income for the period April – June 2009	-	2.5	-	(35.3)	45.1	12.3	(0.7)	11.6
Capital contribution	-	-	-	-	-	-	1.0	1.0
Share-based payment	-	-	3.4	-	-	3.4	-	3.4
Share options exercised	1.0	-	(0.1)	-	-	0.9	-	0.9
Share options lapsed	-	-	*	-	*	*	-	-
Dividends	-	-	-	-	-	-	(0.1)	(0.1)
Balance at 30 June 2009	<u>256.6</u>	<u>0.7</u>	<u>42.9</u>	<u>(71.7)</u>	<u>1,017.0</u>	<u>1,245.5</u>	<u>26.7</u>	<u>1,272.2</u>
Balance at 1 April 2008	245.0	2.7	28.5	(88.4)	937.5	1,125.3	14.8	1,140.1
Total comprehensive income for the period April – June 2008	-	0.2	-	(7.9)	58.7	51.0	0.3	51.3
Share-based payment	-	-	4.4	-	-	4.4	-	4.4
Share options exercised	2.8	-	(0.8)	-	-	2.0	-	2.0
Share options lapsed	-	-	*	-	*	*	-	-
Balance at 30 June 2008	<u>247.8</u>	<u>2.9</u>	<u>32.1</u>	<u>(96.3)</u>	<u>996.2</u>	<u>1,182.7</u>	<u>15.1</u>	<u>1,197.8</u>

* Amount less than \$0.1M

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 JUNE 2009 (IN \$ MILLION)**

The Company	Share capital	Fair value reserve	Share-based compensation reserve	General reserve	Total
Balance at 1 April 2009	255.6	(1.8)	39.6	626.6	920.0
Total comprehensive income for the period April – June 2009	-	2.5	-	35.5	38.0
Share-based payment	-	-	3.4	-	3.4
Share options exercised	1.0	-	(0.1)	-	0.9
Share options lapsed	-	-	*	-	*
Balance at 30 June 2009	<u>256.6</u>	<u>0.7</u>	<u>42.9</u>	<u>662.1</u>	<u>962.3</u>
Balance at 1 April 2008	245.0	2.7	28.5	635.4	911.6
Total comprehensive income for the period April – June 2008	-	0.2	-	23.9	24.1
Share-based payment	-	-	4.4	-	4.4
Share options exercised	2.8	-	(0.8)	-	2.0
Share options lapsed	-	-	*	-	*
Balance at 30 June 2008	<u>247.8</u>	<u>2.9</u>	<u>32.1</u>	<u>659.3</u>	<u>942.1</u>

* Amount less than \$0.1M

1(d)(iii) 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 also the number of shares that may be issued on conversion of all the outstanding convertibles 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

- (i) The number of ordinary shares in issue, excluding treasury shares, as at the end of the current financial period and as at the end of immediately preceding year, was as follows:

As at 30 June 2009	As at 31 March 2009
1,078,551,258	1,078,016,583

- (ii) A statement showing all sales, transfer, transfer, disposal, cancellation and/or use of treasury shares as at the end of current financial period reported on.

Not applicable

(B) Employee Share Option Plan

- (i) During the period from 1 April to 30 June 2009, 534,675 shares were exercised under the SIA Engineering Company Limited Employee Share Option Plan, which comprises the Senior Executive Share Option Scheme for senior executives and the Employee Share Option Scheme for all other employees.

- (ii) The movement of share options of the Company during the first quarter from 1 April to 30 June 2009 is as follows:

No.	Date of grant	Balance at 01.04.2009 / date of grant	Cancelled	Exercised	Balance at 30.06.2009	Exercise Price*	Exercisable period
1.	28.03.2000	1,117,000	-	(54,800)	1,062,200	\$1.65	28.03.2001-27.03.2010
2.	03.07.2000	1,205,213	-	(100,650)	1,104,563	\$1.55	03.07.2001-02.07.2010
3.	02.07.2001	516,100	-	(58,500)	457,600	\$1.01	02.07.2002-01.07.2011
4.	01.07.2002	3,696,800	-	(135,400)	3,561,400	\$1.98	01.07.2003-30.06.2012
5.	01.07.2003	949,150	-	(31,125)	918,025	\$1.35	01.07.2004-30.06.2013
6.	01.07.2004	3,797,475	-	(93,000)	3,704,475	\$1.69	01.07.2005-30.06.2014
7.	01.07.2005	7,657,525	(7,200)	(57,600)	7,592,725	\$2.25	01.07.2006-30.06.2015
8.	03.07.2006	13,706,450	(7,200)	(3,600)	13,695,650	\$3.44	03.07.2007-02.07.2016
9.	02.07.2007	15,097,350	(8,000)	-	15,089,350	\$4.67	02.07.2008-01.07.2017
10.	01.07.2008	13,517,600	-	-	13,517,600	\$3.74	01.07.2010-30.06.2018
	Total	61,260,663	(22,400)	(534,675)	60,703,588		

* At the extraordinary general meeting of the Company held on 26 July 2004, the Company's shareholders approved an amendment to the Plan to allow for adjustment to the exercise prices of the existing options by the Committee administering the Plan, in the event of the declaration of a special dividend. Following approval by the Company's shareholders of the declaration of a special dividend of \$0.20 on 26 July 2004, the said Committee approved a reduction of \$0.20 in the exercise prices of the share options outstanding on 28 July 2004. The said Committee approved another \$0.20 reduction in the exercise prices of the share options outstanding on 25 July 2006 following approval by the Company's shareholders of the declaration of a special dividend of \$0.20 on 21 July 2006. The exercise prices reflected here are the exercise prices after such adjustments.

- (iii) As at 30 June 2009, the number of share options of the Company outstanding was 60,703,588 (30 June 2008: 50,710,263).

(C) Restricted Share Plan and Performance Share Plan

- (i) At the extraordinary general meeting of the Company held on 25 July 2005, the Company's shareholders approved the adoption of two new share plans, namely the Restricted Share Plan ("RSP") and Performance Share Plan ("PSP"), in addition to the Employee Share Option Plan.
- (ii) Depending on the achievement of pre-determined targets over a two-year period for the RSP and a three-year period for the PSP, the final number of restricted shares and performance shares awarded could range between 0% to 150% of the initial grant of the restricted shares and between 0% to 200% of the initial grant of the performance shares.

- (iii) As at 30 June 2009 the number of outstanding shares granted under the Company's RSP and PSP were 1,294,528 (30 June 2008 : 434,728) and 220,800 (30 June 2008 : 92,300) respectively. The movement of these share awards during the quarter from 1 April to June 2009 is as follows:

RSP

No.	Date of grant	Balance at 01.04.2009 / date of grant	Cancelled	Balance at 30.06.09
1	03.07.2006	107,128	-	107,128
2	02.07.2007	327,600	-	327,600
3	01.07.2008	859,800	-	859,800
	Total	1,294,528	-	1,294,528

PSP

No.	Date of grant	Balance at 01.04.2009 / date of grant	Cancelled	Balance at 30.06.09
1	03.07.2006	31,100	-	31,100
2	02.07.2007	61,200	-	61,200
3	01.07.2008	128,500	-	128,500
	Total	220,800	-	220,800

- 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 2009 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 January 2009. The adoption of these FRS and INT FRS has no significant impact to the Group.

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.

Not applicable.

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	
	1st Quarter 2009-10	1st Quarter 2008-09
Earnings per share (cents)		
- Basic *	4.18	5.46
- Diluted #	4.17	5.41

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

Based on the weighted average number of ordinary shares in issue, 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 of the issuer at the end of the:-
 (a) current financial period reported on; and
 (b) immediately preceding financial year.

	Group		Company	
	As at 30 Jun 09	As at 31 Mar 09	As at 30 Jun 09	As at 31 Mar 09
Net asset value per share (cents)	115.5	114.0	89.2	85.4

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

The Group recorded a profit attributable to equity holders of \$45.1 million, a decrease of \$13.6 million or 23.2% from the same quarter last year.

The Group operating profit of \$12.3 million was \$4.1 million or 25.0% lower compared to the first quarter last year.

Revenue declined \$6.0 million or 2.4% to \$244.2 million mainly due to lower airframe maintenance and component overhaul work. The decrease was partially mitigated by an increase in rectification and cabin maintenance work in Line Maintenance, and higher revenue from material usage.

Expenditure fell \$1.9 million or 0.8% to \$231.9 million mainly because of lower staff costs as a result of a lower provision for profit-sharing bonus and lower overtime. This was partially offset by material costs and unrealised foreign exchange loss due to a weaker US dollar.

Contributions from our associated and joint venture companies also declined by \$8.0 million or 18.3% to \$35.6 million.

Basic earnings per share was 4.18 cents for the quarter ended 30 June 2009, a decrease of 1.28 cents per share over the same period last year.

GROUP FINANCIAL POSITION

As at 30 June 2009, equity attributable to equity holders of the Company amounted to \$1,245.5 million, \$16.6 million or 1.4% higher than at 31 March 2009.

Total assets increased by \$39.2 million or 2.6% to \$1,541.4 million. Net asset value per share of 115.5 cents was 1.5 cents or 1.3% higher than at 31 March 2009. The total number of shares issued was 1,078.6 million as at 30 June 2009.

The Group's cash balance as at 30 June 2009 was \$431.2 million, an increase of \$58.7 million or 15.8% compared to 31 March 2009.

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 Group's weaker first quarter results reflect the downturn in airline travel and cargo demand. With continued uncertainties in global economic conditions and the impact of the H1N1 situation, the Group's performance will continue to be affected until there is sustained recovery in demand.

The Company has taken measures to trim costs. These include rationalisation of the workforce and shift patterns, management wage cuts and employee leave arrangements to better match demand. The Group's 23 subsidiary, joint venture and associated companies have also taken the necessary steps.

The Group will closely monitor the operating environment and be ready to implement such additional measures as may be necessary.

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.

No dividend has been declared/recommended for the quarter ended 30 June 2009.

13. Additional Information

Interested Person Transactions

(In thousands of S\$)

Name of interested person	1 st Quarter FY09/10	
	Aggregate value of all new non-mandated IPTs entered into during the quarter under review (excluding transactions less than \$100,000)	Aggregate value of all new mandated IPTs under the IPT Mandate (or a shareholders' mandate for IPTs under Rule 920 of the New Listing Manual) entered into during the quarter under review (excluding transactions less than \$100,000)
Singapore Airlines Ltd	–	1,792
Virgin Atlantic Airways Ltd <i>(49% owned by Singapore Airlines Ltd)</i>	–	1,734
Aspremise Pte Ltd <i>(66% owned by Temasek eVentures and ultimately by Temasek Holdings Pte Ltd)</i>	–	480
Certis Cisco Security Pte Ltd <i>(100% owned by Temasek Holdings Pte Ltd)</i>	–	300
Great Wall Airlines Co Ltd <i>(25% owned by SIA Cargo and 24% owned by Dahlia investment which is a wholly-owned subsidiary of Temasek Holdings Pte Ltd)</i>	–	418
ST Aerospace Supplies Pte Ltd <i>(100% owned by ST Aerospace Ltd which is 100% owned by ST Engineering Ltd, which is more than 30% owned by Temasek Holdings Pte Ltd)</i>	–	890
Total	–	5,614

BY ORDER OF THE BOARD

Devika Rani Davar
Company Secretary
27 July 2009

Singapore Co. Regn. No.: 198201025C

CONFIRMATION BY THE BOARD

We, Stephen Lee Ching Yen and Chew Choon Seng, 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 first quarter FY2009/10 financial results to be false or misleading.

On behalf of the Board,



STEPHEN LEE CHING YEN
Chairman



CHEW CHOON SENG
Deputy Chairman

27 July 2009