

UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 30 JUNE 2019

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 FIRST QUARTER ENDED 30 JUNE 2019 (IN \$ MILLION)**

	The Group	
	1st Quarter 2019-20	1st Quarter 2018-19
REVENUE	258.1	257.7
EXPENDITURE		
Staff costs	125.7	126.2
Material costs	32.9	41.4
Depreciation	17.7	12.3
Amortisation of intangible assets	0.8	1.4
Company accommodation	6.6	12.8
Subcontract costs	29.3	31.6
Other operating expenses	27.4	21.8
	240.4	247.5
OPERATING PROFIT	17.7	10.2
Interest income	2.9	1.7
Finance charges	(1.0)	(0.2)
Surplus on disposal of property, plant and equipment	0.1	*
Share of profits of associated companies, net of tax	15.3	22.0
Share of profits of joint venture company, net of tax	10.7	10.4
PROFIT BEFORE TAXATION	45.7	44.1
Taxation expense	(4.5)	(3.5)
PROFIT FOR THE PERIOD	41.2	40.6
PROFIT ATTRIBUTABLE TO: OWNERS OF THE PARENT	41.6	40.5
Non-controlling interests	(0.4)	0.1
	41.2	40.6
BASIC EARNINGS PER SHARE (CENTS)	3.72	3.62
DILUTED EARNINGS PER SHARE (CENTS)	3.71	3.62

* Amount less than \$0.1M

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

	The Group	
	1st Quarter 2019-20	1st Quarter 2018-19
	\$M	\$M
Provision for impairment of trade debtors, net	0.7	0.7
Exchange loss/(gain), net	0.7	(2.8)
Under/(Over) provision of tax in respect of prior year	*	(0.2)
Provision for stock obsolescence, net	1.0	0.4

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

STATEMENTS OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 30 JUNE 2019 (IN \$ MILLION)

	The Group	
	1st Quarter 2019-20	1st Quarter 2018-19
PROFIT FOR THE PERIOD	41.2	40.6
OTHER COMPREHENSIVE INCOME		
<u>Item that will not be reclassified to profit or loss:</u>		
Actuarial gain on remeasurement of defined benefit plan	*	*
	*	*
<u>Items that may be reclassified subsequently to profit or loss:</u>		
Foreign currency translation	(0.8)	23.9
Net fair value adjustment on cash flow hedges	0.1	0.6
Share of other comprehensive income of associated/joint venture companies	(1.1)	(4.1)
	(1.8)	20.4
OTHER COMPREHENSIVE INCOME, NET OF TAX	(1.8)	20.4
TOTAL COMPREHENSIVE INCOME	39.4	61.0
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
OWNERS OF THE PARENT	39.7	60.1
Non-controlling interests	(0.3)	0.9
	39.4	61.0

* Amount less than \$0.1M

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2019 (IN \$ MILLION)**

	The Company	
	1st Quarter 2019-20	1st Quarter 2018-19
PROFIT FOR THE PERIOD	43.1	40.4
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	0.1	0.6
TOTAL COMPREHENSIVE INCOME	43.2	41.0

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 30 JUNE 2019 (IN \$ MILLION)

	The Group		The Company	
	30 Jun 2019	31 Mar 2019	30 Jun 2019	31 Mar 2019
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT				
Share capital	420.0	420.0	420.0	420.0
Treasury shares	(18.0)	(18.0)	(18.0)	(18.0)
Capital reserve	2.9	2.9	2.9	2.9
Share-based compensation reserve	6.5	5.6	6.5	5.6
Foreign currency translation reserve	(19.1)	(18.2)	-	-
Fair value reserve	(1.9)	(0.9)	1.5	1.4
Equity transaction reserve	(4.5)	(4.5)	-	-
General reserve	1,183.3	1,141.7	911.2	868.1
	1,569.2	1,528.6	1,324.1	1,280.0
NON-CONTROLLING INTERESTS	34.7	35.4	-	-
TOTAL EQUITY	1,603.9	1,564.0	1,324.1	1,280.0
NON-CURRENT LIABILITIES				
Deferred taxation	21.9	23.1	20.4	21.2
Long-term lease liabilities	85.5	-	72.1	-
Long-term bank loan	11.1	12.6	-	-
	118.5	35.7	92.5	21.2
	1,722.4	1,599.7	1,416.6	1,301.2
Represented by :				
PROPERTY, PLANT AND EQUIPMENT	255.4	260.8	200.3	204.1
INTANGIBLE ASSETS	47.3	46.6	11.0	10.9
RIGHT-OF-USE ASSETS	101.1	-	86.0	-
SUBSIDIARY COMPANIES	-	-	153.3	153.3
ASSOCIATED COMPANIES	402.8	404.3	221.7	221.7
JOINT VENTURE COMPANY	154.2	154.7	61.9	61.9
PREPAYMENTS	12.4	13.8	-	-
CURRENT ASSETS				
Trade debtors	82.4	81.2	62.8	59.5
Contract assets	203.0	183.9	183.6	165.5
Prepayments and other debtors	21.4	19.9	9.8	8.4
Amount owing by immediate holding company	46.8	92.0	45.9	91.3
Amounts owing by related parties	32.8	30.8	45.9	44.5
Inventories	36.3	35.6	23.3	23.2
Short-term deposits	537.3	465.8	510.5	436.0
Cash and bank balances	56.2	55.8	29.8	31.3
	1,016.2	965.0	911.6	859.7
Less:				
CURRENT LIABILITIES				
Trade and other creditors	201.5	186.0	164.6	149.5
Contract liabilities	18.0	33.5	17.8	33.3
Lease liabilities	16.4	-	14.3	-
Amounts owing to related parties	0.4	0.8	10.0	10.1
Bank loans	6.6	6.7	-	-
Tax payable	24.1	18.5	22.5	17.5
	267.0	245.5	229.2	210.4
NET CURRENT ASSETS	749.2	719.5	682.4	649.3
	1,722.4	1,599.7	1,416.6	1,301.2

**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 30 Jun 2019		As at 31 Mar 2019	
Secured	Unsecured	Secured	Unsecured
-	6.6	-	6.7

Amount repayable after one year

As at 30 Jun 2019		As at 31 Mar 2019	
Secured	Unsecured	Secured	Unsecured
-	11.1	-	12.6

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 FIRST QUARTER ENDED 30 JUNE 2019 (IN \$ MILLION)**

	The Group	
	1st Quarter 2019-20	1st Quarter 2018-19
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	45.7	44.1
Adjustments for:		
Depreciation	17.7	12.3
Amortisation of intangible assets	0.8	1.4
Share-based compensation expense	0.9	0.7
Interest income	(2.9)	(1.7)
Finance charges	1.0	0.2
Surplus on disposal of property, plant and equipment	(0.1)	*
Share of profits of associated and joint venture companies, net of tax	(26.0)	(32.4)
Exchange differences	0.7	(2.8)
Operating profit before working capital changes	37.8	21.8
Increase in debtors	(1.9)	(16.9)
Increase in contract assets	(19.1)	(2.9)
Increase in inventories	(0.7)	(0.6)
Increase in creditors	15.4	39.3
Decrease in contract liabilities	(15.5)	(2.9)
Decrease in amounts owing by immediate holding company	45.1	3.3
(Increase)/Decrease in amounts owing by related parties, net	(2.4)	14.9
Cash generated from operations	58.7	56.0
Income taxes paid	(0.1)	(0.1)
NET CASH PROVIDED BY OPERATING ACTIVITIES	58.6	55.9
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(7.1)	(7.7)
Purchase of intangible assets	(1.5)	(7.2)
Proceeds from disposal of property, plant and equipment	0.5	0.5
Investment in an associated company	-	(1.9)
Interest received from deposits	3.0	1.5
Dividends received from associated and joint venture companies	26.0	29.9
NET CASH PROVIDED BY INVESTING ACTIVITIES	20.9	15.1

* Amount less than \$0.1M

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE FIRST QUARTER ENDED 30 JUNE 2019 (IN \$ MILLION)**

	The Group	
	1st Quarter 2019-20	1st Quarter 2018-19
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	-	0.2
Repayment from borrowings	(1.5)	(0.8)
Interest paid	(0.2)	(0.2)
Lease payments	(5.5)	-
Dividends paid by a subsidiary company to non-controlling interests	(0.4)	(0.8)
NET CASH USED IN FINANCING ACTIVITIES	(7.6)	(1.6)
NET CASH INFLOW	71.9	69.4
CASH AND CASH EQUIVALENTS AT BEGINNING PERIOD	521.6	499.7
Effect of exchange rate changes	*	1.8
CASH AND CASH EQUIVALENTS AT END PERIOD	593.5	570.9
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Short-term deposits	537.3	513.2
Cash and bank balances	56.2	57.7
CASH AND CASH EQUIVALENTS AT END PERIOD	593.5	570.9

* Amount less than \$0.1M

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 FIRST QUARTER ENDED 30 JUNE 2019 (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 April 2019	420.0	(18.0)	2.9	5.6	(18.2)	(0.9)	(4.5)	1,141.7	1,528.6	35.4	1,564.0
Profit for the period	-	-	-	-	-	-	-	41.6	41.6	(0.4)	41.2
Actuarial gain on remeasurement of defined benefit plan	-	-	-	-	-	-	-	*	*	*	*
Foreign currency translation	-	-	-	-	(0.9)	-	-	-	(0.9)	0.1	(0.8)
Net fair value adjustment on cash flow hedges	-	-	-	-	-	0.1	-	-	0.1	-	0.1
Share of other comprehensive income of associated/joint venture companies	-	-	-	-	*	(1.1)	-	-	(1.1)	-	(1.1)
Other comprehensive income, net of tax	-	-	-	-	(0.9)	(1.0)	-	*	(1.9)	0.1	(1.8)
Total comprehensive income for the period	-	-	-	-	(0.9)	(1.0)	-	41.6	39.7	(0.3)	39.4
Share-based compensation expense	-	-	-	0.9	-	-	-	-	0.9	-	0.9
Dividends	-	-	-	-	-	-	-	-	-	(0.4)	(0.4)
Total contributions by and distributions to owners	-	-	-	0.9	-	-	-	-	0.9	(0.4)	0.5
Balance at 30 June 2019	420.0	(18.0)	2.9	6.5	(19.1)	(1.9)	(4.5)	1,183.3	1,569.2	34.7	1,603.9

* Amount less than \$0.1M

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 JUNE 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 April 2018	420.0	(21.3)	2.8	7.1	(38.9)	3.6	(2.4)	1,112.8	1,483.7	31.3	1,515.0
Profit for the period	-	-	-	-	-	-	-	40.5	40.5	0.1	40.6
Actuarial gain on remeasurement of defined benefit plan	-	-	-	-	-	-	-	*	*	*	*
Foreign currency translation	-	-	-	-	23.1	-	-	-	23.1	0.8	23.9
Net fair value adjustment on cash flow hedges	-	-	-	-	-	0.6	-	-	0.6	-	0.6
Share of other comprehensive income of associated/joint venture companies	-	-	-	-	*	(4.1)	-	-	(4.1)	-	(4.1)
Other comprehensive income, net of tax	-	-	-	-	23.1	(3.5)	-	*	19.6	0.8	20.4
Total comprehensive income for the period	-	-	-	-	23.1	(3.5)	-	40.5	60.1	0.9	61.0
Share-based compensation expense	-	-	-	0.7	-	-	-	-	0.7	-	0.7
Share options and awards lapsed	-	-	-	(2.3)	-	-	-	2.3	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	(0.8)	(0.8)
Total contributions by and distributions to owners	-	-	-	(1.6)	-	-	-	2.3	0.7	(0.8)	(0.1)
Balance at 30 June 2018	420.0	(21.3)	2.8	5.5	(15.8)	0.1	(2.4)	1,155.6	1,544.5	31.4	1,575.9

* Amount less than \$0.1M

**STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 JUNE 2019 (IN \$ MILLION)**

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2019	420.0	(18.0)	2.9	5.6	1.4	868.1	1,280.0
Profit for the period	–	–	–	–	–	43.1	43.1
Other comprehensive income for the period, net of tax:							
Net fair value adjustment on cash flow hedges	–	–	–	–	0.1	–	0.1
Total comprehensive income for the period	–	–	–	–	0.1	43.1	43.2
Share-based compensation expense	–	–	–	0.9	–	–	0.9
Total contributions by and distributions to owners	–	–	–	0.9	–	–	0.9
Balance at 30 June 2019	420.0	(18.0)	2.9	6.5	1.5	911.2	1,324.1

**STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 JUNE 2018 (IN \$ MILLION)**

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2018	420.0	(21.3)	2.8	7.1	(0.3)	824.1	1,232.4
Profit for the period	–	–	–	–	–	40.4	40.4
Other comprehensive income for the period, net of tax:							
Net fair value adjustment on cash flow hedges	–	–	–	–	0.6	–	0.6
Total comprehensive income for the period	–	–	–	–	0.6	40.4	41.0
Share-based compensation expense	–	–	–	0.7	–	–	0.7
Share options and awards lapsed	–	–	–	(2.3)	–	2.3	–
Total contributions by and distributions to owners	–	–	–	(1.6)	–	2.3	0.7
Balance at 30 June 2018	420.0	(21.3)	2.8	5.5	0.3	866.8	1,274.1

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 April to June 2019, 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 April 2019 and 30 June 2019	1,124,116,360	420.0

As at 30 June 2019, the Company has an issued share capital of 1,124,116,360 ordinary shares (30 June 2018: 1,124,116,360 ordinary shares) of which 5,005,974 were held by the Company as treasury shares (30 June 2018: 5,928,957). The treasury shares held represents 0.4% (30 June 2018: 0.5%) of the total number of issued shares (excluding treasury shares).

The Company has no subsidiary holdings as at 30 June 2019 and 30 June 2018.

(B) 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 30 June 2019, the number of outstanding shares granted under the Company's RSP and PSP were 2,010,515 (30 June 2018: 1,676,824) and 497,631 (30 June 2018: 385,187) respectively. The movement of these share awards during the quarter from 1 April 2019 to 30 June 2019 is as follows:

RSP

Date of grant	Balance at 01.04.2019	Adjustment *	Cancelled	Released	Balance at 30.06.2019
06.07.2015	162,946	-	-	-	162,946
07.07.2016	192,819	-	-	-	192,819
07.07.2017	782,930	-	-	-	782,930
06.07.2018	871,820	-	-	-	871,820
Total	2,010,515	-	-	-	2,010,515

* 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 01.04.2019	Adjustment *	Cancelled	Released	Balance at 30.06.2019
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 30 June 2019, the Company has an issued share capital of 1,119,110,386 ordinary shares (31 March 2019: 1,119,110,386) excluding 5,005,974 ordinary shares (31 March 2019: 5,005,974) 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 April 2019 to 30 June 2019, the Company did not purchase and/or transfer any treasury shares (1 April 2018 to 30 June 2018: nil) to management and senior management staff.

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

Group and Company	Number of Shares	Treasury Shares (\$ Million)
Balance at 1 April 2019 and 30 June 2019	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 30 June 2019 and 30 June 2018. There were no sales, transfers, cancellation and/or use of subsidiary holdings for the period 1 April 2019 to 30 June 2019.

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 preparation of the financial statements for the current financial period as compared to the audited financial statements as at 31 March 2019 except for the adoption of new or revised International Financial Reporting Standards ("IFRS") and Interpretations of IFRS ("INT IFRS") that are mandatory for financial year beginning on or after 1 April 2019. The adoption of these IFRS and INT IFRS has no significant impact on the Group's consolidated financial statements, except as disclosed in item 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 International Financial Reporting Standards 16 Leases, effective for the financial period beginning 1 April 2019 as follows:

IFRS 16 Leases

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Group applied the modified retrospective approach, with no restatement of comparative information. The Group also applied the practical expedient to grandfather the definition of lease on transition.

As lessee

The Group choose, on a lease-by-lease basis, to measure an ROU asset at an amount equal to the lease liability arising from the capitalisation of the present value of future lease payments.

In addition, the Group applied the following practical expedients:

- apply a single discount rate to a portfolio of leases with reasonably similar characteristics;
- account for leases for which the lease term ends within 12 months from 1 April 2019 as short-term leases;
- exclude initial direct costs for the measurement of ROU assets as of 1 April 2019; and
- use hindsight in determining the lease term if the contract contains options to extend or terminate the lease.

As lessor

IFRS 16 substantially carries forward the current lessor accounting requirements. Accordingly, the Group continues to classify its leases as operating leases or finance leases, and to account for these two types of leases using the existing operating lease and finance lease accounting models respectively.

No significant impact for other leases in which the Group is a lessor.

Key impact on Consolidated Income Statement

The expenses related to operating leases previously shown in the Consolidated Income Statement under "Company accommodation" is replaced by depreciation expense for ROU assets and finance charges on lease liabilities.

Key impact on Balance Sheets

As at 1 April 2019	Increase	
	Group	Company
	\$ million	\$ million
<u>Liabilities</u>		
Long-term lease liabilities	81.4	72.1
Lease liabilities	20.7	18.9
<u>Assets</u>		
Right-of-use assets	101.7	91.0

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 2019-20	1st Quarter 2018-19
Earnings per share (cents)		
- Basic *	3.72	3.62
- Diluted #	3.71	3.62

* 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, restricted and performance shares.

**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 30 Jun 19	As at 31 Mar 19	As at 30 Jun 19	As at 31 Mar 19
Net asset value per share (cents)	140.2	136.6	118.3	114.4

- 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

For the first quarter of FY2019-20, SIAEC Group posted a revenue of \$258.1 million, comparable year-on-year. Revenue from the airframe and line maintenance segment was \$2.3 million higher. This was partially offset by a \$1.9 million decrease in revenue from the engine and component segment. Expenditure at \$240.4 million was lower by \$7.1 million or 2.9%, mainly due to a reduction in material costs. As a result, operating profit increased \$7.5 million or 73.5% to \$17.7 million.

Share of profits of associated and joint venture companies was \$26.0 million, \$6.4 million or 19.8% lower year-on-year, with the engine and component segment turning in a profit of \$26.7 million and the airframe and line maintenance segment incurring a loss of \$0.7 million. Contributions from the engine and component segment decreased \$6.1 million, mainly due to higher expenses incurred by an engine centre as it gears up for new engine capabilities, while contributions from the airframe and line maintenance segment decreased by \$0.3 million.

Profit attributable to owners of the parent was \$41.6 million for the quarter ended 30 June 2019, an increase of \$1.1 million or 2.7%.

Basic earnings per share was 3.72 cents for the current quarter.

GROUP FINANCIAL POSITION

As at 30 June 2019, equity attributable to owners of the parent was \$1,569.2 million, \$40.6 million or 2.7% higher than 31 March 2019, mainly due to profits earned for the quarter. Total assets stood at \$1,989.4 million as of 30 June 2019, an increase of \$144.2 million or 7.8%, primarily due to the recognition of right-of-use assets. The recognition of right-of-use assets arose from the capitalisation of the present value of future lease payments for all leases under the new accounting standard, IFRS 16 Leases, which was adopted from 1 April 2019. The Group's cash balance at \$593.5 million was \$71.9 million or 13.8% higher than at 31 March 2019.

Net asset value per share as at 30 June 2019 was 140.2 cents.

- 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

We have begun to see improvement in manpower utilization, productivity and turnaround time from our Transformation initiatives and adoption of technologies. More initiatives will be implemented Company-wide to further improve performance. Nonetheless, the operating environment remains challenging.

We continue to pursue our strategy of joint ventures and alliances. Together with our partners, we shall work on opportunities to strengthen the breadth and depth of our joint ventures to sustain our 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.

No dividend has been declared/recommended for the quarter ended 30 June 2019 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 first quarter of Financial Year 2019-20 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 Group - Singapore Airlines Limited - Silkair (Singapore) Pte Ltd - Scoot TigerAir Pte Ltd	-	214.1* 0.5 1.2
Non-listed Associates of Temasek Holdings (Private) Limited - AJI International Pte Ltd	-	26.0
SATS Group - SATS Ltd	-	0.5
Total	-	242.3

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

Notes:

1. All the transactions set out in the above are based on records from the Company's Register of Interested Person Transactions for the financial period under review, and include transactions whose durations exceed the financial period under review and/or multiple transactions with the same interested person. The transactions were based on actual or estimated values of the transactions for the entire duration of the relevant transactions in the case of fixed term contracts or annual/periodic values of the transactions in the case of open-ended contracts, taking into account agreed rates.

2. All the above interested person transactions were done on normal commercial terms.

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
26 July 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 first quarter FY2019-20 financial results to be false or misleading in any material respect.

On behalf of the Board,



TANG KIN FEI
Chairman

26 July 2019



PNG KIM CHIANG
Chief Executive Officer