

AUDITED RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2005

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 FINANCIAL YEAR ENDED 31 MARCH 2005 (IN \$ MILLION)**

	The Group		The Group	
	4th Quarter 2004-05	4th Quarter 2003-04	2004-05	2003-04
REVENUE	204.2	191.4	807.5	678.7
EXPENDITURE				
Staff costs	91.0	91.9	359.7	285.8
Material costs	41.8	53.8	203.6	181.7
Depreciation	7.8	5.7	24.8	22.9
Company accommodation	9.2	9.2	36.4	38.6
Other operating expenses	23.4	24.3	77.5	70.8
	173.2	184.9	702.0	599.8
OPERATING PROFIT	31.0	6.5	105.5	78.9
Interest income	1.2	0.8	3.8	3.1
Surplus on sale of fixed assets	0.4	0.7	0.4	0.8
Dividends from long-term investment	2.3	-	4.8	0.4
Share of profits of associated companies	20.7	10.4	67.5	45.9
Share of profits of joint venture companies	3.0	1.6	8.0	2.9
PROFIT BEFORE EXCEPTIONAL ITEMS	58.6	20.0	190.0	132.0
EXCEPTIONAL ITEMS				
Gain on sale of long-term investment	-	-	9.0	-
Retrenchment and early retirement costs	-	-	-	(3.1)
PROFIT BEFORE TAXATION	58.6	20.0	199.0	128.9
TAXATION	(8.4)	20.9	(23.6)	11.1
PROFIT AFTER TAXATION	50.2	40.9	175.4	140.0
Minority interest	(0.1)	(0.1)	(0.3)	(0.1)
PROFIT ATTRIBUTABLE TO SHAREHOLDERS	50.1	40.8	175.1	139.9

Notes:

(i) Profit after taxation is arrived at after charging/(crediting) the following:

	The Group		The Group	
	4th Quarter 2004-05	4th Quarter 2003-04	2004-05	2003-04
	S\$M	S\$M	S\$M	S\$M
Bad debts recovered	(0.1)	(0.2)	(0.3)	(0.6)
(Write-back)/Provision for doubtful debts, net	(1.0)	0.8	(4.2)	0.7
Exchange (gains)/losses, net	(1.3)	1.8	(0.9)	8.8
Adjustments for overprovision of tax in respect of prior years:				
- effects of reduction in Singapore Corporate tax rate	-	(1.0)	-	(1.0)
- under/(over)-provision in relation to prior years	0.3	(6.4)	0.3	(7.2)
Provision for obsolete stock, net	0.7	1.5	2.3	1.5

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 31 MARCH (IN \$ MILLION)

	The Group		The Company	
	31 Mar 2005	31 Mar 2004	31 Mar 2005	31 Mar 2004
SHARE CAPITAL				
Authorised	300.0	300.0	300.0	300.0
Issued and fully paid	101.8	100.5	101.8	100.5
RESERVES				
Distributable				
General reserve	746.6	829.3	620.7	742.1
Foreign currency translation reserve	(15.5)	(10.4)	-	0.1
Non-distributable				
Share premium	25.6	6.4	25.6	6.4
	756.7	825.3	646.3	748.6
SHARE CAPITAL AND RESERVES	858.5	925.8	748.1	849.1
MINORITY INTEREST	2.3	2.1	-	-
DEFERRED TAXATION	14.4	11.6	14.4	11.6
	875.2	939.5	762.5	860.7
Represented by :				
FIXED ASSETS	246.3	207.4	242.5	203.5
SUBSIDIARY COMPANIES	-	-	3.8	5.3
ASSOCIATED COMPANIES	277.2	246.4	166.6	164.4
JOINT VENTURE COMPANIES	56.0	52.6	56.6	56.6
LONG-TERM INVESTMENTS	14.6	17.3	14.6	17.3
CURRENT ASSETS				
Trade and other debtors	41.0	37.4	39.4	36.6
Immediate holding company	76.4	42.0	76.3	41.9
Related parties	15.7	17.7	13.8	16.4
Term-loan due from an investee company	-	2.3	-	2.3
Stocks	6.9	12.4	6.0	11.8
Work-in-progress	40.4	12.4	40.0	12.3
Short-term deposits	288.9	367.6	288.9	367.6
Cash and bank balances	37.0	104.8	36.3	103.6
	506.3	596.6	500.7	592.5
Less:				
CURRENT LIABILITIES				
Trade and other creditors	206.0	166.2	203.9	165.3
Bank loans	0.8	1.0	-	-
Provision for taxation	18.4	13.6	18.4	13.6
	225.2	180.8	222.3	178.9
NET CURRENT ASSETS	281.1	415.8	278.4	413.6
	875.2	939.5	762.5	860.7

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

Amount repayable in one year or less, or on demand

As at 31/03/2005		As at 31/03/2004	
Secured	Unsecured	Secured	Unsecured
-	S\$0.8M	-	S\$1.0M

Amount repayable after one year

As at 31/03/2005		As at 31/03/2004	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

Nil

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 FINANCIAL YEAR ENDED 31 MARCH 2005 (IN \$ MILLION)**

	The Group	
	2004-05	2003-04
NET CASH PROVIDED BY OPERATING ACTIVITIES	100.8	113.3
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(58.4)	(35.5)
Proceeds from disposal of fixed assets	0.1	0.2
Repayment of loans by investee companies	2.3	4.6
Repayment of loans by associated companies	-	5.1
Repayment of bank loans	(0.2)	-
Dividend received from long-term investment	4.8	0.4
Dividends received from associated companies	26.0	28.0
Dividends received from joint venture companies	4.0	-
Investments in associated companies	(0.8)	(3.7)
Proceeds from capital reduction of a joint venture company	-	2.0
Proceeds from sale of long-term investment	12.5	-
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(9.7)	1.1
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from exercise of share options	20.5	6.0
Dividends paid	(257.8)	(42.5)
NET CASH USED IN FINANCING ACTIVITIES	(237.3)	(36.5)
NET CASH (OUTFLOW)/INFLOW	(146.2)	77.9
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	472.4	399.1
Effect of exchange rate changes	(0.3)	(4.6)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	325.9	472.4
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Short-term deposits	288.9	367.6
Cash and bank balances	37.0	104.8
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	325.9	472.4

CASH FLOW FROM OPERATING ACTIVITIES (IN \$ MILLION)

	The Group	
	2004-05	2003-04
Profit before taxation	199.0	128.9
Adjustment for:		
Depreciation of fixed assets	24.8	22.9
Interest income	(3.8)	(3.1)
Surplus on sale of fixed assets	(0.4)	(0.8)
Dividend income received from long-term investment	(4.8)	(0.4)
Share of profits of associated and joint venture companies	(75.5)	(48.8)
Exchange differences	(0.9)	8.8
Gain on sale of long-term investment	(9.0)	-
Operating profit before working capital changes	129.4	107.5
(Increase)/decrease in debtors	(2.4)	7.5
(Increase)/decrease in stocks/work-in-progress	(27.8)	16.0
Increase/(decrease) in creditors	38.9	(31.0)
(Increase)/decrease in amounts owing from related companies	(32.2)	18.6
Cash generated from operations	105.9	118.6
Interest received from deposits	3.5	2.9
Income taxes paid	(8.6)	(8.2)
NET CASH PROVIDED BY OPERATING ACTIVITIES	100.8	113.3

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.

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2005 (IN \$ MILLION)**

The Group	Share capital	Share premium	Foreign currency translation reserve	General reserve	Total
Balance at 31 March 2003	100.1	0.8	5.0	731.9	837.8
Share options exercised *	0.4	5.6	-	-	6.0
Foreign currency translation differences	-	-	(15.4)	-	(15.4)
Profit attributable to shareholders for the financial year	-	-	-	139.9	139.9
Dividends	-	-	-	(42.5)	(42.5)
Balance at 31 March 2004	<u>100.5</u>	<u>6.4</u>	<u>(10.4)</u>	<u>829.3</u>	<u>925.8</u>
Share options exercised #	1.3	19.2	-	-	20.5
Foreign currency translation differences	-	-	(5.1)	-	(5.1)
Profit attributable to shareholders for the financial year	-	-	-	175.1	175.1
Dividends	-	-	-	(257.8)	(257.8)
Balance at 31 March 2005	<u>101.8</u>	<u>25.6</u>	<u>(15.5)</u>	<u>746.6</u>	<u>858.5</u>

* 4,194,900 ordinary shares of \$0.10 par value issued at exercise price of \$1.41, \$1.95 and \$2.05 each pursuant to the Employee Share Option Plan. Share capital and share premium increased by \$419,000 and \$5,549,000 respectively.

12,788,125 ordinary shares of \$0.10 par value issued at exercise price \$1.21, \$1.41, \$1.55, \$1.75, \$1.85, \$1.95, \$2.05, and \$2.18 each pursuant to the Employee Share Option Plan. Share capital and share premium increased by \$1,279,000 and \$19,262,000 respectively.

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2005 (IN \$ MILLION)**

The Company	Share capital	Share premium	Foreign currency translation reserve	General reserve	Total
Balance at 31 March 2003	100.1	0.8	0.3	659.3	760.5
Share options exercised *	0.4	5.6	-	-	6.0
Foreign currency translation differences	-	-	(0.2)	-	(0.2)
Profit attributable to shareholders for the financial year	-	-	-	125.3	125.3
Dividends	-	-	-	(42.5)	(42.5)
Balance at 31 March 2004	<u>100.5</u>	<u>6.4</u>	<u>0.1</u>	<u>742.1</u>	<u>849.1</u>
Share options exercised #	1.3	19.2	-	-	20.5
Foreign currency translation differences	-	-	(0.1)	-	(0.1)
Profit attributable to shareholders for the financial year	-	-	-	136.4	136.4
Dividends	-	-	-	(257.8)	(257.8)
Balance at 31 March 2005	<u>101.8</u>	<u>25.6</u>	<u>-</u>	<u>620.7</u>	<u>748.1</u>

* 4,194,900 ordinary shares of \$0.10 par value issued at exercise price of \$1.41, \$1.95 and \$2.05 each pursuant to the Employee Share Option Plan. Share capital and share premium increased by \$419,000 and \$5,549,000 respectively.

12,788,125 ordinary shares of \$0.10 par value issued at exercise price \$1.21, \$1.41, \$1.55, \$1.75, \$1.85, \$1.95, \$2.05, and \$2.18 each pursuant to the Employee Share Option Plan. Share capital and share premium increased by \$1,279,000 and \$19,262,000 respectively.

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 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 OPTIONS ON SHARES IN THE COMPANY

- (i) The issued and paid-up capital of the Company increased from \$100,463,190 as at 31 March 2004 to \$101,742,003 as at 31 March 2005. The increase is due to new shares allotted and issued pursuant to the exercise of share options granted 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) On 1 July 2004, the Company made a sixth grant of share options to employees. 15,310,700 share options were accepted by eligible employees to subscribe for ordinary shares at the price of \$1.89* per share for the exercise period from 1 July 2005 to 30 June 2014. As at 31 March 2005, options to subscribe for 63,709,775 ordinary shares remain outstanding under the Employee Share Option Plan.
- (iii) The movement of share options of the Company during the financial year ended 31 March 2005 is as follows:

Date of grant	Balance at 01.04.2004/ date of grant	Cancelled	Exercised	Balance at 31.03.2005	Exercise Price*	Exercisable period
28.03.2000	14,443,950	(270,400)	(2,588,050)	11,585,500	\$1.85	28.03.2001-27.03.2010
03.07.2000	13,459,050	(209,600)	(3,831,800)	9,417,650	\$1.75	03.07.2001-02.07.2010
02.07.2001	11,137,100	(100,300)	(6,245,800)	4,791,000	\$1.21	02.07.2002-01.07.2011
01.07.2002	16,169,700	(646,500)	(93,400)	15,429,800	\$2.18	01.07.2003-30.06.2012
01.07.2003	7,427,300	(107,900)	(29,075)	7,290,325	\$1.55	01.07.2004-30.06.2013
01.07.2004	15,310,700	(115,200)	-	15,195,500	\$1.89	01.07.2005-30.06.2014
Total	77,947,800	(1,449,900)	(12,788,125)	63,709,775		

* At the extraordinary general meeting of the Company held on 26 July 2004, the Company's shareholders approved an amendment to the Plan allowing 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. At the same meeting, the Company's shareholders approved the declaration of a special dividend. The said Committee then approved a S\$0.20 reduction of the exercise prices of the outstanding share options. The exercise prices reflected here are the exercise prices after such adjustment.

- (iv) As at 31 March 2004, the number of share options of the Company outstanding was 62,637,100.

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 been audited in accordance with Singapore Standards on Auditing.

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

The auditors' report dated 9th May 2005 issued on the financial statements of SIA Engineering Company Limited and its subsidiary companies for the financial year ended 31 March 2005, is reproduced as attached.

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 same accounting policies and methods of computation have been applied.

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	
	2004-05	2003-04
Earnings per share (cents)		
- Basic *	17.3	14.0
- Diluted #	17.1	13.9

* 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 effects of dilutive 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	
	31 Mar 05	31 Mar 04	31 Mar 05	31 Mar 04
Net asset value per share (cents)	84.4	92.1	73.5	84.5

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 achieved a 25.2% growth in net profit for FY 2004-05 over last year, which was impacted by the SARS outbreak. The increase came mainly from improvements in operating profit and better performance by our associated and joint venture companies as business confidence returned to the aviation industry.

Revenue grew by \$128.8 million or 19.0% to \$807.5 million due mainly to an increase in the number of flights handled by line maintenance and higher workload for airframe and component overhaul.

Expenditure increased by 17.0% to \$702.0 million. Material costs and subcontract costs rose in line with higher workload. Staff costs rose by \$73.9 million (+25.9%) mainly due to a higher provision for profit-sharing bonus, higher overtime costs and once-off payments to staff under the new collective agreements. The increase in expenditure was partially offset by a \$0.9 million foreign exchange gain this year against an exchange loss of \$8.8 million in FY 2003-04. In addition, there was a \$4.5 million write-back of provision for doubtful debts this financial year as compared to a provision of \$0.1 million last year.

As a result, operating profit grew by 33.7% (+\$26.6 million) to \$105.5 million.

Boosted by a gain on sale of a long-term investment, dividend income received from an investee company and improved performance by our associated and joint venture companies, profit before taxation increased by 54.4% to \$199.0 million. Share of profits from our associated and joint venture companies grew by 54.7% (+\$26.7 million) to \$75.5 million, representing 37.9% of the Group's pre-tax profits.

The FY 2004-05 accounts include a tax charge of \$23.6 million whereas the FY 2003-04 accounts reflect the reversal of a tax contingency provision of \$21.2 million. The provision had been made to cover the potential tax liability that might have arisen from the disposal of fixed assets to Eagle Services Asia Private Limited. Following the closure of this matter in FY 2003-04, the provision was no longer required.

In addition, with effect from 1 June 2004, the Company's tax incentives come under the Development Expansion Incentive scheme (Relief from Income Tax). Tax is payable at the prevailing corporate tax rate on a defined tax base and at a concessionary tax rate of 10% on profits in excess of the tax base. Prior to 1 June 2004, there was no tax payable on profits in excess of the defined tax base. The current tax base is applicable up to 31 May 2005. With effect from 1 June 2005, the tax base will be significantly higher.

Profit attributable to shareholders for the financial year ended 31 March 2005 was \$175.1 million (+25.2% or \$35.2 million). Basic earnings per share was 17.3 cents (+23.6%).

GROUP FINANCIAL POSITION (as at 31 March 2005)

As at 31 March 2005, shareholders' funds were \$858.5 million, 7.3% or \$67.3 million lower than at 31 March 2004. This was mainly due to the payment of \$227.4 million in August 2004 for the final and special dividend declared in respect of the last financial year.

Total assets decreased by \$19.9 million (-1.8%) to \$1,100.4 million. Net asset value per share was 84.4 cents, a decline of 7.7 cents (-8.4%) compared to 31 March 2004.

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.

SUBSEQUENT EVENTS

On 21 April 2005, the Company signed a joint venture agreement with Cebu Pacific Air to set up a joint venture offering line maintenance services at 14 airports in the Philippines. The joint venture, Aviation Partnership (Philippines) Corporation, will be incorporated in the Philippines. The Company will hold a 51 percent stake, while Cebu Pacific Air will hold the remaining 49 percent stake.

On 25 April 2005, the Company signed a joint venture agreement to form an aerospace hydraulic equipment service centre with Parker Hannifin Corporation's Parker Aerospace Group. The new joint venture company, named Aerospace Component Engineering Services Pte Limited ("ACE Services") was pre-incorporated in Singapore on 22 April 2005. The Company holds a 51 percent stake in ACE Services, while Parker Hannifin Corporation holds the remaining 49 percent stake.

OUTLOOK STATEMENT

With our investments in two additional hangars, when they become fully operational this year, revenue is expected to improve in tandem with this increase in capacity.

Rising costs and volatility in the US dollar however, continue to pose significant challenges to the industry and the Company.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? Yes

Name of dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend Rate	3.0 cents per ordinary share (tax exempt)	4.5 cents per ordinary share (tax exempt)
Par value of shares	\$0.10	\$0.10
Tax rate	-	-

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of dividend	Interim	Final	
		Ordinary	Special
Dividend Type	Cash	Cash	Cash
Dividend Rate	2.0 cents per ordinary share (tax exempt)	2.5 cents per ordinary share (tax exempt)	20.0 cents per ordinary share (tax exempt)
Par value of shares	\$0.10	\$0.10	\$0.10
Tax rate	-	-	-

(c) Date payable

- (i) A tax exempt interim dividend of 3.0 cents per share, amounting to \$30.4M, was paid on 26 November 2004.
- (ii) A tax exempt final dividend of 4.5 cents per share, amounting to \$45.8M, is proposed for FY2004-05. The final dividend, if so approved by shareholders, will be paid on 10 August 2005.

(d) Books closure date

Subject to the approval being obtained at the 23rd Annual General Meeting of the Company for the payment of the final dividend, notice is hereby given that duly completed transfers received by the Share Registrars, M & C Services Pte Ltd, at 138 Robinson Road, #17-00, The Corporate Office, Singapore 068906 up to 5 p.m. on 29 July 2005 will be registered to determine shareholders' entitlements to the final dividends. Thereafter the Share Transfer Books and the Register of Members of the Company will be closed on 1 August 2005 for the preparation of dividend warrants. The final dividend will be paid on 10 August 2005 to members on the Register as at 29 July 2005.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

The Group operates in Singapore in one business segment, that of maintenance, repair and overhaul of aircraft and aircraft engines. A breakdown of revenues by airframe and component overhaul and line maintenance and technical ground handling activities is as follows:

	GROUP	
	2004-05	2003-04
	S\$M	S\$M
Business Activity		
Airframe and component overhaul services	529.9	430.4
Line maintenance and technical ground handling	277.6	248.3
	807.5	678.7

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable.

15. A breakdown of sales.

	GROUP		
	FY2004-05	FY2003-04	Change
	S\$M	S\$M	%
Turnover reported for first half year	408.0	326.0	+25.2
Profit after tax before deducting minority interests reported for the first half year	87.3	61.2	+42.6
Turnover reported for second half year	399.5	352.7	+13.3
Profit after tax before deducting minority interests reported for the second half year	88.1	78.8	+11.8

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)

	Latest Full Year (\$'000)	Previous Full Year (\$'000)
Ordinary	76,143	247,522
Preference	-	-
Total:	76,143	247,522

17. Interested Persons Transactions

Interested Persons Transactions

(In thousands of S\$)

FY2004-05

Name of interested person	Aggregate value of all IPTs during the financial year under review (excluding transactions less than \$100,000 and transactions pursuant to the IPT Mandate (or a shareholders' mandate for IPTs under Rule 920 of the New Listing Manual))	Aggregate value of all IPTs under the IPT Mandate (or a shareholders' mandate for IPTs under Rule 920 of the New Listing Manual) during the financial year under review (excluding transactions less than \$100,000)
Singapore Airlines Ltd	–	203,681
Keppel Engineering Pte Ltd <i>(100% owned by Keppel Corporation Limited and ultimately 32% owned by Temasek Holdings)</i>	–	3,474
Sembcorp Environmental Management Pte Ltd <i>(100% owned by Sembcorp Industries and ultimately by Temasek Holdings)</i>	–	635
ST Synthesis <i>(100% owned by ST Engineering Ltd which is 55% owned by Temasek Holdings)</i>	–	102
Total	–	207,892

BY ORDER OF THE BOARD

Devika Rani Davar
Company Secretary
11 May 2005

Singapore Co. Regn. No.: 198201025C

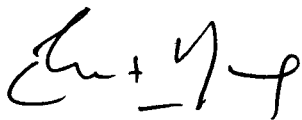
Auditor's Report to the Members of SIA Engineering Company Limited

We have audited the accompanying financial statements of SIA Engineering Company Limited (the "Company") and its subsidiary companies (the "Group") set out on pages # to # for the financial year ended 31 March 2005. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- (a) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2005, changes in equity of the Group and of the Company, the results and cash flows of the Group for the financial year ended on that date; and
- (b) the accounting and other records (excluding registers) required by the Act to be kept by the Company and by those subsidiary companies incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.



ERNST & YOUNG
Certified Public Accountants

Dated this 9th of May 2005
Singapore

The page numbers are stated in the auditors' report dated 9th May 2005 included in the SIA Engineering Company Annual Report for the financial year ended 31 March 2005.