

**AUDITED RESULTS FOR THE FOURTH QUARTER  
AND FINANCIAL YEAR ENDED 31 MARCH 2010**

**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 2010 (IN \$ MILLION)**

	The Group		The Group	
	4th Quarter 2009-10	4th Quarter 2008-09	2009-10	2008-09
<b>REVENUE</b>	<b>272.6</b>	<b>245.8</b>	<b>1,006.4</b>	<b>1,045.3</b>
<b>EXPENDITURE</b>				
Staff costs	110.0	90.0	413.5	429.5
Material costs	58.6	57.8	220.4	229.9
Depreciation	8.7	9.4	34.4	36.6
Amortisation of intangibles	0.3	1.5	4.2	5.9
Company accommodation	12.0	11.8	44.5	45.9
Subcontract costs	19.0	24.2	93.3	108.6
Other operating expenses	22.8	24.4	85.7	76.3
	<b>231.4</b>	<b>219.1</b>	<b>896.0</b>	<b>932.7</b>
<b>OPERATING PROFIT</b>	<b>41.2</b>	<b>26.7</b>	<b>110.4</b>	<b>112.6</b>
Interest income	0.2	0.4	1.0	3.9
Interest on external borrowings	*	*	*	*
Surplus on disposal of fixed assets	6.1	0.4	6.0	0.1
Dividend received from long-term investment	2.8	1.6	15.5	11.1
Share of profits of joint venture companies	15.0	19.9	56.1	63.9
Share of profits of associated companies	13.4	27.9	73.6	109.1
<b>PROFIT BEFORE TAXATION</b>	<b>78.7</b>	<b>76.9</b>	<b>262.6</b>	<b>300.7</b>
<b>TAXATION</b>				
Taxation expenses	(3.9)	(11.5)	(24.5)	(38.4)
Adjustment for reduction in Singapore statutory tax rate	-	1.0	-	1.0
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>74.8</b>	<b>66.4</b>	<b>238.1</b>	<b>263.3</b>
<b>PROFIT ATTRIBUTABLE TO:</b>				
<b>EQUITY HOLDERS OF THE COMPANY</b>	<b>73.9</b>	<b>65.5</b>	<b>236.1</b>	<b>260.6</b>
Minority interests	0.9	0.9	2.0	2.7
	<b>74.8</b>	<b>66.4</b>	<b>238.1</b>	<b>263.3</b>
Basic earnings per share (cents)	6.85	6.09	21.88	24.20
Diluted earnings per share (cents)	6.79	6.08	21.76	24.07

**Notes:**

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

	The Group		The Group	
	4th Quarter 2009-10	4th Quarter 2008-09	2009-10	2008-09
	\$M	\$M	\$M	\$M
Bad debts written off	-	1.1	-	1.1
(Writeback)/ Provision for impairment of trade debtors, net	(1.1)	2.0	*	3.5
Exchange (gain) / loss, net	(0.4)	(2.1)	6.7	(5.1)
Adjustment for (over) / under provision of tax in respect of prior year	(1.0)	(0.1)	0.1	(0.1)
Provision for obsolete stocks, net	0.7	0.6	2.4	0.8

\* Amount less than \$0.1M

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

With effect from 1 January 2009, revised 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.

### STATEMENTS OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2010 (IN \$ MILLION)

	The Group			
	4 <sup>th</sup> Quarter 2009-10	4 <sup>th</sup> Quarter 2008-09	2009-10	2008-09
<b>PROFIT FOR THE PERIOD</b>	<b>74.8</b>	<b>66.4</b>	<b>238.1</b>	<b>263.3</b>
<b>OTHER COMPREHENSIVE (EXPENSE)/ INCOME</b>				
Foreign currency translation	(1.1)	31.3	(45.0)	53.0
Net fair value adjustment on cash flow hedges	(0.5)	(1.0)	2.0	(4.5)
Total other comprehensive (expense)/ income, net of tax	(1.6)	30.3	(43.0)	48.5
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>73.2</b>	<b>96.7</b>	<b>195.1</b>	<b>311.8</b>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
<b>EQUITY HOLDERS OF THE COMPANY</b>	72.4	94.7	194.7	308.1
Minority interests	0.8	2.0	0.4	3.7
	<b>73.2</b>	<b>96.7</b>	<b>195.1</b>	<b>311.8</b>

	The Company			
	4 <sup>th</sup> Quarter 2009-10	4 <sup>th</sup> Quarter 2008-09	2009-10	2008-09
<b>PROFIT FOR THE PERIOD</b>	<b>91.5</b>	<b>85.6</b>	<b>267.3</b>	<b>217.4</b>
<b>OTHER COMPREHENSIVE (EXPENSE)/ INCOME</b>				
Net fair value adjustment on cash flow hedges	(0.5)	(1.0)	2.0	(4.5)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>91.0</b>	<b>84.6</b>	<b>269.3</b>	<b>212.9</b>

**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)**

	<b>The Group</b>		<b>The Company</b>	
	<b>31 Mar 2010</b>	<b>31 Mar 2009</b>	<b>31 Mar 2010</b>	<b>31 Mar 2009</b>
<b>SHARE CAPITAL</b>	262.9	255.6	262.9	255.6
<b>RESERVES</b>				
General reserve	1,036.1	971.9	722.0	626.6
Share-based compensation reserve	45.4	39.6	45.4	39.6
Foreign currency translation reserve	(79.8)	(36.4)	-	-
Fair value reserve	0.2	(1.8)	0.2	(1.8)
	<u>1,001.9</u>	<u>973.3</u>	<u>767.6</u>	<u>664.4</u>
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>	1,264.8	1,228.9	1,030.5	920.0
<b>MINORITY INTERESTS</b>	26.9	26.5	-	-
<b>TOTAL EQUITY</b>	<u>1,291.7</u>	<u>1,255.4</u>	<u>1,030.5</u>	<u>920.0</u>
<b>DEFERRED TAXATION</b>	28.1	24.9	24.0	20.6
<b>LONG-TERM LIABILITY</b>				
Finance lease commitments				
- repayable after one year	*	*	-	-
	<u>1,319.8</u>	<u>1,280.3</u>	<u>1,054.5</u>	<u>940.6</u>
Represented by :				
<b>PROPERTY, PLANT AND EQUIPMENT</b>	315.5	313.2	278.2	287.7
<b>INTANGIBLES</b>	16.8	6.7	2.3	4.8
<b>SUBSIDIARY COMPANIES</b>	-	-	52.1	37.7
<b>ASSOCIATED COMPANIES</b>	362.6	403.7	178.2	164.7
<b>JOINT VENTURE COMPANIES</b>	108.2	126.7	56.6	56.6
<b>LONG-TERM INVESTMENTS</b>	14.6	14.6	14.6	14.6
<b>LOAN TO SUBSIDIARY COMPANY</b>	-	-	-	1.1
<b>CURRENT ASSETS</b>				
Trade and other debtors	85.8	82.1	69.0	64.9
Immediate holding company	109.8	77.9	108.3	76.1
Related parties	28.5	20.6	23.2	12.6
Inventories	49.5	35.7	39.4	28.8
Work-in-progress	43.9	48.5	42.5	46.6
Short-term deposits	374.4	324.0	367.6	322.5
Cash and bank balances	51.4	48.5	42.6	25.0
	<u>743.3</u>	<u>637.3</u>	<u>692.6</u>	<u>576.5</u>
Less:				
<b>CURRENT LIABILITIES</b>				
Trade and other creditors	217.2	202.1	197.0	185.0
Finance lease commitments				
- repayable within one year	*	0.1	-	-
Bank loans	-	0.8	-	-
Current tax payable	24.0	18.9	23.1	18.1
	<u>241.2</u>	<u>221.9</u>	<u>220.1</u>	<u>203.1</u>
<b>NET CURRENT ASSETS</b>	<u>502.1</u>	<u>415.4</u>	<u>472.5</u>	<u>373.4</u>
	<u>1,319.8</u>	<u>1,280.3</u>	<u>1,054.5</u>	<u>940.6</u>

\* 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 31/03/2010		As at 31/03/2009	
Secured	Unsecured	Secured	Unsecured
*	-	\$0.1M	\$0.8M

**Amount repayable after one year**

As at 31/03/2010		As at 31/03/2009	
Secured	Unsecured	Secured	Unsecured
*	-	*	-

\* Amount less than \$0.1M

**Details of any collateral**

The secured borrowings as at 31 March 2010 and 31 March 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 FINANCIAL YEAR ENDED 31 MARCH 2010 (IN \$ MILLION)**

	<b>The Group</b>	
	<b>2009-10</b>	<b>2008-09</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	262.6	300.7
Adjustments for:		
Depreciation	34.4	36.6
Amortisation of intangibles	4.2	5.9
Share-based payment expense	8.1	13.6
Gain on disposal of property, plant and equipment	(6.0)	(0.1)
Interest income	(1.0)	(3.9)
Interest on external borrowings	*	*
Share of profits of associated and joint venture companies	(129.7)	(173.0)
Exchange differences	6.7	(5.1)
Dividend received from long-term investment	(15.5)	(11.1)
<b>Operating profit before working capital changes</b>	<b>163.8</b>	<b>163.6</b>
(Increase) / Decrease in debtors	(9.3)	9.8
Increase in inventories and work-in-progress	(9.2)	(22.4)
Increase/ (Decrease) in creditors	18.0	(27.6)
Increase in amounts owing by related companies	(39.9)	(16.3)
<b>Cash generated from operations</b>	<b>123.4</b>	<b>107.1</b>
Income taxes paid	(13.4)	(20.2)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>110.0</b>	<b>86.9</b>

\* Amount less than \$0.1M

**CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2010 (IN \$ MILLION)**

	<b>The Group</b>	
	<b>2009-10</b>	<b>2008-09</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure	(39.6)	(74.0)
Purchase of intangible assets	(14.3)	(1.0)
Investment in an associated company	(1.0)	-
Dividends received from associated and joint venture companies	153.4	115.4
Dividend received from long-term investment	15.5	11.1
Proceeds from disposal of property, plant and equipment	0.4	*
Interest received from deposits	1.1	5.1
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>115.5</b>	<b>56.6</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from exercise of share options	5.7	8.2
Proceeds from issuance of share capital by a subsidiary company to minority shareholders	1.0	8.3
Net (repayment of) / proceeds from borrowings	(0.8)	0.8
Interest paid	*	*
Repayment of finance lease obligations	*	(0.1)
Dividends paid	(172.6)	(226.3)
Dividends paid by subsidiary companies to minority interests	(1.0)	(0.3)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(167.7)</b>	<b>(209.4)</b>
<b>NET CASH INFLOW / (OUTFLOW)</b>	<b>57.8</b>	<b>(65.9)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING PERIOD</b>		
Effect of exchange rate changes	(4.5)	1.1
<b>CASH AND CASH EQUIVALENTS AT END PERIOD</b>	<b>425.8</b>	<b>372.5</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Short-term deposits	374.4	324.0
Cash and bank balances	51.4	48.5
<b>CASH AND CASH EQUIVALENTS AT END PERIOD</b>	<b>425.8</b>	<b>372.5</b>

\* 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 FINANCIAL YEAR ENDED 31 MARCH 2010 (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/ (expenses) for the financial year	-	2.0	-	(43.4)	236.1	194.7	0.4	195.1
Capital contribution	-	-	-	-	-	-	1.0	1.0
Share awards released	0.9	-	(0.9)	-	-	-	-	-
Share-based payment	-	-	8.1	-	-	8.1	-	8.1
Share options exercised	6.4	-	(0.7)	-	-	5.7	-	5.7
Share options lapsed	-	-	(0.7)	-	0.7	-	-	-
Dividends	-	-	-	-	(172.6)	(172.6)	(1.0)	(173.6)
Balance at 31 March 2010	<u>262.9</u>	<u>0.2</u>	<u>45.4</u>	<u>(79.8)</u>	<u>1,036.1</u>	<u>1,264.8</u>	<u>26.9</u>	<u>1,291.7</u>

**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009 (IN \$ MILLION)**

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 (expenses)/ income for the financial year	-	(4.5)	-	52.0	260.6	308.1	3.7	311.8
Capital contribution	-	-	-	-	-	-	8.3	8.3
Share awards released	0.4	-	(0.4)	-	-	-	-	-
Share-based payment	-	-	13.6	-	-	13.6	-	13.6
Share options exercised	10.2	-	(2.0)	-	-	8.2	-	8.2
Share options lapsed	-	-	(0.1)	-	0.1	-	-	-
Dividends	-	-	-	-	(226.3)	(226.3)	(0.3)	(226.6)
Balance at 31 March 2009	<u>255.6</u>	<u>(1.8)</u>	<u>39.6</u>	<u>(36.4)</u>	<u>971.9</u>	<u>1,228.9</u>	<u>26.5</u>	<u>1,255.4</u>

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2010 (IN \$ MILLION)**

<b>The Company</b>	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 financial year	-	2.0	-	267.3	269.3
Share awards released	0.9	-	(0.9)	-	-
Share-based payment	-	-	8.1	-	8.1
Share options exercised	6.4	-	(0.7)	-	5.7
Share options lapsed	-	-	(0.7)	0.7	-
Dividends	-	-	-	(172.6)	(172.6)
Balance at 31 March 2010	<u>262.9</u>	<u>0.2</u>	<u>45.4</u>	<u>722.0</u>	<u>1,030.5</u>

**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009 (IN \$ MILLION)**

Balance at 1 April 2008	245.0	2.7	28.5	635.4	911.6
Total comprehensive (expenses)/ income for the financial year	-	(4.5)	-	217.4	212.9
Share awards released	0.4	-	(0.4)	-	-
Share-based payment	-	-	13.6	-	13.6
Share options exercised	10.2	-	(2.0)	-	8.2
Share options lapsed	-	-	(0.1)	0.1	-
Dividends	-	-	-	(226.3)	(226.3)
Balance at 31 March 2009	<u>255.6</u>	<u>(1.8)</u>	<u>39.6</u>	<u>626.6</u>	<u>920.0</u>



**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 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:

<b>As at 31 March 2010</b>	<b>As at 31 March 2009</b>
1,081,468,197	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 2009 to 31 March 2010, 3,237,400 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 financial year ended 31 March 2010 is as follows:

No.	Date of grant	Balance at 01.04.2009	Cancelled	Exercised	Balance at 31.03.2010	Exercise Price *	Exercisable period
1.	28.03.2000	1,117,000	(138,400)	(978,600)	-	\$1.65	28.03.2001-27.03.2010
2.	03.07.2000	1,205,213	(38,800)	(507,300)	659,113	\$1.55	03.07.2001-02.07.2010
3.	02.07.2001	516,100	(25,200)	(182,300)	308,600	\$1.01	02.07.2002-01.07.2011
4.	01.07.2002	3,696,800	(70,000)	(382,800)	3,244,000	\$1.98	01.07.2003-30.06.2012
5.	01.07.2003	949,150	(31,800)	(172,950)	744,400	\$1.35	01.07.2004-30.06.2013
6.	01.07.2004	3,797,475	(78,800)	(371,650)	3,347,025	\$1.69	01.07.2005-30.06.2014
7.	01.07.2005	7,657,525	(97,800)	(601,800)	6,957,925	\$2.25	01.07.2006-30.06.2015
8.	03.07.2006	13,706,450	(282,800)	(40,000)	13,383,650	\$3.44	03.07.2007-02.07.2016
9.	02.07.2007	15,097,350	(313,700)	-	14,783,650	\$4.67	02.07.2008-01.07.2017
10.	01.07.2008	13,517,600	(279,600)	-	13,238,000	\$3.74	01.07.2010-30.06.2018
	Total	61,260,663	(1,356,900)	(3,237,400)	56,666,363		

\* 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 31 March 2010, the number of share options of the Company outstanding was 56,666,363 (31 March 2009: 61,260,663).

**(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 31 March 2010, the number of outstanding shares granted under the Company's RSP and PSP were 1,835,137 (31 March 2009: 1,294,528) and 292,500 (31 March 2009: 220,800) respectively. The movement of these share awards during the year 2009-10 is as follows:

**RSP**

No.	Date of grant	Balance at 01.04.09 / Date of grant	Adjustment *	Cancelled	Released	Balance as at 31.03.10
1.	03.07.2006	107,128	-	(5,132)	(51,263)	50,733
2.	02.07.2007	327,600	(13,104)	(19,481)	(150,511)	144,504
3.	01.07.2008	859,800	-	(26,700)	-	833,100
4.	01.07.2009	734,600	-	(25,800)	-	708,800
5.	13.07.2009	98,000	-	-	-	98,000
	Total	2,127,128	(13,104)	(77,113)	(201,774)	1,835,137

\* Adjustment at the end of two-year performance period upon meeting stated performance targets.

**PSP**

No.	Date of grant	Balance at 01.04.09/ Date of grant	Adjustment *	Released	Balance as at 31.03.10
1.	03.07.2006	31,100	(18,660)	(12,440)	-
2.	02.07.2007	61,200	-	-	61,200
3.	01.07.2008	128,500	-	-	128,500
4.	13.07.2009	102,800	-	-	102,800
	Total	323,600	(18,660)	(12,440)	292,500

\* Adjustment at the end of three-year performance period upon meeting stated performance targets

**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).**

See attached auditor's report.

**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. 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 2009 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.**

Please refer to paragraph 4.

**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			
	4th Qtr 2009-10	4th Qtr 2008-09	2009-10	2008-09
Earnings per share (cents)				
- Basic *	6.85	6.09	21.88	24.20
- Diluted #	6.79	6.08	21.76	24.07

\* 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	
	As at 31 Mar 10	As at 31 Mar 09	As at 31 Mar 10	As at 31 Mar 09
Net asset value per share (cents)	117.0	114.0	95.3	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**

Fourth Quarter FY2009-10

SIAEC Group profit attributable to equity holders for the quarter ended 31 March 2010 was \$73.9 million, an increase of \$8.4 million or 12.8% over the same period last year. The quarter's results benefited from surplus on disposal of fixed assets and write-back of tax provisions by an associated company.

Revenue of \$272.6 million for the quarter increased \$26.8 million or 10.9% over the same period last year. This was primarily contributed by fleet management programme and airframe and component overhaul work.

Expenditure at \$231.4 million was \$12.3 million or 5.6% higher. The increase was mainly from higher staff costs, partially mitigated by lower subcontract costs. Staff costs increased mainly due to lower jobs credit compared to the corresponding period last year.

The resulting operating profit of \$41.2 million was \$14.5 million or 54.3% higher than the same quarter last year. At the pre-tax profit level, Group earnings increased by a lower \$1.8 million or 2.3%. This was mainly due to a decline in share of profits of associated and joint venture companies of \$19.4 million or 40.6% to \$28.4 million, partially mitigated by a \$6.1 million surplus from the disposal of fixed assets.

Profit after tax for the quarter rose \$8.4 million or 12.7% to \$74.8 million.

Basic earnings per share increased by 12.5% to 6.85 cents.

#### Financial Year 2009-10

Operating profit for the financial year at \$110.4 million was \$2.2 million or 2.0% lower compared to last year. Share of profits from associated and joint venture companies declined \$43.3 million or 25.0% to \$129.7 million. This amounted to 49.4% of the Group's pre-tax profits. Surplus on disposal of fixed assets increased \$5.9 million while provision for tax fell \$12.9 million or 34.5% to \$24.5 million.

The resulting profit attributable to equity holders of \$236.1 million for the financial year ended 31 March 2010 was \$24.5 million or 9.4% lower than last year.

Revenue declined \$38.9 million or 3.7% to \$1,006.4 million mainly due to lower airframe and component overhaul work and revenue from the turnkey project. This drop was partially mitigated by higher fleet management revenue.

Expenditure saw a reduction of \$36.7 million or 3.9% to \$896.0 million. Staff and subcontract costs were lower as a result of cost management initiatives.

Basic earnings per share was 21.88 cents for the financial year ended 31 March 2010, a decrease of 2.32 cents per share over last year.

#### **GROUP FINANCIAL POSITION**

As at 31 March 2010, equity attributable to equity holders of the Company amounted to \$1,264.8 million, \$35.9 million or 2.9% higher than at 31 March 2009.

Total assets increased by \$58.8 million or 3.9% to \$1,561.0 million. Net asset value per share of 117.0 cents was 3.0 cents or 2.6% higher than at 31 March 2009. The total number of shares issued was 1,081.5 million as at 31 March 2010.

The Company has no borrowings and the cash balance of the Group as at 31 March 2010 amounted to \$425.8 million.

**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 continues to strengthen its competitiveness by investing in servicing new engine types, strategic joint ventures and infrastructure development. We will continue with our efforts to improve productivity and manage costs. With the upturn in travel demand and increase in flights at Changi, the business outlook for the Group is favourable.

**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	5.0 cents per ordinary share	13.0 cents per ordinary share
Tax rate	Tax exempt one-tier	Tax exempt one-tier

***(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
Dividend Type	Cash	Cash
Dividend Rate	5.0 cents per ordinary share	11.0 cents per ordinary share
Tax rate	Tax exempt one-tier	Tax exempt one-tier

***(c) Date payable***

The Board is proposing a final dividend of 13 cents per share (tax exempt one-tier), which together with the interim dividend of 5 cents (tax exempt one-tier) paid earlier, make a total dividend payment of 18 cents per share for financial year 2009-10. Payment of the final dividend, which amounts to approximately \$140.6 million, is subject to shareholders' approval at the Annual General Meeting on 23 July 2010. The dividend will be paid on 11 August 2010.

#### (d) Books closure date

Subject to the approval being obtained at the 28th Annual General Meeting of the Company for the payment of the final dividend, notice is hereby given that duly completed and stamped transfers (together with all relevant documents of or evidencing title) received by the Company's Share Registrar, M & C Services Private Limited, at 138 Robinson Road, #17-00, The Corporate Office, Singapore 068906 up to 5 p.m. on 29 July 2010 will be registered to determine shareholders' entitlements to the final dividend. Thereafter the Share Transfer Books and the Register of Members of the Company will be closed on 30 July 2010 for the preparation of dividend warrants. The final dividend, if so approved by shareholders, will be paid on 11 August 2010 to members on the Register as at 29 July 2010.

#### 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's businesses are organised and managed separately according to the nature of the services provided. The following tables present revenue and profit information regarding operating segments for the financial years ended 31 March 2010 and 2009.

(in \$ million)	Repair and Overhaul	Line Maintenance	Total segments	Consolidation eliminations & adjustments	Per consolidated financial statement
	2009-10	2009-10	2009-10	2009-10	2009-10
<b>TOTAL REVENUE</b>					
External revenue	629.4	377.0	1,006.4	-	1,006.4
Inter-segment revenue	15.9	0.7	16.6	(16.6)	-
	<u>645.3</u>	<u>377.7</u>	<u>1,023.0</u>	<u>(16.6)</u>	<u>1,006.4</u>
<b>RESULTS</b>					
Segment result	31.5	78.9	110.4		110.4
Interest income					1.0
Dividend income from long-term investment					15.5
Share of results of associated companies	71.6	2.0	73.6		73.6
Share of results of joint venture companies	56.1	-	56.1		56.1
Other unallocated expense/ income					6.0
Profit before taxation					262.6
Taxation					(24.5)
Profit for the financial year					<u>238.1</u>
<u>Other segment items</u>					
Depreciation	27.8	6.6	34.4		34.4
Amortisation of intangibles	2.6	1.6	4.2		4.2
<b>Segment assets</b>					
Property, plant and equipment	280.5	35.0	315.5		315.5
Intangibles	14.8	2.0	16.8		16.8
Investment in associated/ joint venture companies	462.3	8.5	470.8		470.8
Other unallocated assets					757.9
Total assets	<u>757.6</u>	<u>45.5</u>	<u>803.1</u>		<u>1,561.0</u>

(in \$ million)	Repair and	Line	Total	Consolidation	Per consolidated
	Overhaul	Maintenance	segments	eliminations & adjustments	financial statement
	2008-09	2008-09	2008-09	2008-09	2008-09
<b>TOTAL REVENUE</b>					
External revenue	675.4	369.9	1,045.3	–	1,045.3
Inter-segment revenue	13.7	0.7	14.4	(14.4)	–
	<u>689.1</u>	<u>370.6</u>	<u>1,059.7</u>	<u>(14.4)</u>	<u>1,045.3</u>
<b>RESULTS</b>					
Segment result	35.6	77.0	112.6		112.6
Interest income					3.9
Dividend income from long-term investment					11.1
Share of results of associated companies	107.7	1.4	109.1		109.1
Share of results of joint venture companies	63.9	–	63.9		63.9
Other unallocated expense/ income					0.1
Profit before taxation					300.7
Taxation					(37.4)
Profit for the financial year					<u>263.3</u>
<u>Other segment items</u>					
Depreciation	30.8	5.8	36.6		36.6
Amortisation of intangibles	3.9	2.0	5.9		5.9
<b>Segment assets</b>					
Property, plant and equipment	278.8	34.4	313.2		313.2
Intangibles	3.7	3.0	6.7		6.7
Investment in associated/ joint venture companies	521.7	8.7	530.4		530.4
Other unallocated assets					651.9
Total assets	<u>804.2</u>	<u>46.1</u>	<u>850.3</u>		<u>1,502.2</u>

#### Geographical segments

Revenue and non-current assets information based on geographical location of customers and assets respectively are as follows:

(in \$ million)	Revenue		Non current assets	
	2009-10	2008-09	2010	2009
East Asia	785.1	852.1	785.2	830.1
Europe	34.7	10.3	15.7	18.3
South West Pacific	27.6	44.7	2.1	1.8
Americas	34.2	30.2	0.1	0.1
West Asia and Africa	124.8	108.0	-	-
Total	<u>1,006.4</u>	<u>1,045.3</u>	<u>803.1</u>	<u>850.3</u>

Non-current assets' information presented above consists of property, plant and equipment, intangibles and investments in associates and joint ventures as presented in the consolidated balance sheet.

#### **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.**

For details, please refer to paragraph 8.



**15. A breakdown of sales (in \$ million).**

	<b>GROUP</b>		
	<b>2009-10</b>	<b>2008-09</b>	<b>Change</b>
			<b>%</b>
Turnover reported for first half year	492.3	529.5	- 7.0%
Profit after tax reported for the first half year	106.2	132.1	- 19.6%
Turnover reported for second half year	514.1	515.8	- 0.3%
Profit after tax reported for the second half year	129.9	128.5	+ 1.1%

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

Annual Dividend (in \$ million)	2009-10	2008-09
Ordinary dividend		
- Interim	54.0	53.9
- Final <sup>#</sup>	140.6	118.7
<b>Total:</b>	<b>194.6</b>	<b>172.6</b>

# 2009-10 Final dividend is estimated based on number of shares outstanding as at the end of the financial year.

## 17. Additional Information

### Interested Persons Transactions

(In \$ million)

Name of interested person	FY2009/10	
	Aggregate value of all IPTs during the financial period 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 period under review (excluding transactions less than \$100,000)
Singapore Airlines Ltd	–	2,207.6
Tiger Airways Singapore Pte Ltd	–	12.4
Wan Tien Realty (Pte) Ltd	–	3.2
Virgin Atlantic Airways Ltd	–	3.1
Singapore Airlines Cargo Pte Ltd	–	1.6
ST Aerospace Supplies Pte Ltd	–	1.0
Great Wall Airlines Limited	–	0.7
Asprecise Pte Ltd	–	0.5
Certis Cisco Security Pte Ltd	–	0.3
SMRT Taxis Pte Ltd	–	0.3
<b>Total</b>	<b>–</b>	<b>2,230.7</b>

### BY ORDER OF THE BOARD

Devika Rani Davar  
Company Secretary  
14 May 2010

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 (collectively, the Group) set out on pages \* to \*, which comprise the balance sheets of the Group and the Company as at 31 March 2010, the statements of changes in equity of the Group and the Company, and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### *Management's responsibility for the financial statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheets and to maintain accountability of assets; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditors' responsibility*

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion,

- (i) the consolidated financial statements of the Group, and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of 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 2010 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date; and
- (ii) the accounting and other records 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 LLP  
Public Accountants and  
Certified Public Accountants  
Singapore  
Dated this 14<sup>th</sup> day of May 2010

\* The page numbers are stated in the auditors' report dated 14<sup>th</sup> May 2010 included in the SIA Engineering Company Annual Report for the financial year ended 31 March 2010