

**UNAUDITED RESULTS FOR THE SECOND QUARTER AND HALF YEAR
ENDED 30 SEPTEMBER 2008**

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 SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2008 (IN \$ MILLION)

	The Group		The Group	
	2nd Quarter 2008-09	2nd Quarter 2007-08	1 st Half 2008-09	1 st Half 2007-08
REVENUE	279.3	265.8	529.5	535.9
EXPENDITURE				
Staff costs	109.9	106.7	226.3	214.6
Material costs	61.4	67.7	111.0	138.4
Depreciation	9.0	8.3	18.1	16.1
Amortisation of intangibles	1.5	1.6	2.9	3.5
Company accommodation	11.8	11.1	23.0	21.7
Subcontract costs	30.8	23.2	56.6	44.0
Other operating expenses	14.8	13.1	35.1	34.3
	<u>239.2</u>	<u>231.7</u>	<u>473.0</u>	<u>472.6</u>
OPERATING PROFIT	40.1	34.1	56.5	63.3
Interest income	0.9	2.5	2.8	5.7
Interest on external borrowings	*	*	*	*
Surplus on disposal of fixed assets	*	*	*	0.1
Dividend received from long-term investment	3.5	3.9	7.2	8.5
Share of profits of joint venture companies	14.5	14.7	29.8	25.7
Share of profits of associated companies	25.2	27.6	53.5	57.2
PROFIT BEFORE TAXATION	84.2	82.8	149.8	160.5
TAXATION	(10.4)	(8.0)	(16.8)	(15.5)
PROFIT FOR THE PERIOD	73.8	74.8	133.0	145.0
PROFIT ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	73.4	74.5	132.1	145.0
Minority interests	0.4	0.3	0.9	*
	<u>73.8</u>	<u>74.8</u>	<u>133.0</u>	<u>145.0</u>
Basic earnings per share (cents)	6.80	6.95	12.27	13.59
Diluted earnings per share (cents)	6.76	6.83	12.17	13.36

Notes:

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

	The Group		The Group	
	2nd Quarter 2008-09	2nd Quarter 2007-08	1 st Half 2008-09	1 st Half 2007-08
	S\$M	S\$M	S\$M	S\$M
Bad debts written off	-	-	-	0.3
(Write-back) / Provision for impairment of trade debtors, net	(1.1)	1.3	2.3	1.5
Exchange gain	(4.2)	(0.3)	(4.1)	(1.7)
Adjustment for over provision of tax in respect of prior year	-	-	*	(0.1)
Provision for obsolete stocks, net	0.2	0.1	0.2	0.1

* 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 SEPTEMBER (IN \$ MILLION)

	The Group		The Company	
	30 Sep 2008	31 Mar 2008	30 Sep 2008	31 Mar 2008
SHARE CAPITAL	255.3	245.0	255.3	245.0
RESERVES				
General reserve	897.2	937.5	532.3	635.4
Share-based compensation reserve	33.5	28.5	33.5	28.5
Foreign currency translation reserve	(72.3)	(88.4)	-	-
Fair value reserve	(1.0)	2.7	(1.0)	2.7
	857.4	880.3	564.8	666.6
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	1,112.7	1,125.3	820.1	911.6
MINORITY INTERESTS	23.5	14.8	-	-
TOTAL EQUITY	1,136.2	1,140.1	820.1	911.6
DEFERRED TAXATION	22.5	21.8	18.6	18.6
LONG-TERM LIABILITY				
Finance lease commitments				
- repayable after one year	0.1	0.1	-	-
	1,158.8	1,162.0	838.7	930.2
Represented by :				
FIXED ASSETS	289.0	275.7	272.1	258.0
INTANGIBLES	9.2	11.6	7.4	10.0
SUBSIDIARY COMPANIES	-	-	37.3	20.4
ASSOCIATED COMPANIES	402.3	343.6	164.7	164.7
JOINT VENTURE COMPANIES	114.8	94.4	56.6	56.6
LONG-TERM INVESTMENTS	14.6	14.6	14.6	14.6
LOAN TO SUBSIDIARY COMPANY	-	-	1.0	-
CURRENT ASSETS				
Trade and other debtors	97.0	91.2	79.7	78.4
Immediate holding company	79.2	53.8	77.3	51.2
Related parties	22.7	29.6	16.4	25.2
Stocks	26.2	19.2	19.9	15.6
Work-in-progress	62.6	42.5	61.1	41.2
Short-term deposits	224.7	370.9	223.7	363.5
Cash and bank balances	55.8	66.4	26.3	62.0
	568.2	673.6	504.4	637.1
Less:				
CURRENT LIABILITIES				
Trade and other creditors	219.0	231.1	200.0	211.6
Finance lease commitments				
- repayable within one year	*	0.1	-	-
Current tax payable	20.3	20.3	19.4	19.6
	239.3	251.5	219.4	231.2
NET CURRENT ASSETS	328.9	422.1	285.0	405.9
	1,158.8	1,162.0	838.7	930.2

* 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 30/09/2008		As at 31/03/2008	
Secured	Unsecured	Secured	Unsecured
*	-	S\$0.1M	-

Amount repayable after one year

As at 30/09/2008		As at 31/03/2008	
Secured	Unsecured	Secured	Unsecured
S\$0.1M	-	S\$0.1M	-

Details of any collateral

The secured borrowings as at 30 September 2008 and 31 March 2008 pertains to finance leases of equipment and vehicles.

* Amount less than \$0.1M

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 SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2008 (IN \$ MILLION)**

	The Group		The Group	
	2nd Qtr 2008-09	2nd Qtr 2007-08	1 st Half 2008-09	1 st Half 2007-08
NET CASH (USED IN)/ PROVIDED BY OPERATING ACTIVITIES	(28.6)	(32.4)	5.4	12.9
CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure	(11.7)	(8.9)	(31.4)	(19.2)
Purchase of intangible assets	(0.2)	(0.5)	(0.4)	(0.5)
Acquisition of subsidiary, net of cash acquired (Note A)	-	(1.5)	-	(1.5)
Dividends received from associated and joint venture companies	7.7	18.3	14.6	20.4
Dividend received from long-term investment	3.5	3.9	7.2	8.5
Proceeds from disposal of fixed assets	*	*	*	*
Interest received from deposits	3.4	4.7	4.2	6.2
NET CASH USED IN / (PROVIDED BY) INVESTING ACTIVITIES	2.7	16.0	(5.8)	13.9
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from exercise of share options	5.8	20.2	7.8	22.0
Proceeds from issuance of share capital by a subsidiary company to minority shareholders	8.3	-	8.3	-
Proceeds from bank loan	-	-	1.1	-
Interest paid	*	*	*	*
Repayment of finance lease obligations	*	*	*	(1.9)
Repayment of bank loan	(1.1)	(0.8)	(1.1)	(0.8)
Repayment of short-term loan	*	-	-	-
Dividends paid	(172.4)	(85.6)	(172.4)	(85.6)
Dividends paid by subsidiary company to minority interests	(0.3)	(0.3)	(0.3)	(0.3)
NET CASH USED IN FINANCING ACTIVITIES	(159.7)	(66.5)	(156.6)	(66.6)
NET CASH OUTFLOW	(185.6)	(82.9)	(157.0)	(39.8)
CASH AND CASH EQUIVALENTS AT BEGINNING PERIOD	465.6	443.5	437.3	400.3
Effect of exchange rate changes	0.5	(0.6)	0.2	(0.5)
CASH AND CASH EQUIVALENTS AT END PERIOD	280.5	360.0	280.5	360.0
ANALYSIS OF CASH AND CASH EQUIVALENTS				
Short-term deposits	224.7	320.3	224.7	320.3
Cash and bank balances	55.8	39.7	55.8	39.7
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	280.5	360.0	280.5	360.0

* Amount less than \$0.1M

CASH FLOW FROM OPERATING ACTIVITIES (IN \$ MILLION)

	The Group		The Group	
	2nd Qtr 2008-09	2nd Qtr 2007-08	1 st Half 2008-09	1 st Half 2007-08
Profit before taxation	84.2	82.8	149.8	160.5
Adjustments for:				
Depreciation of fixed assets	9.0	8.3	18.1	16.1
Amortisation of intangibles	1.5	1.6	2.9	3.5
Share-based payment expense	3.1	4.2	7.5	8.1
(Surplus) / Loss on disposal of fixed assets	*	*	*	(0.1)
Interest income	(0.9)	(2.5)	(2.8)	(5.7)
Interest on external borrowings	*	*	*	*
Share of profits of associated and joint venture companies	(39.7)	(42.3)	(83.3)	(82.9)
Exchange differences	(4.2)	(0.3)	(4.1)	(1.7)
Dividend received from long-term investment	(3.5)	(3.9)	(7.2)	(8.5)
Operating profit before working capital changes	49.5	47.9	80.9	89.3
(Increase) / Decrease in debtors	(0.6)	0.7	(5.2)	(0.1)
Increase in stocks / work-in-progress	(17.0)	(2.1)	(27.1)	(10.8)
Decrease in creditors	(39.8)	(68.7)	(12.6)	(41.8)
(Increase) / Decrease in amounts owing from related companies	(9.9)	0.9	(19.8)	(12.6)
Cash (used in) / generated from operations	(17.8)	(21.3)	16.2	24.0
Income taxes paid	(10.8)	(11.1)	(10.8)	(11.1)
NET CASH (USED IN)/ PROVIDED BY OPERATING ACTIVITIES	(28.6)	(32.4)	5.4	12.9

Note A: Summary of the effects of acquisition of subsidiary in 2nd Qtr 2007-08 – Aircraft Maintenance Services Australia Pty Ltd

	S\$M
Net assets acquired	
Current assets	1.1
Non-current assets	0.4
Current liabilities	(1.0)
Non-current liabilities	(0.2)
Net assets acquired	0.3
Intangible assets arising on acquisition of subsidiary	1.3
Purchase consideration satisfied by cash	1.6
Net cash flow on acquisition	
Cash paid	(1.6)
Cash acquired	0.1
Cash outflow on acquisition, net of cash acquired	(1.5)

* 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 SECOND QUARTER ENDED 30 SEPTEMBER 2008 (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 July 2008	247.8	2.9	32.1	(96.3)	996.2	1,182.7	15.1	1,197.8
Currency translation differences	-	-	-	24.0	-	24.0	*	24.0
Net fair value changes on cash flow hedges	-	(3.9)	-	-	-	(3.9)	-	(3.9)
Net income and expense not recognised in the profit and loss account	-	(3.9)	-	24.0	-	20.1	*	20.1
Profit for the period July – September 2008	-	-	-	-	73.4	73.4	0.4	73.8
Net income and expense recognised for the period	-	(3.9)	-	24.0	73.4	93.5	0.4	93.9
Capital Contribution	-	-	-	-	-	-	8.3	8.3
Share-based payment	-	-	3.1	-	-	3.1	-	3.1
Share options exercised	7.5	-	(1.7)	-	-	5.8	-	5.8
Share options lapsed	-	-	*	-	*	-	-	-
Dividends	-	-	-	-	(172.4)	(172.4)	(0.3)	(172.7)
Balance at 30 September 2008	255.3	(1.0)	33.5	(72.3)	897.2	1,112.7	23.5	1,136.2

* Amount less than \$0.1M

**STATEMENTS OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2008 (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 July 2007	216.5	-	21.5	(42.9)	882.4	1,077.5	13.1	1090.6
Currency translation differences	-	-	-	(11.8)	-	(11.8)	*	(11.8)
Net fair value changes on cash flow hedges	-	0.6	-	-	-	0.6	-	0.6
Net income and expense not recognised in the profit and loss account	-	0.6	-	(11.8)	-	(11.2)	*	(11.2)
Profit for the period July – September 2007	-	-	-	-	74.5	74.5	0.3	74.8
Net income and expense recognised for the period	-	0.6	-	(11.8)	74.5	63.3	0.3	63.6
Share-based payment	-	-	4.2	-	-	4.2	-	4.2
Share options exercised	24.9	-	(4.7)	-	-	20.2	-	20.2
Share options lapsed	-	-	(0.1)	-	0.1	-	-	-
Dividends	-	-	-	-	(85.6)	(85.6)	(0.3)	(85.9)
Balance at 30 September 2007	241.4	0.6	20.9	(54.7)	871.4	1,079.6	13.1	1,092.7

* Amount less than \$0.1M

**STATEMENTS OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2008 (IN \$ MILLION)**

The Company	Share capital	Fair value reserve	Share-based compensation reserve	General reserve	Total
Balance at 1 July 2008	247.8	2.9	32.1	659.3	942.1
Net fair value changes on cash flow hedges	-	(3.9)	-	-	(3.9)
Net income and expense not recognised in the profit and loss account	-	(3.9)	-	-	(3.9)
Profit for the period July – September 2008	-	-	-	45.4	45.4
Net income recognised for the period	-	(3.9)	-	45.4	41.5
Share-based payment	-	-	3.1	-	3.1
Share options exercised	7.5	-	(1.7)	-	5.8
Share options lapsed	-	-	*	*	-
Dividends	-	-	-	(172.4)	(172.4)
Balance at 30 September 2008	255.3	(1.0)	33.5	532.3	820.1
Balance at 1 July 2007	216.5	-	21.5	595.1	833.1
Net fair value changes on cash flow hedges	-	0.6	-	-	0.6
Net income and expense not recognised in the profit and loss account	-	0.6	-	-	0.6
Profit for the period July – September 2007	-	-	-	52.7	52.7
Net income recognised for the period	-	0.6	-	52.7	53.3
Share-based payment	-	-	4.2	-	4.2
Share options exercised	24.9	-	(4.7)	-	20.2
Share options lapsed	-	-	(0.1)	0.1	-
Dividends	-	-	-	(85.6)	(85.6)
Balance at 30 September 2007	241.4	0.6	20.9	562.3	825.2

* Amount less than \$0.1M

- 1(d)(ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State 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

(A) Employee Share Option Plan

- (i) During the period from July to September 2008, the Company made a tenth grant of share options to employees. 13,592,000 shares were accepted by eligible employees to subscribe for ordinary shares at the price of \$3.74 per share for the exercisable period from 1 July 2009 to 1 July 2018.
- (ii) During the period from July to September 2008, 2,324,900 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.
- (iii) The movement of share options of the Company during the period from July to September 2008 is as follows:

No.	Date of grant	Balance at 01.07.2008 / date of grant	Cancelled	Exercised	Balance at 30.09.2008	Exercise Price*	Exercisable period
1.	28.03.2000	1,267,400	(24,400)	(104,400)	1,138,600	\$1.65	28.03.2001-27.03.2010
2.	03.07.2000	1,387,113	(17,200)	(83,200)	1,286,713	\$1.55	03.07.2001-02.07.2010
3.	02.07.2001	657,200	(16,400)	(26,700)	614,100	\$1.01	02.07.2002-01.07.2011
4.	01.07.2002	3,952,050	(24,400)	(190,050)	3,737,600	\$1.98	01.07.2003-30.06.2012
5.	01.07.2003	1,093,675	(6,200)	(125,725)	961,750	\$1.35	01.07.2004-30.06.2013
6.	01.07.2004	4,168,900	(13,600)	(348,625)	3,806,675	\$1.69	01.07.2005-30.06.2014
7.	01.07.2005	8,166,325	(8,000)	(495,200)	7,663,125	\$2.25	01.07.2006-30.06.2015
8.	03.07.2006	14,757,400	(54,400)	(949,750)	13,753,250	\$3.44	03.07.2007-02.07.2016
9.	02.07.2007	15,260,200	(96,800)	(1,250)	15,162,150	\$4.67	02.07.2008-01.07.2017
10.	01.07.2008	13,592,000	(25,600)	-	13,566,400	\$3.74	01.07.2009-01.07.2018
	Total	64,302,263	(287,000)	(2,324,900)	61,690,363		

* 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.

- (iv) As at 30 September 2008, the number of share options of the Company outstanding was 61,690,363 (30 September 2007: 53,965,188).

B. 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) During the period from July to September 2008, the Company granted 877,300 and 128,500 new restricted shares and performance shares under the the RSP and PSP respectively.
- (iii) 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.
- (iv) As at 30 September 2008 the number of outstanding shares granted under the Company's RSP and PSP were 1,312,028 (30 September 2007 :533,200) and 220,800 (30 September 2007 :92,300) respectively. The movement of these share awards during the period from July to September 2008 is as follows:

RSP

No.	Date of grant	Balance at 01.07.2008 / date of grant	Cancelled	Balance at 30.09.08
1	03.07.2006	107,128	-	107,128
2	02.07.2007	327,600	-	327,600
3	01.07.2008	877,300	-	877,300
	Total	1,312,028	-	1,312,028

PSP

No.	Date of grant	Balance at 01.07.2008 / date of grant	Cancelled	Balance at 30.09.08
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 2008.

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		Group	
	2 nd Qtr 2008-2009	2 nd Qtr 2007-2008	1 st Half 2008-09	1 st Half 2007-08
Earnings per share (cents)				
- Basic *	6.80	6.95	12.27	13.59
- Diluted #	6.76	6.83	12.17	13.36

* 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 Sep 08	As at 31 Mar 08	As at 30 Sep 08	As at 31 Mar 08
Net asset value per share (cents)	103.2	104.7	76.1	84.9

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

First Half FY2008-09

SIAEC Group profit attributable to shareholders for the 6 months was \$132.1 million, a decrease of 8.9% or \$12.9 million over the same period last year.

Revenue declined 1.2% or \$6.4 million to \$529.5 million due mainly to lower material usage and component overhaul work. This decrease was partially mitigated by an increase in Line Maintenance revenue, with more flights handled, and a turnkey project to redesign, retrofit and overhaul a B747-400.

Expenditure rose slightly by \$0.4 million to \$473.0 million. Material costs were lower due to reduced usage. The cost of subcontract services increased as a result of specialised services required for the turnkey project, and higher staffing costs due to wage adjustments and headcount in a new subsidiary.

Although the operating profit improved in the 2nd Quarter, the operating profit for the 6 months decreased 10.7% to \$56.5 million.

Joint venture and associated companies contributed \$83.3 million to Group earnings. This represents 55.6% of the Group's pre-tax profits.

Basic earnings per share was 12.27 cents for the 6 months ended 30 September 2008.

Second Quarter FY2008-09

Revenue increased \$13.5 million (+5.1%) to \$279.3 million due mainly to higher Line Maintenance revenue, with more flights handled, and a turnkey project to redesign, retrofit and overhaul a B747-400. The increase was partially offset by lower material usage and component overhaul work.

Expenditure rose 3.2% or \$7.5 million to \$239.2 million, reflecting the cost of specialised services required for the turnkey project.

The resulting operating profit of \$40.1 million was 17.6% or \$6.0 million higher than the same quarter last year.

The Group achieved a profit attributable to equity holders of \$73.4 million, a decrease of 1.5% or \$1.1 million from the corresponding period last year. Profits from associated and joint venture companies decreased 6.1% or \$2.6 million to \$39.7 million.

The basic earnings per share was 6.80 cents.

GROUP FINANCIAL POSITION (as at 30 September 2008)

As at 30 September 2008, equity attributable to equity holders of the Company amounted to \$1,112.7 million, 1.1% or \$12.6 million lower than at 31 March 2008.

Total assets decreased 1.1% or \$15.4 million to \$1,398.1 million. Net asset value per share of 103.2 cents was 1.4% or 1.5 cents lower than at 31 March 2008.

The Group has a healthy cash balance of \$280.5 million as at 30 September 2008, after the payment of \$172.7 million final dividend for FY 2007-08 during the quarter.

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 current global financial and economic conditions are impacting airlines. This affects the entire MRO business including our Line and Base Maintenance operations and other activities. Management will continue to exercise tight cost control and look for ways to improve productivity.

Our cluster of twenty-two subsidiary, joint venture and associated companies, formed in partnership with leading equipment manufacturers and proprietary specialists, will continue to contribute to Group profitability.

Looking ahead, while we will progress with caution, the Company remains committed to strengthening its presence in Singapore and beyond to enhance its international competitiveness.

11. Dividend

(a) Current Financial Period Reported On

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

Name of dividend	Interim
Dividend Type	Cash
Dividend Rate	5.0 cents per ordinary share
Tax rate	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
Dividend Type	Cash
Dividend Rate	4.0 cents per ordinary share
Tax rate	Tax exempt one-tier

(c) Date payable

The interim dividend will be paid on 28 November 2008.

(d) Books closure date

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 Registrars, M & C Services Private Limited, at 138 Robinson Road #17-00, The Corporate Office, Singapore 068906 up to 5 p.m. on 18 November 2008 will be registered to determine shareholders' entitlements to the interim dividend. Thereafter the Share Transfer Books and the Register of Members of the Company will be closed on 19 November 2008 for the preparation of dividend warrants. The interim dividend will be paid on 28 November 2008 to members on the Register as at 18 November 2008.

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

Not applicable.

13. Additional Information

Interested Persons Transactions (In thousands of S\$)

Name of interested person	2nd Quarter FY2008-09	
	Aggregate value of all IPTs during the quarter 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 quarter under review (excluding transactions less than \$100,000)
Great Wall Airlines Ltd <i>(25% owned by SIA Cargo Pte Ltd and 24% owned by Dahlia Investment, which is a fully-owned subsidiary of Temasek Holdings)</i>	–	59,000
Singapore Airlines Ltd	–	11,259
Singapore Airlines Cargo Pte Ltd <i>(100% owned by Singapore Airlines Ltd)</i>	–	2,906
Total	–	73,165

BY ORDER OF THE BOARD

Devika Rani Davar
Company Secretary
3rd November 2008

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 second quarter and half year FY2008/09 financial results to be false or misleading.

On behalf of the Board,



STEPHEN LEE CHING YEN
Chairman



CHEW CHOON SENG
Deputy Chairman

3rd November 2008