

**UNAUDITED RESULTS FOR THE SECOND QUARTER AND HALF YEAR  
ENDED 30 SEPTEMBER 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 INCOME STATEMENT  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2010 (IN \$ MILLION)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2010-11	2 <sup>nd</sup> Quarter 2009-10	1 <sup>st</sup> Half 2010-11	1 <sup>st</sup> Half 2009-10
<b>REVENUE</b>	<b>277.1</b>	<b>248.1</b>	<b>565.4</b>	<b>492.3</b>
<b>EXPENDITURE</b>				
Staff costs	108.9	100.2	222.6	202.5
Material costs	57.3	54.9	122.9	108.3
Depreciation	9.4	8.4	18.7	17.0
Amortisation of intangible assets	0.5	1.4	0.8	2.9
Company accommodation	12.4	11.1	23.9	21.8
Subcontract costs	30.2	19.6	58.2	48.6
Other operating expenses	24.0	17.4	47.7	43.8
	<b>242.7</b>	<b>213.0</b>	<b>494.8</b>	<b>444.9</b>
<b>OPERATING PROFIT</b>	<b>34.4</b>	<b>35.1</b>	<b>70.6</b>	<b>47.4</b>
Interest income	0.3	0.2	0.7	0.5
Interest on external borrowings	*	*	*	*
Surplus on disposal of property, plant and equipment	0.1	0.1	0.1	*
Other non-operating items	0.1	-	2.7	-
Dividend from long-term investment	3.3	3.9	7.4	7.8
Share of profits of joint venture companies	19.7	12.6	38.7	29.0
Share of profits of associated companies	18.1	19.4	38.3	38.6
<b>PROFIT BEFORE TAXATION</b>	<b>76.0</b>	<b>71.3</b>	<b>158.5</b>	<b>123.3</b>
<b>TAXATION</b>	<b>(8.8)</b>	<b>(9.7)</b>	<b>(19.6)</b>	<b>(16.3)</b>
<b>PROFIT FOR THE PERIOD</b>	<b>67.2</b>	<b>61.6</b>	<b>138.9</b>	<b>107.0</b>
<b>PROFIT ATTRIBUTABLE TO:</b>				
<b>SHAREHOLDERS OF THE COMPANY</b>	<b>66.5</b>	<b>61.1</b>	<b>137.3</b>	<b>106.2</b>
Non-controlling interests	0.7	0.5	1.6	0.8
	<b>67.2</b>	<b>61.6</b>	<b>138.9</b>	<b>107.0</b>
Basic earnings per share (cents)	6.11	5.66	12.66	9.84
Diluted earnings per share (cents)	6.04	5.63	12.52	9.80

\* Amount less than \$0.1M

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

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2010-11	2 <sup>nd</sup> Quarter 2009-10	1 <sup>st</sup> Half 2010-11	1 <sup>st</sup> Half 2009-10
	\$M	\$M	\$M	\$M
Bad debts written off	0.1	-	0.1	-
(Write back)/ provision for impairment of trade debtors, net	(1.3)	0.7	(0.1)	1.2
Exchange loss, net	4.0	0.5	4.3	6.6
Underprovision of tax in respect of prior year	-	*	0.4	1.1
Provision for stock obsolescence	1.1	1.1	1.7	1.1

\* Amount less than \$0.1M

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

#### STATEMENTS OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2010 (IN \$ MILLION)

	The Group			
	2 <sup>nd</sup> Quarter 2010-11	2 <sup>nd</sup> Quarter 2009-10	1 <sup>st</sup> Half 2010-11	1 <sup>st</sup> Half 2009-10
<b>PROFIT FOR THE PERIOD</b>	<b>67.2</b>	<b>61.6</b>	<b>138.9</b>	<b>107.0</b>
<b>OTHER COMPREHENSIVE (EXPENSE)/ INCOME</b>				
Foreign currency translation	(30.3)	(6.0)	(30.8)	(42.3)
Net fair value adjustment on cash flow hedges	3.2	0.5	3.2	3.0
Total other comprehensive expense, net of tax	(27.1)	(5.5)	(27.6)	(39.3)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>40.1</b>	<b>56.1</b>	<b>111.3</b>	<b>67.7</b>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
<b>SHAREHOLDERS OF THE COMPANY</b>	40.4	56.0	110.8	68.3
Non-controlling interests	(0.3)	0.1	0.5	(0.6)
	<b>40.1</b>	<b>56.1</b>	<b>111.3</b>	<b>67.7</b>

	The Company			
	2 <sup>nd</sup> Quarter 2010-11	2 <sup>nd</sup> Quarter 2009-10	1 <sup>st</sup> Half 2010-11	1 <sup>st</sup> Half 2009-10
<b>PROFIT FOR THE PERIOD</b>	<b>56.1</b>	<b>49.7</b>	<b>142.4</b>	<b>85.1</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
Net fair value adjustment on cash flow hedges	3.2	0.5	3.2	3.0
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>59.3</b>	<b>50.2</b>	<b>145.6</b>	<b>88.1</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 30 SEPTEMBER 2010 (IN \$ MILLION)**

	<b>The Group</b>		<b>The Company</b>	
	<b>30 Sep 2010</b>	<b>31 Mar 2010</b>	<b>30 Sep 2010</b>	<b>31 Mar 2010</b>
<b>SHARE CAPITAL</b>	285.4	262.9	285.4	262.9
<b>RESERVES</b>				
Share-based compensation reserve	41.6	45.4	41.6	45.4
Foreign currency translation reserve	(109.5)	(79.8)	-	-
Fair value reserve	3.4	0.2	3.4	0.2
General reserve	1,032.5	1,036.1	723.5	722.0
	968.0	1,001.9	768.5	767.6
<b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY</b>	1,253.4	1,264.8	1,053.9	1,030.5
<b>NON-CONTROLLING INTERESTS</b>	25.3	26.9	-	-
<b>TOTAL EQUITY</b>	1,278.7	1,291.7	1,053.9	1,030.5
<b>DEFERRED TAXATION</b>	29.3	28.1	24.9	24.0
<b>LONG-TERM LIABILITY</b>				
Finance lease commitments				
- repayable after one year	-	*	-	-
	1,308.0	1,319.8	1,078.8	1,054.5
Represented by :				
<b>PROPERTY, PLANT AND EQUIPMENT</b>	320.9	315.5	284.7	278.2
<b>INTANGIBLE ASSETS</b>	26.4	16.8	2.2	2.3
<b>SUBSIDIARY COMPANIES</b>	-	-	64.5	52.1
<b>ASSOCIATED COMPANIES</b>	338.3	362.6	179.3	178.2
<b>JOINT VENTURE COMPANIES</b>	102.9	108.2	56.6	56.6
<b>LONG-TERM INVESTMENTS</b>	14.6	14.6	14.6	14.6
<b>CURRENT ASSETS</b>				
Trade and other debtors	90.3	85.8	70.2	69.0
Immediate holding company	95.2	109.8	93.8	108.3
Related parties	34.8	28.5	29.9	23.2
Inventories	53.5	49.5	42.5	39.4
Work-in-progress	65.1	43.9	63.7	42.5
Short-term deposits	359.4	374.4	358.9	367.6
Cash and bank balances	47.3	51.4	34.9	42.6
	745.6	743.3	693.9	692.6
Less:				
<b>CURRENT LIABILITIES</b>				
Trade and other creditors	216.1	217.2	193.4	197.0
Finance lease commitments				
- repayable within one year	*	*	-	-
Bank loans	0.4	-	-	-
Current tax payable	24.2	24.0	23.6	23.1
	240.7	241.2	217.0	220.1
<b>NET CURRENT ASSETS</b>	504.9	502.1	476.9	472.5
	1,308.0	1,319.8	1,078.8	1,054.5

\* 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 30/09/2010		As at 31/03/2010	
Secured	Unsecured	Secured	Unsecured
*	\$0.4M	*	-

**Amount repayable after one year**

As at 30/09/2010		As at 31/03/2010	
Secured	Unsecured	Secured	Unsecured
-	-	*	-

\* Amount less than \$0.1M

**Details of any collateral**

The secured borrowings as at 30 September 2010 and 31 March 2010 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 SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2010 (IN \$ MILLION)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2010-11	2 <sup>nd</sup> Quarter 2009-10	1 <sup>st</sup> Half 2010-11	1 <sup>st</sup> Half 2009-10
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before taxation	76.0	71.3	158.5	123.3
Adjustments for:				
Depreciation	9.4	8.4	18.7	17.0
Amortisation of intangible assets	0.5	1.4	0.8	2.9
Share-based payment expense	1.0	1.6	2.7	5.0
Surplus on disposal of property, plant and equipment	(0.1)	(0.1)	(0.1)	*
Interest income	(0.3)	(0.2)	(0.7)	(0.5)
Interest on external borrowings	*	*	*	*
Share of profits of associated and joint venture companies	(37.8)	(32.0)	(77.0)	(67.6)
Exchange differences	4.0	0.5	4.3	6.6
Dividend received from long-term investment	(3.3)	(3.9)	(7.4)	(7.8)
<b>Operating profit before working capital changes</b>	<b>49.4</b>	<b>47.0</b>	<b>99.8</b>	<b>78.9</b>
Increase in debtors	(1.8)	(12.9)	(4.1)	(4.9)
(Increase)/ Decrease in inventories and work-in-progress	(6.6)	5.3	(25.3)	(14.4)
Decrease in creditors	(27.2)	(36.5)	(0.5)	(16.3)
(Increase)/ Decrease in amounts owing from related companies	(11.3)	(19.0)	8.2	(11.6)
<b>Cash generated from/ (used in) operations</b>	<b>2.5</b>	<b>(16.1)</b>	<b>78.1</b>	<b>31.7</b>
Income taxes paid	(7.6)	(4.3)	(11.5)	(7.3)
<b>NET CASH (USED IN)/ PROVIDED BY OPERATING ACTIVITIES</b>	<b>(5.1)</b>	<b>(20.4)</b>	<b>66.6</b>	<b>24.4</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Capital expenditure	(14.6)	(10.1)	(26.5)	(22.8)
Purchase of intangible assets	(0.2)	(0.8)	(11.8)	(1.7)
Dividends received from associated and joint venture companies	23.2	17.0	74.0	40.0
Dividend received from long-term investment	3.3	3.9	7.4	7.8
Proceeds from disposal of property, plant and equipment	0.3	0.1	0.3	0.1
Interest received from deposits	0.4	0.5	0.7	0.8
Investment in an associated company	-	-	(1.1)	-
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>12.4</b>	<b>10.6</b>	<b>43.0</b>	<b>24.2</b>

\* Amount less than \$0.1M

**CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2010 (IN \$ MILLION)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2010-11	2 <sup>nd</sup> Quarter 2009-10	1 <sup>st</sup> Half 2010-11	1 <sup>st</sup> Half 2009-10
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from exercise of share options	12.6	0.8	16.2	1.7
Proceeds from issuance of share capital by subsidiary company to minority shareholders	-	-	-	1.0
Net proceeds from/ (repayment of) borrowings	0.4	(0.3)	0.4	(0.8)
Interest paid	*	*	*	*
Repayment of finance lease obligations	*	*	*	*
Dividends paid	(141.1)	(118.7)	(141.1)	(118.7)
Dividends paid by subsidiary company to non-controlling interests	(2.1)	(0.4)	(2.1)	(0.5)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(130.2)</b>	<b>(118.6)</b>	<b>(126.6)</b>	<b>(117.3)</b>
<b>NET CASH OUTFLOW</b>	<b>(122.9)</b>	<b>(128.4)</b>	<b>(17.0)</b>	<b>(68.7)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING PERIOD</b>	<b>531.0</b>	<b>431.2</b>	<b>425.8</b>	<b>372.5</b>
Effect of exchange rate changes	(1.4)	(0.6)	(2.1)	(1.6)
<b>CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER</b>	<b>406.7</b>	<b>302.2</b>	<b>406.7</b>	<b>302.2</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>				
Short-term deposits	359.4	259.8	359.4	259.8
Cash and bank balances	47.3	42.4	47.3	42.4
<b>CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER</b>	<b>406.7</b>	<b>302.2</b>	<b>406.7</b>	<b>302.2</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 SECOND QUARTER ENDED 30 SEPTEMBER 2010 (IN \$ MILLION)**

The Group	Attributable to Equity Holders of the Company						Non-controlling interests	Total equity
	Share capital	Fair value reserve	Share-based compensation reserve	Foreign currency translation reserve	General reserve	Total		
Balance at 1 July 2010	267.3	0.2	46.2	(80.2)	1,107.0	1,340.5	27.7	1,368.2
Total comprehensive income/(expense) for the period July – September 2010	-	3.2	-	(29.3)	66.5	40.4	(0.3)	40.1
Share-based payment	-	-	1.0	-	-	1.0	-	1.0
Share options exercised	15.8	-	(3.2)	-	-	12.6	-	12.6
Share options lapsed	-	-	(0.1)	-	0.1	-	-	-
RSP & PSP awards	2.3	-	(2.3)	-	-	-	-	-
Dividends	-	-	-	-	(141.1)	(141.1)	(2.1)	(143.2)
Balance at 30 September 2010	285.4	3.4	41.6	(109.5)	1,032.5	1,253.4	25.3	1,278.7
Balance at 1 July 2009	256.6	0.7	42.9	(71.7)	1,017.0	1,245.5	26.7	1,272.2
Total comprehensive income/ (expense) for the period July – September 2009	-	0.5	-	(5.6)	61.1	56.0	0.1	56.1
Share-based payment	-	-	1.6	-	-	1.6	-	1.6
Share options exercised	1.0	-	(0.2)	-	-	0.8	-	0.8
Share options lapsed	-	-	(0.4)	-	0.4	-	-	-
RSP & PSP awards	0.9	-	(0.9)	-	-	-	-	-
Dividends	-	-	-	-	(118.7)	(118.7)	(0.4)	(119.1)
Balance at 30 September 2009	258.5	1.2	43.0	(77.3)	959.8	1,185.2	26.4	1,211.6

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2010 (IN \$ MILLION)**

<b>The Company</b>	Share capital	Fair value reserve	Share-based compensation reserve	General reserve	Total
Balance at 1 July 2010	267.3	0.2	46.2	808.4	1,122.1
Total comprehensive income for the period July – September 2010	-	3.2	-	56.1	59.3
Share-based payment	-	-	1.0	-	1.0
Share options exercised	15.8	-	(3.2)	-	12.6
Share options lapsed	-	-	(0.1)	0.1	-
RSP & PSP awards	2.3	-	(2.3)	-	-
Dividends	-	-	-	(141.1)	(141.1)
Balance at 30 September 2010	285.4	3.4	41.6	723.5	1,053.9
Balance at 1 July 2009	256.6	0.7	42.9	662.1	962.3
Total comprehensive income for the period July – September 2009	-	0.5	-	49.7	50.2
Share-based payment	-	-	1.6	-	1.6
Share options exercised	1.0	-	(0.2)	-	0.8
Share options lapsed	-	-	(0.4)	0.4	-
RSP & PSP awards	0.9	-	(0.9)	-	-
Dividends	-	-	-	(118.7)	(118.7)
Balance at 30 September 2009	258.5	1.2	43.0	593.5	896.2



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:

As at 30 September 2010	As at 31 March 2010
1,088,069,867	1,081,468,197

- (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 July 2010 to 30 September 2010, 4,174,300 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 second quarter from 1 July 2010 to 30 September 2010 is as follows:

No.	Date of grant	Balance at 01.07.2010	Cancelled	Exercised	Balance at 30.09.2010	Exercise Price*	Exercisable period
1.	28.03.2000	-	-	-	-	\$1.65	28.03.2001-27.03.2010
2.	03.07.2000	49,600	(45,200)	(4,400)	-	\$1.55	03.07.2001-02.07.2010
3.	02.07.2001	275,600	-	(29,200)	246,400	\$1.01	02.07.2002-01.07.2011
4.	01.07.2002	3,079,200	-	(320,200)	2,759,000	\$1.98	01.07.2003-30.06.2012
5.	01.07.2003	689,900	-	(63,575)	626,325	\$1.35	01.07.2004-30.06.2013
6.	01.07.2004	3,072,875	(10,400)	(311,150)	2,751,325	\$1.69	01.07.2005-30.06.2014
7.	01.07.2005	6,659,875	(22,800)	(742,700)	5,894,375	\$2.25	01.07.2006-30.06.2015
8.	03.07.2006	13,029,200	(14,800)	(1,588,475)	11,425,925	\$3.44	03.07.2007-02.07.2016
9.	02.07.2007	14,735,650	(66,400)	(10,000)	14,659,250	\$4.67	02.07.2008-01.07.2017
10.	01.07.2008	13,198,400	(20,400)	(1,104,600)	12,073,400	\$3.74	01.07.2010-30.06.2018
	Total	54,790,300	(180,000)	(4,174,300)	50,436,000		

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

- (iii) As at 30 September 2010, the number of share options of the Company outstanding was 50,436,000 (30 September 2009: 59,447,188).

### (C) Restricted Share Plan and Performance Share Plan

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

- (iii) As at 30 September 2010 the number of outstanding shares granted under the Company's RSP and PSP were 2,057,390 (30 September 2009 : 1,893,553) and 402,300 (30 September 2009 : 292,500) respectively. The movement of these share awards during the quarter from 1 July 2010 to 30 September 2010 is as follows:

**RSP**

No.	Date of grant	Balance at 01.07.2010	Adjustment *	Cancelled	Released	Balance at 30.09.2010
1	03.07.2006	50,733	-	(3,084)	(47,649)	-
2	02.07.2007	144,504	-	(6,800)	(71,632)	66,072
3	01.07.2008	833,100	216,606	(70,662)	(504,926)	474,118
4	01.07.2009	708,800	-	-	-	708,800
5	13.07.2009	98,000	-	-	-	98,000
6	01.07.2010	710,400	-	-	-	710,400
	Total	2,545,537	216,606	(80,546)	(624,207)	2,057,390

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

**PSP**

No.	Date of grant	Balance at 01.07.2010	Adjustment *	Cancelled	Released	Balance at 30.09.2010
1	03.07.2006	-	-	-	-	-
2	02.07.2007	61,200	(15,300)	-	(45,900)	-
3	01.07.2008	128,500	-	-	-	128,500
4	13.07.2009	102,800	-	-	-	102,800
5	01.07.2010	171,000	-	-	-	171,000
	Total	463,500	(15,300)	-	(45,900)	402,300

\* Adjustment at the end of the 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 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 2010 except for the adoption of the Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that are mandatory for financial year beginning on or after 1 January 2010. The adoption of these FRS and INT FRS has no significant impact to the Group.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group		Group	
	2 <sup>nd</sup> Quarter 2010-11	2 <sup>nd</sup> Quarter 2009-10	1 <sup>st</sup> Half 2010-11	1 <sup>st</sup> Half 2009-10
Earnings per share (cents)				
- Basic *	6.11	5.66	12.66	9.84
- Diluted #	6.04	5.63	12.52	9.80

\* 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 10	As at 31 Mar 10	As at 30 Sep 10	As at 31 Mar 10
Net asset value per share (cents)	115.2	117.0	96.9	95.3

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 FY2010-11

SIAEC Group achieved a profit attributable to shareholders of the Company of \$137.3 million, which was \$31.1 million or 29.3% higher than the corresponding period last year.

Revenue of \$565.4 million increased \$73.1 million or 14.8% over the same period last year, mainly attributable to higher airframe and component overhaul work, fleet management programme revenue and material usage. The growth in fleet management was mainly contributed by a larger fleet size of existing customers and the addition of new customers.

Expenditure increased \$49.9 million or 11.2% to \$494.8 million, mainly from higher staff, material and subcontract costs to support the increase in workload.

The resulting operating profit of \$70.6 million was \$23.2 million or 48.9% higher than the same period last year.

Associated and joint venture companies also performed better with profits increasing by \$9.4 million or 13.9% to \$77.0 million. This represents a contribution of 48.6% to the Group's pre-tax profits.

Basic earnings per share was 28.7% higher at 12.66 cents for the half year ended 30 September 2010.

#### Second Quarter FY2010-11

The Group achieved a profit attributable to shareholders of the Company of \$66.5 million, \$5.4 million or 8.8% higher than the corresponding quarter last year.

Share of profits from associated and joint venture companies increased \$5.8 million or 18.1% to \$37.8 million. This represents a contribution of 49.7% to the Group's pre-tax profits.

The Group posted an operating profit of \$34.4 million for the second quarter, a decline of \$0.7 million or 2.0% compared to the same quarter last year, which had the benefit of jobs credit.

Revenue rose \$29.0 million or 11.7% to \$277.1 million. This was mainly due to an increase in airframe and component overhaul work, fleet management programme revenue and material usage.

Expenditure saw an increase of \$29.7 million or 13.9% to \$242.7 million, mainly caused by higher subcontract, staff and material costs.

Basic earnings per share increased 8.0% to 6.11 cents.

#### **GROUP FINANCIAL POSITION**

After a payment of \$141.1 million final dividend for FY 2009-10 during the quarter, equity attributable to shareholders of the Company as at 30 September 2010 was \$1,253.4 million, a decrease of \$11.4 million or 0.9% compared to 31 March 2010.

As a consequence, total assets decreased \$12.3 million or 0.8% to \$1,548.7 million. Net asset value per share of 115.2 cents was 1.8 cents or 1.5% lower than at 31 March 2010. The total number of shares issued was 1,088.1 million as at 30 September 2010.

The Company has no borrowings and the cash balance of the Group as at 30 September 2010 amounted to \$406.7 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**

Given the strong performance in the first half, the Group's performance in the second half is expected to moderate.

The Group will continue to strengthen its competitiveness through new service offerings and strategic collaborations to take advantage of the long-term growth in the aviation industry.

**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	6.0 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	5.0 cents per ordinary share
Tax rate	Tax exempt one-tier

***(c) Date payable***

The interim dividend will be paid on 1 December 2010.

***(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 19 November 2010 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 22 November 2010 for the preparation of dividend warrants. The interim dividend will be paid on 1 December 2010 to members on the Register as at 19 November 2010.

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

Not applicable.

### **13. Additional Information**

#### **Interested Person Transactions**

No new interested person transaction was entered into during the quarter under review.

#### **BY ORDER OF THE BOARD**

Devika Rani Davar  
Company Secretary  
2 November 2010

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 FY2010/11 financial results to be false or misleading.

On behalf of the Board,



STEPHEN LEE CHING YEN  
Chairman



CHEW CHOON SENG  
Deputy Chairman

2 November 2010