

**UNAUDITED RESULTS FOR THE SECOND QUARTER AND HALF YEAR ENDED  
30 SEPTEMBER 2014**

**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 2014 (IN \$ MILLION)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2014-15	2 <sup>nd</sup> Quarter 2013-14	1 <sup>st</sup> Half 2014-15	1 <sup>st</sup> Half 2013-14
<b>REVENUE</b>	<b>285.2</b>	<b>293.9</b>	<b>579.3</b>	<b>583.3</b>
<b>EXPENDITURE</b>				
Staff costs	119.2	128.4	245.8	257.1
Material costs	48.8	56.3	100.1	112.4
Depreciation	10.3	8.6	20.4	17.0
Amortisation of intangibles	0.4	0.3	0.7	0.6
Company accommodation	12.9	12.3	27.2	24.7
Subcontract costs	52.0	33.9	95.6	66.6
Other operating expenses	25.7	25.6	52.9	48.7
	<b>269.3</b>	<b>265.4</b>	<b>542.7</b>	<b>527.1</b>
<b>OPERATING PROFIT</b>	<b>15.9</b>	<b>28.5</b>	<b>36.6</b>	<b>56.2</b>
Interest income	0.3	0.4	0.7	0.8
Interest on external borrowings	*	(0.1)	(0.1)	(0.1)
(Loss)/Surplus on disposal of property, plant and equipment	(0.2)	*	(0.3)	0.3
Surplus on disposal of a subsidiary company	-	-	5.8	-
Dividend from long-term investment	2.0	3.6	4.3	8.2
Share of profits of associated companies, net of tax	10.6	19.3	24.9	35.3
Share of profits of joint venture companies, net of tax	18.5	26.3	34.8	53.3
<b>PROFIT BEFORE TAXATION</b>	<b>47.1</b>	<b>78.0</b>	<b>106.7</b>	<b>154.0</b>
TAXATION	(4.3)	(5.8)	(9.2)	(11.4)
<b>PROFIT FOR THE PERIOD</b>	<b>42.8</b>	<b>72.2</b>	<b>97.5</b>	<b>142.6</b>
<b>PROFIT ATTRIBUTABLE TO:</b>				
<b>OWNERS OF THE PARENT</b>	<b>42.1</b>	<b>71.0</b>	<b>95.6</b>	<b>140.0</b>
NON-CONTROLLING INTERESTS	0.7	1.2	1.9	2.6
	<b>42.8</b>	<b>72.2</b>	<b>97.5</b>	<b>142.6</b>
BASIC EARNINGS PER SHARE (CENTS)	3.75	6.39	8.54	12.60
DILUTED EARNINGS PER SHARE (CENTS)	3.73	6.34	8.49	12.50

\* 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 2014-15	2 <sup>nd</sup> Quarter 2013-14	1 <sup>st</sup> Half 2014-15	1 <sup>st</sup> Half 2013-14
	\$M	\$M	\$M	\$M
Bad debts written off	*	-	*	-
Provision/(Write back of provision) for impairment of trade debtors, net	2.0	(0.9)	2.5	(1.4)
Exchange (gain)/loss, net	(1.8)	2.5	(1.3)	2.7
Under/(over) provision of tax in respect of prior year	0.3	-	0.3	(0.1)
Provision for stock obsolescence, net	1.4	1.1	3.2	3.0

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

**STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2014 (IN \$ MILLION)**

	The Group			
	2 <sup>nd</sup> Quarter 2014-15	2 <sup>nd</sup> Quarter 2013-14	1 <sup>st</sup> Half 2014-15	1 <sup>st</sup> Half 2013-14
<b>PROFIT FOR THE PERIOD</b>	<b>42.8</b>	<b>72.2</b>	<b>97.5</b>	<b>142.6</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<u>Items that will not be reclassified to profit or loss:</u>				
Actuarial gain on remeasurement of defined benefit plan	*	-	*	-
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Foreign currency translation	10.3	(3.0)	5.4	5.5
Net fair value adjustment on cash flow hedges	(2.6)	1.8	(1.8)	0.3
Share of other comprehensive income of associated and joint venture companies	(1.8)	0.5	(1.0)	(1.0)
	5.9	(0.7)	2.6	4.8
<b>OTHER COMPREHENSIVE INCOME, NET OF TAX</b>	<b>5.9</b>	<b>(0.7)</b>	<b>2.6</b>	<b>4.8</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>48.7</b>	<b>71.5</b>	<b>100.1</b>	<b>147.4</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
OWNERS OF THE PARENT	47.6	70.5	97.9	144.9
NON-CONTROLLING INTERESTS	1.1	1.0	2.2	2.5
	<b>48.7</b>	<b>71.5</b>	<b>100.1</b>	<b>147.4</b>

\* Amount less than \$0.1M

**STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2014 (IN \$ MILLION)**

	<b>The Company</b>			
	<b>2<sup>nd</sup> Quarter 2014-15</b>	<b>2<sup>nd</sup> Quarter 2013-14</b>	<b>1<sup>st</sup> Half 2014-15</b>	<b>1<sup>st</sup> Half 2013-14</b>
<b>PROFIT FOR THE PERIOD</b>	<b>38.1</b>	<b>61.2</b>	<b>92.5</b>	<b>126.9</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Net fair value adjustment on cash flow hedges	(2.6)	1.8	(1.8)	0.3
Other comprehensive income, net of tax	(2.6)	1.8	(1.8)	0.3
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>35.5</b>	<b>63.0</b>	<b>90.7</b>	<b>127.2</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 2014 (IN \$ MILLION)**

	<b>The Group</b>		<b>The Company</b>	
	<b>30 Sep 2014</b>	<b>31 Mar 2014</b>	<b>30 Sep 2014</b>	<b>31 Mar 2014</b>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>				
Share capital	408.8	387.3	408.8	387.3
Share-based compensation reserve	19.7	23.9	19.7	23.9
Foreign currency translation reserve	(122.6)	(127.7)	-	-
Fair value reserve	(3.4)	(0.6)	(1.5)	0.3
Equity transaction reserve	(2.4)	-	-	-
General reserve	971.9	1,078.0	638.8	748.0
	1,272.0	1,360.9	1,065.8	1,159.5
<b>NON-CONTROLLING INTERESTS</b>	24.2	29.6	-	-
<b>TOTAL EQUITY</b>	1,296.2	1,390.5	1,065.8	1,159.5
<b>NON-CURRENT LIABILITIES</b>				
Deferred taxation	26.0	26.8	24.3	24.4
Long-term bank loan	18.1	13.6	-	-
	44.1	40.4	24.3	24.4
	<b>1,340.3</b>	<b>1,430.9</b>	<b>1,090.1</b>	<b>1,183.9</b>
Represented by :				
<b>PROPERTY, PLANT AND EQUIPMENT</b>	342.9	337.2	292.5	286.0
<b>INTANGIBLES</b>	57.0	54.3	4.4	3.9
<b>SUBSIDIARY COMPANIES</b>	-	-	100.4	95.4
<b>ASSOCIATED COMPANIES</b>	319.5	309.4	181.0	179.8
<b>JOINT VENTURE COMPANIES</b>	130.8	126.5	56.6	56.6
<b>LONG-TERM INVESTMENTS</b>	14.6	14.6	14.6	14.6
<b>CURRENT ASSETS</b>				
Trade debtors	74.6	97.4	54.3	67.1
Prepayments and other debtors	14.5	19.1	8.6	13.3
Immediate holding company	73.4	57.2	72.2	55.0
Amount owing by related parties	46.6	48.8	48.1	50.9
Inventories	38.7	44.3	29.5	32.5
Work-in-progress	87.2	62.6	87.0	60.6
Short-term deposits	357.3	484.9	351.6	481.7
Cash and bank balances	33.9	50.8	16.1	35.5
	726.2	865.1	667.4	796.6
Less:				
<b>CURRENT LIABILITIES</b>				
Trade and other creditors	221.4	242.0	190.3	208.9
Amount owing to related parties	2.6	4.1	20.7	20.8
Bank loans	8.6	8.2	-	-
Tax payable	18.1	21.9	15.8	19.3
	250.7	276.2	226.8	249.0
<b>NET CURRENT ASSETS</b>	475.5	588.9	440.6	547.6
	<b>1,340.3</b>	<b>1,430.9</b>	<b>1,090.1</b>	<b>1,183.9</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.  
(in \$ Million)**

**Amount repayable in one year or less, or on demand**

<b>30 Sep 2014</b>		<b>31 Mar 2014</b>	
Secured	Unsecured	Secured	Unsecured
-	8.6	-	8.2

**Amount repayable after one year**

<b>30 Sep 2014</b>		<b>31 Mar 2014</b>	
Secured	Unsecured	Secured	Unsecured
-	18.1	-	13.6

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

**CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2014 (IN \$ MILLION)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2014-15	2 <sup>nd</sup> Quarter 2013-14	1 <sup>st</sup> Half 2014-15	1 <sup>st</sup> Half 2013-14
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before taxation	47.1	78.0	106.7	154.0
Adjustments for:				
Depreciation	10.3	8.6	20.4	17.0
Amortisation of intangibles	0.4	0.3	0.7	0.6
Share-based compensation expense	1.1	(0.3)	1.6	0.4
Loss/(Surplus) on disposal of property, plant and equipment	0.2	*	0.3	(0.3)
Surplus on disposal of subsidiary company	-	-	(5.8)	-
Interest income	(0.3)	(0.4)	(0.7)	(0.8)
Interest on external borrowings	*	0.1	0.1	0.1
Share of profits of associated and joint venture companies, net of tax	(29.1)	(45.6)	(59.7)	(88.6)
Exchange differences	(1.8)	2.5	(1.3)	2.7
Dividend received from long-term investment	(2.0)	(3.6)	(4.3)	(8.2)
<b>Operating profit before working capital changes</b>	<b>25.9</b>	<b>39.6</b>	<b>58.0</b>	<b>76.9</b>
Decrease / (increase) in debtors	12.7	(0.2)	25.5	(8.3)
(Increase) / decrease in inventories and work-in-progress	(10.3)	8.4	(24.2)	(5.5)
Decrease in creditors	(37.4)	(46.3)	(19.4)	(29.5)
Increase in amounts owing by immediate holding company	(12.3)	(21.8)	(17.3)	(10.5)
Decrease in amounts owing by related parties	0.7	1.2	0.3	13.5
<b>Cash (used in) / generated from operations</b>	<b>(20.7)</b>	<b>(19.1)</b>	<b>22.9</b>	<b>36.6</b>
Income taxes paid	(13.0)	(12.5)	(13.1)	(12.5)
<b>NET CASH (USED IN) / PROVIDED BY OPERATING ACTIVITIES</b>	<b>(33.7)</b>	<b>(31.6)</b>	<b>9.8</b>	<b>24.1</b>

\* Amount less than \$0.1M

**CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2014 (IN \$ MILLION)**

	The Group		The Group	
	2 <sup>nd</sup> Quarter 2014-15	2 <sup>nd</sup> Quarter 2013-14	1 <sup>st</sup> Half 2014-15	1 <sup>st</sup> Half 2013-14
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Capital expenditure	(11.9)	(12.2)	(30.9)	(21.9)
Purchase of intangible assets	(0.9)	(0.7)	(3.1)	(3.8)
Proceeds from disposal of property, plant and equipment	*	*	0.1	0.8
Proceeds from disposal of a subsidiary, net of cash disposed	-	-	8.9	-
Interest received from deposits	0.6	0.3	1.2	0.8
Acquisition of additional interest in a subsidiary company	-	-	(3.4)	-
Proceeds from capital reduction of associated company	-	1.8	-	1.8
Dividends received from associated and joint venture companies	25.1	36.5	52.1	75.9
Dividend received from long-term investment	2.0	3.6	4.3	8.2
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>14.9</b>	<b>29.3</b>	<b>29.2</b>	<b>61.8</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from exercise of share options	5.5	6.3	15.7	20.8
Proceeds from issuance of share capital by a subsidiary company to non-controlling interests	-	-	*	-
Proceeds from borrowings	1.1	2.8	4.5	6.4
Repayment of borrowings	-	(0.6)	-	(0.6)
Interest paid	*	(0.1)	(0.1)	(0.1)
Dividends paid	(201.7)	(166.9)	(201.7)	(166.9)
Dividends paid by subsidiary companies to non-controlling interests	(1.7)	(1.8)	(2.8)	(2.9)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(196.8)</b>	<b>(160.3)</b>	<b>(184.4)</b>	<b>(143.3)</b>
<b>NET CASH OUTFLOW</b>	<b>(215.6)</b>	<b>(162.6)</b>	<b>(145.4)</b>	<b>(57.4)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING PERIOD</b>	<b>605.6</b>	<b>628.7</b>	<b>535.7</b>	<b>522.9</b>
Effect of exchange rate changes	1.2	(0.3)	0.9	0.3
<b>CASH AND CASH EQUIVALENTS AT END PERIOD</b>	<b>391.2</b>	<b>465.8</b>	<b>391.2</b>	<b>465.8</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>				
Short-term deposits	357.3	410.2	357.3	410.2
Cash and bank balances	33.9	55.6	33.9	55.6
<b>CASH AND CASH EQUIVALENTS AT END PERIOD</b>	<b>391.2</b>	<b>465.8</b>	<b>391.2</b>	<b>465.8</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 2014 (IN \$ MILLION)**

The Group	Attributable to Owners of the Parent							Non-controlling interests	Total equity
	Share capital	Share-based compensation reserve	Foreign currency translation reserve	Fair value reserve	Equity transaction reserve	General reserve	Total		
<b>Balance at 1 July 2014</b>	<b>400.1</b>	<b>21.8</b>	<b>(132.5)</b>	<b>1.0</b>	<b>(2.4)</b>	<b>1,131.5</b>	<b>1,419.5</b>	<b>24.8</b>	<b>1,444.3</b>
Profit for the period	-	-	-	-	-	42.1	42.1	0.7	42.8
Actuarial gain on remeasurement of defined benefit plan	-	-	-	-	-	*	*	*	*
Foreign currency translation	-	-	9.9	-	-	-	9.9	0.4	10.3
Net fair value adjustment on cash flow hedges	-	-	-	(2.6)	-	-	(2.6)	-	(2.6)
Share of other comprehensive income of associated / joint venture companies	-	-	*	(1.8)	-	-	(1.8)	-	(1.8)
Other comprehensive income, net of tax	-	-	9.9	(4.4)	-	*	5.5	0.4	5.9
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>9.9</b>	<b>(4.4)</b>	<b>-</b>	<b>42.1</b>	<b>47.6</b>	<b>1.1</b>	<b>48.7</b>
Share-based compensation expense	-	1.1	-	-	-	-	1.1	-	1.1
Share options released	1.9	(1.9)	-	-	-	-	-	-	-
Share options exercised	6.8	(1.3)	-	-	-	-	5.5	-	5.5
Share awards lapsed	-	*	-	-	-	*	-	-	-
Dividends	-	-	-	-	-	(201.7)	(201.7)	(1.7)	(203.4)
<b>Total contributions by and distributions to owners</b>	<b>8.7</b>	<b>(2.1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(201.7)</b>	<b>(195.1)</b>	<b>(1.7)</b>	<b>(196.8)</b>
<b>Balance at 30 September 2014</b>	<b>408.8</b>	<b>19.7</b>	<b>(122.6)</b>	<b>(3.4)</b>	<b>(2.4)</b>	<b>971.9</b>	<b>1,272.0</b>	<b>24.2</b>	<b>1,296.2</b>

\* Amount less than \$0.1M



**STATEMENTS OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2013 (IN \$ MILLION)**

The Group	Attributable to Owners of the Parent						Non-controlling interests	Total equity
	Share capital	Share-based compensation reserve	Foreign currency translation reserve	Fair value reserve	General reserve	Total		
<b>Balance at 1 July 2013</b>	<b>366.0</b>	<b>29.1</b>	<b>(126.1)</b>	<b>(3.6)</b>	<b>1,126.1</b>	<b>1,391.5</b>	<b>27.7</b>	<b>1,419.2</b>
Profit for the period	-	-	-	-	71.0	71.0	1.2	72.2
Foreign currency translation	-	-	(2.8)	-	-	(2.8)	(0.2)	(3.0)
Net fair value adjustment on cash flow hedges	-	-	-	1.8	-	1.8	-	1.8
Share of other comprehensive income of associated / joint venture companies	-	-	*	0.5	-	0.5	-	0.5
Other comprehensive income, net of tax	-	-	(2.8)	2.3	-	(0.5)	(0.2)	(0.7)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>(2.8)</b>	<b>2.3</b>	<b>71.0</b>	<b>70.5</b>	<b>1.0</b>	<b>71.5</b>
Share-based compensation expense	-	(0.3)	-	-	-	(0.3)	-	(0.3)
Share awards released	1.8	(1.8)	-	-	-	-	-	-
Share options exercised	7.8	(1.5)	-	-	-	6.3	-	6.3
Share options lapsed	-	*	-	-	*	-	-	-
Dividends	-	-	-	-	(166.9)	(166.9)	(1.8)	(168.7)
<b>Total contributions by and distributions to owners</b>	<b>9.6</b>	<b>(3.6)</b>	<b>-</b>	<b>-</b>	<b>(166.9)</b>	<b>(160.9)</b>	<b>(1.8)</b>	<b>(162.7)</b>
<b>Balance at 30 September 2013</b>	<b>375.6</b>	<b>25.5</b>	<b>(128.9)</b>	<b>(1.3)</b>	<b>1,030.2</b>	<b>1,301.1</b>	<b>26.9</b>	<b>1,328.0</b>

\* Amount less than \$0.1M

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2014 (IN \$ MILLION)**

<b>The Company</b>	Share capital	Share-based compensation reserve	Fair value reserve	General reserve	Total
<b>Balance at 1 July 2014</b>	<b>400.1</b>	<b>21.8</b>	<b>1.1</b>	<b>802.4</b>	<b>1,225.4</b>
Profit for the period	-	-	-	38.1	38.1
Other comprehensive income, net of tax:					
Net fair value adjustment on cash flow hedges	-	-	(2.6)	-	(2.6)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>(2.6)</b>	<b>38.1</b>	<b>35.5</b>
Share-based compensation expense	-	1.1	-	-	1.1
Share options released	1.9	(1.9)	-	-	-
Share options exercised	6.8	(1.3)	-	-	5.5
Share options lapsed	-	*	-	*	-
Dividends	-	-	-	(201.7)	(201.7)
<b>Total contributions by and distributions to owners</b>	<b>8.7</b>	<b>(2.1)</b>	<b>-</b>	<b>(201.7)</b>	<b>(195.1)</b>
<b>Balance at 30 September 2014</b>	<b>408.8</b>	<b>19.7</b>	<b>(1.5)</b>	<b>638.8</b>	<b>1,065.8</b>

\* Amount less than \$0.1M

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2013 (IN \$ MILLION)**

<b>The Company</b>	Share capital	Share-based compensation reserve	Fair value reserve	General reserve	Total
<b>Balance at 1 July 2013</b>	<b>366.0</b>	<b>29.1</b>	<b>(2.1)</b>	<b>801.5</b>	<b>1,194.5</b>
Profit for the period	-	-	-	61.2	61.2
Other comprehensive income, net of tax:					
Net fair value adjustment on cash flow hedges	-	-	1.8	-	1.8
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>1.8</b>	<b>61.2</b>	<b>63.0</b>
Share-based compensation expense	-	(0.3)	-	-	(0.3)
Share options released	1.8	(1.8)	-	-	-
Share options exercised	7.8	(1.5)	-	-	6.3
Share options lapsed	-	*	-	*	-
Dividends	-	-	-	(166.9)	(166.9)
<b>Total contributions by and distributions to owners</b>	<b>9.6</b>	<b>(3.6)</b>	<b>-</b>	<b>(166.9)</b>	<b>(160.9)</b>
<b>Balance at 30 September 2013</b>	<b>375.6</b>	<b>25.5</b>	<b>(0.3)</b>	<b>695.8</b>	<b>1,096.6</b>

\* 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 SHARE PLANS IN THE COMPANY

### (A) Share Capital

As at 30 September 2014, the Company has an issued share capital of 1,120,911,484 ordinary shares (31 March 2014: 1,115,561,658 ordinary shares).

The Company does not hold any treasury shares.

The movement of the Company's issued share capital during the second quarter from 1 July 2014 to 30 September 2014 is as follows:

Group and Company	Number of Shares	Share Capital (\$ Million)
Issued and fully paid share capital <u>Ordinary Shares</u>		
Balance at 1 July 2014	1,118,876,057	400.1
Share options exercised during the period July to September 2014	1,515,200	6.8
Share awards released during the period July to September 2014	520,227	1.9
Balance at 30 September 2014	1,120,911,484	408.8

### (B) Employee Share Option Plan

- (i) During the period from 1 July 2014 to 30 September 2014, options over 1,515,200 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 2014 to 30 September 2014 is as follows:

Date of grant	Balance at 01.07.2014	(Cancelled) / Reinstated	Exercised	Balance at 30.09.2014	Exercise Price*	Exercisable period
01.07.2005	1,919,725	-	(258,200)	1,661,525	\$2.10	01.07.2006-30.06.2015
03.07.2006	4,448,848	-	(339,700)	4,109,148	\$3.29	03.07.2007-02.07.2016
02.07.2007	9,487,744	(3,600)	(539,300)	8,944,844	\$4.52	02.07.2008-01.07.2017
01.07.2008	5,361,596	(3,600)	(378,000)	4,979,996	\$3.59	01.07.2010-30.06.2018
Total	21,217,913	(7,200)	(1,515,200)	19,695,513		

\* 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 and 21 July 2006, \$0.10 on 22 July 2011 and \$0.05 on 21 July 2014, the said Committee approved a reduction of \$0.20 in the exercise prices of all share options outstanding on 28 July 2004 and on 25 July 2006 respectively, \$0.10 on the outstanding share options on 29 July 2011 and \$0.05 on the outstanding shares options on 7 August 2014. The exercise prices reflected here are the exercise prices after such adjustments.

- (iii) As at 30 September 2014, the number of share options of the Company outstanding was 19,695,513 (30 September 2013: 27,371,062).

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

- (i) In addition to the Employee Share Option Plan ("ESOP"), senior management staff are entitled to two share-based incentive plans, the Restricted Share Plan ("RSP") and Performance Share Plan ("PSP"), which were approved by the shareholders of the Company on 25 July 2005.
- (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 2014, the number of outstanding shares granted under the Company's RSP and PSP were 1,823,603 (30 September 2013 : 1,973,576) and 396,574 (30 September 2013 : 444,879) respectively. The movement of these share awards during the quarter from 1 July 2014 to 30 September 2014 is as follows:

**RSP**

Date of grant	Balance at 01.07.2014 / Date of grant	Adjustment *	Cancelled	Released	Modification #	Balance at 30.09.2014
01.07.2010	157,796	-	-	(157,796)	-	-
01.07.2011	153,528	-	-	(80,495)	723	73,756
02.07.2012	814,800	(480,732)	(7,608)	(171,992)	1,520	155,988
08.07.2013	798,600	-	(3,700)	-	7,812	802,712
07.07.2014	783,440	-	-	-	7,707	791,147
Total	2,708,164	(480,732)	(11,308)	(410,283)	17,762	1,823,603

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

# Following approval from the Company's shareholders of the special dividend payment on 21 July 2014, the Committee approved an increase in all outstanding RSP on 7 August 2014.

**PSP**

Date of grant	Balance at 01.07.2014 / Date of grant	Adjustment *	Cancelled	Released	Modification #	Balance at 30.09.2014
01.07.2011	139,171	(29,227)	-	(109,944)	-	-
02.07.2012	122,800	-	-	-	1,212	124,012
08.07.2013	136,300	-	-	-	1,345	137,645
07.07.2014	133,600	-	-	-	1,317	134,917
Total	531,871	(29,227)	-	(109,944)	3,874	396,574

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

# Following approval from the Company's shareholders of the special dividend payment on 21 July 2014, the Committee approved an increase in all outstanding PSP on 7 August 2014.

**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 2014 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 April 2014. 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.**

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		Group	
	2 <sup>nd</sup> Quarter 2014-15	2 <sup>nd</sup> Quarter 2013-14	1 <sup>st</sup> Half 2014-15	1 <sup>st</sup> Half 2013-14
Earnings per share (cents)				
- Basic *	3.75	6.39	8.54	12.60
- Diluted #	3.73	6.34	8.49	12.50

\* 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 14	As at 31 Mar 14	As at 30 Sep 14	As at 31 Mar 14
Net asset value per share (cents)	113.5	122.0	95.1	103.9

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 FY2014-15

SIAEC Group recorded a profit attributable to owners of the parent of \$95.6 million for the half year ended 30 September 2014.

Revenue decreased by \$4.0 million or 0.7%. Fleet management revenue increased while line maintenance revenue remained steady. However, the lower number and work content of aircraft checks resulted in lower airframe and component overhaul revenue for the half year. Expenditure increased by \$15.6 million or 3.0%. The high subcontract content of some contracts, including fleet management contracts which typically require part of the obligations to be outsourced, contributed to the increase in expenditure. Operating profit for the period of \$36.6 million was \$19.6 million or 34.9% lower compared to \$56.2 million in the previous year.

Share of profits from associated and joint venture companies at \$59.7 million was \$28.9 million lower than the same period last year. The decrease came mainly from the two engine repair and overhaul centers whose earnings fell \$25.0 million or 39.0%. Engine improvement modifications as well as an extension of the "on-wing" life of certain models and the accelerated retirement of the older engines resulted in a reduction of engine shop visits.

Basic earnings per share was 8.54 cents, a decrease of 32.2% from the corresponding period last year.

### Second Quarter FY2014-15

Profit attributable to owners of the parent was \$42.1 million, a decrease of \$28.9 million or 40.7% compared to the same quarter last year.

Revenue decreased by \$8.7 million or 3.0% to \$285.2 million, with lower airframe and component overhaul revenue offset in part by higher fleet management revenue. The increase of \$3.9 million or 1.5% in expenditure to \$269.3 million this year was primarily attributable to higher subcontract costs. The operating profit for the quarter was \$15.9 million, \$12.6 million or 44.2 % lower than a year ago.

Share of profits from associated and joint venture companies was \$29.1 million, a decrease of \$16.5 million or 36.2% from previous year. Contributions from the engine repair and overhaul centers at \$20.0 million was \$13.4 million or 40.1% lower than the same period last year.

Basic earnings per share was 3.75 cents for the current quarter.



## **GROUP FINANCIAL POSITION**

As at 30 September 2014, equity attributable to owners of the parent amounted to \$1,272.0 million, \$88.9 million or 6.5% lower than that as at 31 March 2014. The decrease was mainly due to payment of the final dividend in respect of FY2013-14 partially offset by profits earned for the period.

Total assets amounted to \$1,591.0 million, a decrease of \$116.1 million or 6.8% from 31 March 2014. The Group's cash balance was \$391.2 million as at 30 September 2014.

Net asset value per share as at 30 September 2014 was 113.5 cents.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

## **OUTLOOK**

The Group's performance continues to be affected by the decline in engine shop visits and heavy checks. Pressure on margins has not abated with rising business costs and intense competition. We are stepping up efforts to improve productivity to stay competitive in this overall challenging environment.

The Group stays the course in its pursuit of value-added collaborations with strategic partners. This will position us well to take advantage of long term growth opportunities in the region.

## 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	7.0 cents per ordinary share
Tax rate	Tax exempt one-tier

### **(c) Date payable**

The interim dividend will be paid on 25 November 2014.

### **(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 112 Robinson Road #05-01, Singapore 068902 up to 5 p.m. on 17 November 2014 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 18 November 2014 for the preparation of dividend warrants. The interim dividend will be paid on 25 November 2014 to members on the Register as at 17 November 2014.

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

Not applicable.

### 13. Interested Person Transactions

(In \$ Million)

The aggregate value of all Interested Person Transactions (“IPTs”) entered into during the 2<sup>nd</sup> quarter of Financial Year 2014-15 are as follows:

Name of Interested Person	<b>Non-Mandated</b> Aggregate value of all IPTs (excluding all mandated transactions pursuant to Rule 920 of the SGX Listing Manual and transactions less than \$100,000)	<b>Mandated</b> Aggregate value of all IPTs conducted under a shareholders’ mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000)
<b>Singapore Airlines Limited Group</b> - Singapore Airlines Ltd	-	21.6
<b>SembCorp Industries Limited Group</b> - SembCorp Power Pte Ltd	-	7.9
<b>Total</b>	-	<b>29.5</b>

#### Notes:

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

#### BY ORDER OF THE BOARD

Devika Rani Davar  
Company Secretary  
4 November 2014

Singapore Co. Regn. No.: 198201025C

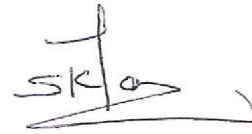
**CONFIRMATION BY THE BOARD**

We, Stephen Lee Ching Yen and William Tan Seng Koon, 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 FY2014/15 financial results to be false or misleading in any material respect.

On behalf of the Board,



STEPHEN LEE CHING YEN  
Chairman



WILLIAM TAN SENG KOON  
Chief Executive Officer

4 November 2014