



SIA ENGINEERING COMPANY LIMITED
(Incorporated in the Republic of Singapore)
Company Registration No. 198201025C

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 30th Annual General Meeting of SIA Engineering Company Limited (“the **Company**”) will be held at Marina Mandarin Ballroom, Level 1, Marina Mandarin Singapore, 6 Raffles Boulevard, Marina Square, Singapore 039594 on Thursday, 19 July 2012 at 2.30 p.m. to transact the following business:

ORDINARY BUSINESS

- To receive and adopt the Directors' Report and Audited Financial Statements for the year ended 31 March 2012 and the Auditors' Report thereon.
- To declare a final ordinary dividend of 15 cents per ordinary share for the financial year ended 31 March 2012.
- To re-elect the following Directors who are retiring by rotation pursuant to Article 83 of the Company's Articles of Association and who, being eligible, offer themselves for re-election pursuant to Article 84 of the Company's Articles of Association:
 - Mr Paul Chan Kwai Wah
 - Mr Ron Foo Siang Guan
- To approve the Directors' fees of up to \$946,000 for the financial year ending 31 March 2013 (FY2011/12: up to \$946,000).
- To re-appoint Messrs Ernst & Young as Auditors of the Company to hold office until the next Annual General Meeting and to authorise the Directors to fix their remuneration.

SPECIAL BUSINESS

- To consider and, if thought fit, approve, with or without modification, the following resolutions as Ordinary Resolutions:
 - That pursuant to Section 161 of the Companies Act, Cap. 50, authority be and is hereby given to the Directors of the Company to:
 - (a) (i) issue shares in the capital of the Company (“**shares**”) whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
 - (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:
 - (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty (50) per cent of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed ten (10) per cent of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
 - (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”)) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Resolution is passed, after adjusting for:
 - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - (ii) any subsequent bonus issue or consolidation or subdivision of shares;
 - (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
 - (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.
 - That the Directors be and are hereby authorised to:
 - (a) grant awards in accordance with the provisions of the SIAEC Performance Share Plan and/or the SIAEC Restricted Share Plan; and
 - (b) allot and issue from time to time such number of fully paid ordinary shares as may be required to be issued pursuant to the vesting of awards under the SIAEC Performance Share Plan and/or the SIAEC Restricted Share Plan,provided that the maximum number of new ordinary shares under awards to be granted pursuant to the SIAEC Performance Share Plan and the SIAEC Restricted Share Plan during the period commencing from the date of this Annual General Meeting of the Company and ending on the date of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, (excluding new ordinary shares arising from any adjustments made from time to time pursuant to the SIAEC Performance Share Plan and the SIAEC Restricted Share Plan) shall not exceed 8,232,266 ordinary shares, which represents 0.75 per cent of the total number of issued ordinary shares (excluding treasury shares) in the capital of the Company as at 31 March 2012.
 - That:
 - (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual (“**Chapter 9**”) of the SGX-ST, for the Company, its subsidiaries and associated companies that are “entities at risk” (as that term is used in Chapter 9), or any of them to enter into any of the transactions falling within the types of interested person transactions described in the appendix (the “**Appendix**”) to the Letter to Shareholders dated 25 June 2012 (the “**Letter**”) with any party who is of the class of interested persons described in the Appendix, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions;
 - (b) the approval given in paragraph (a) above (the “**IPT Mandate**”) shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and
 - (c) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required), as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by the IPT Mandate and/or this Resolution.

ANY OTHER BUSINESS

- To transact any other business of the Company which may arise and can be transacted at an Annual General Meeting.

By Order of the Board

DEVIKA RANI DAVAR
Company Secretary
25 June 2012
Singapore

CLOSURE OF BOOKS

NOTICE IS HEREBY GIVEN that, subject to the approval of shareholders being obtained at the 30th Annual General Meeting of the Company for the payment of the final ordinary dividend, the Share Transfer Books and the Register of Members of the Company will be closed on 26 July 2012 for the preparation of dividend warrants.

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 5.00 p.m. on 25 July 2012 will be registered to determine shareholders' entitlement to the proposed dividend. Subject as aforesaid, shareholders whose Securities Accounts with The Central Depository (Pte) Limited (“**CDP**”) are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 25 July 2012 will be entitled to the proposed dividend. The Company will pay the proposed dividend to CDP, which will, in turn, distribute the entitlements to the proposed dividend to CDP account-holders in accordance with its normal practice.

The proposed dividend, if approved by shareholders, will be paid on 10 August 2012.

Explanatory Notes:

- In relation to Ordinary Resolution Nos. 3.1 and 3.2, Mr Paul Chan Kwai Wah and Mr Ron Foo Siang Guan will be retiring from office at the Annual General Meeting pursuant to Article 83 of the Company's Articles of Association and will be standing for re-election at the Annual General Meeting. Mr Chan will, upon re-election, continue to serve as Chairman of the Compensation & HR Committee, a member of the Nominating Committee and as an alternate member of the Board Committee. Mr Foo will, upon re-election, continue to serve as Chairman of the Audit Committee and as a member of the Board Committee. Mr Chan and Mr Foo are considered independent Directors. Please refer to the sections on Board Directors and Corporate Governance in the FY11/12 Annual Report for information on Mr Chan and Mr Foo.
- Ordinary Resolution No. 4, if passed, will facilitate the payment of Directors' fees during the financial year in which the fees are incurred, that is, during FY12/13. The amount of the Directors' fees is computed based on the anticipated number of Board meetings for FY12/13, assuming full attendance by all Directors, at the fee rates shown in the Annual Report on page 17. The amount also includes an additional ten (10) per cent to cater to unforeseen circumstances, for example, the appointment of an additional Director, additional unscheduled Board meetings, additional appointments to Board Committees and/or the formation of additional Board Committees. In the event that the amount proposed is insufficient, approval will be sought at the next Annual General Meeting for payments to meet the shortfall.
- As disclosed on page 18 of the Annual Report, Directors' fees due to Mr Goh Choon Phong and Mr Ng Chin Hwee will be paid to and retained by Singapore Airlines Limited (“**SIA**”) (the majority shareholder of the Company). Mr Goh and Mr Ng hold executive positions in SIA. No Directors' fees will be paid to Mr William Tan Seng Koon as he is the President & Chief Executive Officer of the Company.
- Ordinary Resolution No. 6.1, if passed, will empower Directors to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments. The number of shares which the Directors may issue under this Resolution will not exceed fifty (50) per cent of the total number of issued shares (excluding treasury shares) in the capital of the Company with a sub-limit of ten (10) per cent for issues other than on a *pro rata* basis. The ten (10) per cent sub-limit for non-*pro rata* issues is lower than the twenty (20) per cent sub-limit allowed under the Listing Manual of the SGX-ST and the Articles of Association of the Company. The Directors believe that the lower sub-limit of ten (10) per cent would sufficiently address the Company's present need to maintain flexibility while taking into account shareholders' concerns against dilution. For the purpose of determining the aggregate number of shares which may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible instruments or share options or vesting of share awards which are outstanding at the time this Ordinary Resolution is passed; and (b) any subsequent bonus issue or consolidation or subdivision of shares. For the avoidance of doubt, shareholders' approval will be required for any consolidation or subdivision of shares.
- Ordinary Resolution No. 6.2, if passed, will empower the Directors to grant awards pursuant to the SIAEC Performance Share Plan and the SIAEC Restricted Share Plan, and to allot and issue ordinary shares in the capital of the Company (“**Shares**”) pursuant to the SIAEC Performance Share Plan and the SIAEC Restricted Share Plan provided that the maximum number of new Shares under awards which may be granted pursuant to the SIAEC Performance Share Plan and the SIAEC Restricted Share Plan from this Annual General Meeting to the next Annual General Meeting (excluding new ordinary shares arising from any adjustments made from time to time pursuant to the SIAEC Performance Share Plan and the SIAEC Restricted Share Plan) shall not exceed 8,232,266, which represents 0.75% per cent of the total number of issued Shares (excluding treasury shares) as at 31 March 2012.

The SIAEC Performance Share Plan and the SIAEC Restricted Share Plan were adopted at the Extraordinary General Meeting of the Company held on 25 July 2005. The SIAEC Employee Share Option Plan was approved at the Extraordinary General Meeting of the Company held on 24 March 2000 and was modified and restated at the Extraordinary General Meeting of the Company held on 7 July 2001 and further modified at the Extraordinary General Meetings of the Company held on 12 July 2003 and 26 July 2004 respectively. The last grant of options made under the SIAEC Employee Share Option Plan was on 1 July 2008, and these options are exercisable up to 30 June 2018.

As at 30 May 2012, the latest practicable date prior to the printing of this Notice (the “**Latest Practicable Date**”):

- 98,700,281 Shares, representing approximately 8.98 per cent of the issued Shares (excluding treasury shares) as at the Latest Practicable Date, have been allotted and issued pursuant to the exercise of options under the SIAEC Employee Share Option Plan and the vesting of awards under the SIAEC Performance Share Plan and the SIAEC Restricted Share Plan since the inception of the above-mentioned share plans;
- 40,284,503 Shares, representing approximately 3.67 per cent of the issued Shares (excluding treasury shares) as at the Latest Practicable Date, are comprised in outstanding and unexercised options granted under the SIAEC Employee Share Option Plan; and
- 2,675,563 Shares, representing approximately 0.24 per cent of the issued Shares (excluding treasury shares) as at the Latest Practicable Date, are comprised in outstanding awards granted under the SIAEC Performance Share Plan and the SIAEC Restricted Share Plan.

The maximum number of new Shares which may be issued under the SIAEC Employee Share Option Plan, the SIAEC Performance Share Plan and the SIAEC Restricted Share Plan is limited to fifteen (15) per cent of the total number of issued Shares (excluding treasury shares), as determined in accordance with the respective plans.

- Ordinary Resolution No. 6.3, if passed, will allow the Company, its subsidiaries and relevant associated companies or any of them to enter into certain interested person transactions with certain classes of interested persons as described in the Appendix to the Letter.

Notes:

- A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
- The instrument appointing a proxy or proxies (together with the power of attorney, if any, under which it is signed or a certified copy thereof) must be deposited at the Company's Share Registrar, M & C Services Private Limited, 138 Robinson Road #17-00, The Corporate Office, Singapore 068906 not less than 48 hours before the time appointed for holding the Annual General Meeting.