



SIA ENGINEERING GROUP 3Q PROFIT UP 5.5% to \$67.0 MILLION

HIGHLIGHTS OF THE GROUP'S PERFORMANCE

	3 rd Quarter FY2012-13		9 months FY2012-13	
	Oct - Dec 2012	Year-on-Year % Change	Apr - Dec 2012	Year-on-Year % Change
• Revenue	\$278.2M	- 8.3	\$863.2M	+ 1.1
• Operating profit	\$31.2M	+ 9.9	\$97.2M	+ 0.1
• Share of profits from joint venture and associated companies	\$40.0M	- 1.7	\$118.8M	+ 0.3
• Profit attributable to owners of the parent	\$67.0M	+ 5.5	\$204.2M	+ 0.7
• Basic earnings per share	6.08 cts	+ 5.0	18.54 cts	+ 0.1

GROUP EARNINGS

Third Quarter FY2012-13

SIAEC Group posted a profit attributable to owners of the parent of \$67.0 million for the quarter ended 31 December 2012, which was \$3.5 million or 5.5% higher than the corresponding quarter last year.

Revenue decreased \$25.2 million or 8.3%, mainly from lower fleet management and project revenue. However, expenditure fell by \$28.0 million or 10.2%, primarily from decreases in subcontract services, material costs, and an exchange gain during the quarter. Consequently, operating profit improved by \$2.8 million or 9.9% compared to the same quarter last year.

Share of profits from associated and joint venture companies was \$40.0 million, representing a contribution of 52.7% to the Group's pre-tax profits.

Basic earnings per share rose by 5.0% to 6.08 cents.

Note: The SIAEC Group's unaudited financial results for the third quarter and nine months ended 31 December 2012 were announced on 5 February 2013. A summary of the financial statistics is shown in Annex A. (All monetary figures are in Singapore Dollars. The Group comprises the Company and its subsidiary, joint venture and associated companies.)

Year-to-date (April – December 2012)

The Group recorded a profit attributable to owners of the parent of \$204.2 million, an increase of \$1.4 million or 0.7% higher than the corresponding period last year. Share of profits from associated and joint venture companies increased by \$0.4 million or 0.3% to \$118.8 million, representing a contribution of 51.5% to the Group's pre-tax profits.

Operating profit at \$97.2 million was \$0.1 million or 0.1% higher compared to the same period last year. Revenue rose by \$9.8 million or 1.1% to \$863.2 million, mainly from an increase in materials and line maintenance revenue. Expenditure at \$766.0 million was \$9.7 million or 1.3% higher, primarily due to higher staff costs.

GROUP FINANCIAL POSITION

As at 31 December 2012, equity attributable to owners of the parent amounted to \$1,219.6 million, \$34.7 million or 2.8% lower than at 31 March 2012. The decrease was mainly due to the payment of the final dividend in respect of FY2011-12 and interim dividend for FY2012-13, partially offset by profit earned for the period.

Total assets amounted to \$1,529.0 million, a decrease of 4.4% from 31 March 2012. Net asset value per share as at 31 December 2012 was 110.6 cents.

The Company has no borrowings and the cash balance of the Group was \$429.7 million as at 31 December 2012.

OUTLOOK

The Group's core business is expected to remain stable in the last quarter of FY2012-13. Prevailing uncertainties in the world's major economies will continue to impact the aviation industry. We will maintain our focus on cost control and productivity improvements.

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(For the complete third quarter and nine months FY2012-13 financial statements, please refer to our SGXNET Filing or the Investor Relations page of our website at www.siaec.com.sg).

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GROUP FINANCIAL STATISTICS

	3 rd Quarter 2012-13	3 rd Quarter 2011-12	9 months 2012-13	9 months 2011-12
Financial Results (\$ million)				
Total revenue	278.2	303.4	863.2	853.4
Total expenditure	247.0	275.0	766.0	756.3
Operating profit	31.2	28.4	97.2	97.1
Non-operating items	0.3	(0.1)	1.2	2.0
Dividend income from long term investment	4.4	3.3	13.3	10.0
Share of profits of joint venture companies	22.5	18.4	70.3	51.9
Share of profits of associated companies	17.5	22.3	48.5	66.5
Profit before taxation	75.9	72.3	230.5	227.5
Profit attributable to owners of the parent	67.0	63.5	204.2	202.8
Per Share Data				
Earnings before tax (cents)	6.89	6.59	20.94	20.77
Earnings after tax (cents) - basic ^{R1}	6.08	5.79	18.54	18.52
- diluted ^{R2}	6.03	5.75	18.40	18.36

	As at 31 Dec 2012	As at 31 Mar 2012
Financial Position (\$ million)		
Share capital	334.5	317.3
Reserves		
Share-based compensation reserve	34.1	38.2
Foreign currency translation reserve	(141.9)	(129.2)
Fair value reserve	3.1	(0.9)
General reserve	989.8	1,028.9
Equity attributable to owners of the parent	1,219.6	1,254.3
Total assets	1,529.0	1,599.3
Net asset value per share (cents) ^{R3}	110.6	114.3

^{R1} Earnings after tax per share (basic) is computed by dividing profit attributable to owners of the parent by the weighted average number of ordinary shares in issue.

^{R2} Earnings after tax per share (diluted) is computed by dividing profit attributable to owners of the parent by the weighted average number of ordinary shares in issue after adjusting for the dilutive effect on the exercise of all outstanding share options granted to employees.

^{R3} Net asset value per share is computed by dividing equity attributable to owners of the parent by the number of ordinary shares in issue.