



## SIA ENGINEERING GROUP POSTS PROFIT OF \$140.0M FOR 1<sup>st</sup> HALF FY2013-14

### HIGHLIGHTS OF THE GROUP'S PERFORMANCE

	1 <sup>st</sup> Half FY2013-14		2 <sup>nd</sup> Quarter FY2013-14	
	Apr - Sep 2013	Year-on-Year % Change	Jul - Sep 2013	Year-on-Year % Change
• Revenue	\$583.3M	- 0.3	\$293.9M	+ 3.3
• Operating profit	\$56.2M	- 14.8	\$28.5M	- 9.8
• Share of profits from associated and joint venture companies	\$94.1M	+ 19.4	\$48.5M	+ 25.0
• Profit attributable to owners of the parent	\$140.0M	+ 2.0	\$71.0M	+ 5.8
• Basic earnings per share	12.60 cts	+ 1.0	6.39 cts	+ 4.9

### GROUP EARNINGS

#### First Half FY2013-14

SIAEC Group recorded a profit attributable to owners of the parent of \$140.0 million for the first half ended 30 September 2013, an increase of \$2.8 million or 2.0%.

Revenue of \$583.3 million was comparable to the same period last year. Expenditure increased \$8.1 million or 1.6% mainly due to higher staff costs. The resulting operating profit for the period was \$56.2 million.

Associated and joint venture companies continued to show robust growth, with contributions increasing by 19.4% to \$94.1 million. Share of profits accounted for 59.0% of the Group's pre-tax profits.

Basic earnings per share was 12.60 cents, an increase of 1.0% from the corresponding period last year.

Note: The SIAEC Group's unaudited financial results for the second quarter and half year ended 30 September 2013 were announced on 7 November 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, associated and joint venture companies.)

## Second Quarter FY2013-14

Profit attributable to owners of the parent was \$3.9 million or 5.8% higher at \$71.0 million in the second quarter.

Revenue of \$293.9 million was \$9.4 million or 3.3% higher than the same quarter last year, primarily attributable to an increase in airframe and component overhaul work. Expenditure, at \$265.4 million, was 4.9% higher as a consequence of higher staff and subcontract services costs. The operating profit for the quarter was \$28.5 million.

Share of profits from associated and joint venture companies grew by \$9.7 million or 25.0% to \$48.5 million. This accounted for 60.0% of the Group's pre-tax profits during the quarter.

Basic earnings per share was 6.39 cents for the current quarter, an increase of 4.9% from the same period last year.

## **GROUP FINANCIAL POSITION**

As at 30 September 2013, equity attributable to owners of the parent of \$1,301.1 million was comparable to the amount as at 31 March 2013, with payment of the final dividend in respect of FY2012-13 partially offset by profits earned for the period.

The Company has no borrowings and the Group's cash balance stood at \$465.8 million as at 30 September 2013. Total assets amounted to \$1,606.3 million.

Net asset value per share as at 30 September 2013 was 116.9 cents.

## **DIVIDEND**

The Company has declared an interim dividend of 7 cents per share, unchanged from last year.

## **OUTLOOK**

The performance of the SIAEC Group is expected to remain stable in spite of the prevailing global economic uncertainties.

We continue to focus on costs, productivity improvements and growing our business. Our diversified portfolio of MRO services and presence in key markets, backed by strategic collaborations and a healthy balance sheet, places the Group well to pursue growth opportunities.

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(For the complete second quarter and first half FY2013-14 financial statements, please refer to our SGXNET Filing or the Investor Relations page of our website at [www.siaec.com.sg](http://www.siaec.com.sg)).

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## GROUP FINANCIAL STATISTICS

	1 <sup>st</sup> Half 2013-14	1 <sup>st</sup> Half 2012-13	2 <sup>nd</sup> Quarter 2013-14	2 <sup>nd</sup> Quarter 2012-13
<b>Financial Results (\$ million)</b>				
Total revenue	583.3	585.0	293.9	284.5
Total expenditure	527.1	519.0	265.4	252.9
Operating profit	56.2	66.0	28.5	31.6
Non-operating items	1.0	0.9	0.3	0.5
Dividend income from long term investment	8.2	8.9	3.6	4.9
Share of profits of associated companies	40.2	31.0	21.9	16.2
Share of profits of joint venture companies	53.9	47.8	26.6	22.6
Profit before taxation	159.5	154.6	80.9	75.8
Profit attributable to owners of the parent	140.0	137.2	71.0	67.1
<b>Per Share Data</b>				
Earnings before tax (cents)	14.36	14.05	7.27	6.88
Earnings after tax (cents) - basic <sup>R1</sup>	12.60	12.47	6.39	6.09
- diluted <sup>R2</sup>	12.50	12.37	6.34	6.04
	<b>As at</b>	<b>As at</b>		
	<b>30 Sep 2013</b>	<b>31 Mar 2013</b>		
<b>Financial Position (\$ million)</b>				
Share capital	375.6	348.1		
Reserves				
Share-based compensation reserve	25.5	31.9		
Foreign currency translation reserve	(128.9)	(134.5)		
Fair value reserve	(1.3)	(0.6)		
General reserve	1,030.2	1,057.0		
Equity attributable to owners of the parent	1,301.1	1,301.9		
Total assets	1,606.3	1,632.7		
Net asset value per share (cents) <sup>R3</sup>	116.9	117.7		

<sup>R1</sup> 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.

<sup>R2</sup> 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, performance shares and restricted shares granted to employees.

<sup>R3</sup> Net asset value per share is computed by dividing equity attributable to owners of the parent by the number of ordinary shares in issue.