

News Release

“Net Profit Grew 10% in 4Q2013 vs 4Q2012”

FINANCIAL HIGHLIGHTS For the year ended 31 December 2013			
	2013 FY	2012 FY	Growth %
Revenue (\$m)	6,633	6,380	4
Earnings before interest and tax (EBIT) (\$m)	673.2	658.0	2
Other income, net (\$m)	34.2	43.2	(21)
Finance costs, net (\$m)	(8.8)	(18.7)	(53)
Profit before tax (PBT) (\$m)	729.7	715.4	2
Profit attributable to shareholders (\$m)	580.8	576.2	1
Earnings per share (cents)	18.73	18.76	-
Economic value added (EVA) (\$m)	413.8	437.9	(6)
Return on equity (%)	27.4	30.4	NM
Dividend per share (cents)	15.0	16.8	(11)
• Final	12.0	13.8	
- Ordinary	4.0	4.0	
- Special	8.0	9.8	
• Interim - Ordinary	3.0	3.0	

- Commercial sales constituted 62% or \$4.1 billion of revenue
- Order book of \$13.2 billion at end December 2013, of which about \$4.3 billion is expected to be delivered in 2014
- Cash and cash equivalents including funds under management totalled \$2.2 billion
- Advance payments from customers totalled \$1.7 billion

N.B.: All currencies are in Singapore dollars

"The Group registered good growth of 12% and 10% in Revenue and Net Profit respectively in 4Q2013 compared to 4Q2012. On a full year basis, Revenue and Net Profit of FY2013 were comparable with that of FY2012. The performance reflects the Group's resilience and its ability to ride out market volatilities. The Group succeeded in securing more contracts and ended the year with a record high order book of \$13.2b.

Barring unforeseen circumstances, the Group expects to achieve higher Revenue and PBT for FY2014 over FY2013."

Tan Pheng Hock, President & CEO

N.B.: All currencies are in Singapore dollars

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

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SINGAPORE TECHNOLOGIES ENGINEERING LTD
AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013

1 CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

	GROUP		
	FY2013 \$'000	FY2012 \$'000 (Restated) *	+ / (-) %
Revenue	6,633,152	6,379,866	4.0
Cost of sales	(5,201,083)	(4,923,568)	5.6
Gross profit	1,432,069	1,456,298	(1.7)
Distribution and selling expenses (refer para 1.7)	(175,908)	(202,745)	(13.2)
Administrative expenses	(466,598)	(475,262)	(1.8)
Other operating expenses	(116,348)	(120,392)	(3.4)
Profit from operations	673,215	657,899	2.3
Other income, net (refer para 1.8)	34,188	43,242	(20.9)
Finance income	68,911	48,387	42.4
Finance costs	(77,704)	(67,074)	15.8
Finance costs, net	(8,793)	(18,687)	(52.9)
Share of results of associates and jointly controlled entities, net of tax	31,082	32,926	(5.6)
Profit before taxation	729,692	715,380	2.0
Taxation	(138,145)	(130,759)	5.6
Profit for the year	591,547	584,621	1.2
Attributable to:			
Shareholders of the Company	580,834	576,178	0.8
Non-controlling interests	10,713	8,443	26.9
	591,547	584,621	1.2

* During the year, the Group modified the income statement classification of tax expense on associates and jointly controlled entities from taxation to share of results of associates and jointly controlled entities to reflect more appropriately the way in which tax expense is derived. Comparative amounts were reclassified for consistency.

1(a) BREAKDOWN AND EXPLANATORY NOTES TO CONSOLIDATED INCOME STATEMENT

		GROUP		
		FY2013	FY2012	+ / (-)
		\$'000	\$'000	%
1.1	Profit from operations is arrived at after charging/(crediting) the following:			
	Depreciation and amortisation	142,044	137,102	3.6
	Allowance for doubtful debts & bad debts written off, net	9,807	22,298	(56.0)
	The lower allowance for doubtful debts, net in FY2013 was mainly attributable to Aerospace and Land Systems sectors.			
	Allowance for inventory obsolescence, net	27,631	17,915	54.2
	The higher allowance for inventory obsolescence, net in FY2013 mainly came from Aerospace sector.			
	Impairment losses on intangible assets	2,453	13,153	(81.4)
	The impairment losses on intangible assets mainly came from Electronics and Land Systems sectors.			
1.2	Finance costs, net comprises:			
	Interest income	23,320	26,146	(10.8)
	Foreign exchange gain, net	3,315	2,117	56.6
	Fair value changes of financial instruments / hedged items	3,174	563	463.8
	Gain on disposal of investments	6,154	3,907	57.5
	Impairment losses on investments	(624)	(2,054)	(69.6)
	Interest expenses	(44,240)	(49,504)	(10.6)
	Others	108	138	(21.7)
		<u>(8,793)</u>	<u>(18,687)</u>	(52.9)
1.3	Profit for the year as a percentage of revenue	8.9%	9.2%	
1.4	Profit attributable to shareholders as a percentage of share capital and reserves at end of the year	27.4%	30.4%	
1.5	The Group's tax charge in FY2013 included adjustments for overprovision of current tax of \$15.5 million and underprovision of deferred tax of \$0.5 million in respect of prior years (FY2012: Adjustments for overprovision of current tax of \$25.7 million and underprovision of deferred tax of \$2.9 million).			
1.6	During the year, Land Systems sector disposed of a property for a gain of \$12.5 million. (FY2012: Aerospace and Land Systems sectors each disposed of a property for a gain of \$7.0 million and \$5.7 million respectively).			
1.7	The lower FY2013 distribution and selling expenses of \$175.9 million compared to \$202.7 million in FY2012 was mainly due to lower allowance for doubtful debts, net, and marketing expenses as well as the absence of expenses incurred on the 2012 Singapore Airshow recognised in FY2012.			
1.8	The lower FY2013 other income, net of \$34.2 million compared to \$43.2 million in FY2012 was mainly due to impairment losses on associates and loss on disposal of associates in Aerospace, Electronics and Land Systems sectors in FY2013 vis-à-vis gain on disposal of associates and jointly controlled entities in Land Systems sector in FY2012.			

1(b) BREAKDOWN OF REVENUE AND PROFIT FOR THE YEAR

	GROUP		
	2013 \$'000	2012 \$'000	+ / (-) %
Revenue reported for first half year	3,142,065	3,110,983	1.0
Profit for the period reported for first half year	283,504	280,988	0.9
Revenue reported for second half year	3,491,087	3,268,883	6.8
Profit for the period reported for second half year	308,043	303,633	1.5

1(c) EARNINGS PER ORDINARY SHARE (EPS)

	GROUP	
	FY2013	FY2012
EPS based on profit attributable to shareholders:	Cents	Cents
(i) Based on weighted average number of ordinary shares on issue	18.73	18.76
(ii) On a fully diluted basis	18.67	18.71

2 BALANCE SHEETS

	GROUP		COMPANY	
	31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	1,520,404	1,202,366	1,434	1,310
Subsidiaries	-	-	927,728	738,992
Associates and jointly controlled entities	462,139	306,116	17,657	17,657
Investments	166,033	344,996	-	-
Intangible assets	638,408	552,593	-	-
Investment property	-	10,239	-	-
Long-term receivables, non-current	12,528	24,057	-	-
Finance lease receivables, non-current	2,679	10,379	-	-
Deferred tax assets	95,634	110,288	7,200	570
Amounts due from related parties, non-current	7,430	7,232	258,874	364,192
Derivative financial instruments, non-current	39,978	28,173	77	16
	2,945,233	2,596,439	1,212,970	1,122,737
Current assets				
Inventories and work-in-progress	1,807,509	1,921,959	-	-
Trade receivables	1,221,937	1,158,582	-	-
Amounts due from related parties, current	40,076	23,928	504,498	415,088
Advances and other receivables	598,210	530,551	9,827	3,956
Long-term receivables, current	12,508	12,234	-	-
Finance lease receivables, current	16,447	23,775	-	-
Short-term investments	134,581	25,364	-	-
Bank balances and other liquid funds	1,930,140	1,712,191	470,124	448,034
Assets classified as held for sale	-	26,539	-	-
	5,761,408	5,435,123	984,449	867,078
TOTAL ASSETS	8,706,641	8,031,562	2,197,419	1,989,815
EQUITY AND LIABILITIES				
Current liabilities				
Advance payments from customers, current	878,895	800,171	-	-
Trade payables and accruals, current	1,604,740	1,694,415	25,017	45,191
Amounts due to related parties, current	24,953	19,953	98,946	44,854
Provisions	218,910	224,137	-	-
Progress billings in excess of work-in-progress	734,725	761,201	-	-
Provision for taxation	197,139	179,690	11,666	4,134
Short-term bank loans	139,842	89,158	-	-
Long-term bank loans, current	292,789	120,343	-	-
Lease obligations, current	1,321	232	-	-
Other loans, current	369	1,054	-	-
	4,093,683	3,890,354	135,629	94,179
NET CURRENT ASSETS	1,667,725	1,544,769	848,820	772,899

2 **BALANCE SHEETS** (cont'd)

	GROUP		COMPANY	
	31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
	\$'000	\$'000	\$'000	\$'000
Non-current liabilities				
Advance payments from customers, non-current	857,496	917,572	-	-
Trade payables and accruals, non-current	353,701	-	18,817	-
Deferred tax liabilities	94,867	84,629	-	-
Bonds	631,283	608,721	-	-
Long-term bank loans, non-current	288,867	459,001	-	-
Lease obligations, non-current	18,150	244	-	-
Other loans, non-current	564	677	-	-
Deferred income	83,695	31,448	-	-
Other long-term payables, non-current	1,500	2,000	-	-
Derivative financial instruments, non-current	22,515	21,373	-	-
Amounts due to related parties, non-current	406	2,961	553,192	495,625
	2,353,044	2,128,626	572,009	495,625
TOTAL LIABILITIES	6,446,727	6,018,980	707,638	589,804
NET ASSETS	2,259,914	2,012,582	1,489,781	1,400,011
Share capital and reserves				
Share capital	852,611	781,841	852,611	781,841
Capital reserves	116,323	116,323	-	-
Other reserves	(44,651)	(136,121)	72,754	75,780
Retained earnings	1,191,958	1,132,644	564,416	542,390
	2,116,241	1,894,687	1,489,781	1,400,011
Non-controlling interests	143,673	117,895	-	-
	2,259,914	2,012,582	1,489,781	1,400,011
TOTAL EQUITY AND LIABILITIES	8,706,641	8,031,562	2,197,419	1,989,815

2(a) **ANALYSIS OF BALANCE SHEETS**

Compared to 31 December 2012, increase in property, plant and equipment was mainly due to increase in capital expenditures of \$326 million. The increase in associates and jointly controlled entities was mainly due to investment in Elbe Flugzeugwerke GmbH (EADS EFW), while the increase in intangible assets was attributable to the acquisition of intellectual property assets in EcoServices, LLC and the component licence agreements signed with UTC Aerospace Systems in the Aerospace sector. The decrease in investments (non-current) was mainly due to the reclassification of investments in bonds to short-term investments.

In respect of net current assets, the increase was mainly attributable to increases in short-term investments reclassified from long-term, and bank balances and other liquid funds, but these were partially offset by increases in short-term bank loans and reclassification of long-term bank loans with maturity period in 1Q2014 from non-current liabilities to current liabilities.

2(b) GROUP BORROWINGS

	As at 31-Dec-13 \$'000	As at 31-Dec-12 \$'000
<u>Amount repayable within one year</u>		
Secured	28,534	25,729
Unsecured	405,787	185,058
	<u>434,321</u>	<u>210,787</u>
<u>Amount repayable after one year</u>		
Secured	79,290	48,891
Unsecured	859,574	1,019,752
	<u>938,864</u>	<u>1,068,643</u>
Total	<u>1,373,185</u>	<u>1,279,430</u>

2(c) NET ASSET VALUE

	GROUP	
	FY2013	FY2012
	Cents	Cents
Net asset value per ordinary share at end of the financial year	68.14	61.51

	COMPANY	
	FY2013	FY2012
	Cents	Cents
Net asset value per ordinary share at end of the financial year	47.97	45.45

3 CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013

	GROUP	
	FY2013	FY2012
	\$'000	\$'000
Cash flows from operating activities		
Profit before taxation	729,692	715,380
<u>Adjustments:</u>		
Share of results of associates and jointly controlled entities, net of tax	(31,082)	(32,926)
Depreciation charge	127,176	123,949
Property, plant and equipment written off	1,386	7,314
Gain on disposal of property, plant and equipment	(430)	(11,980)
Gain on disposal of an investment property	(12,548)	(2,494)
Gain on disposal of investments	(6,154)	(3,907)
Loss/(Gain) on disposal of associates and jointly controlled entities	318	(2,631)
Loss on disposal of a subsidiary	50	-
Impairment losses on goodwill	2,141	12,351
Impairment losses on quoted and unquoted investments	624	2,054
Impairment losses on other intangible assets	312	802
Impairment losses of property, plant and equipment	690	251
Impairment losses on associates	5,539	-
Share-based payment expense	15,598	19,329
Changes in fair value of financial instruments and hedged items	(3,174)	(563)
Changes in fair value of financial instruments held for trading	(107)	(126)
Interest expenses	44,240	49,504
Interest income	(23,320)	(26,146)
Dividends from investments	(1)	(12)
Amortisation of other intangible assets	14,868	13,153
Operating profit before working capital changes	865,818	863,302
<u>(Increase)/decrease in:</u>		
Inventories and work-in-progress	4,904	(117,442)
Progress billings in excess of work-in-progress	(26,476)	105,038
Trade receivables	(61,792)	34,567
Advance payments to suppliers	26,292	(59,903)
Other receivables, deposits and prepayments	36,296	(49,119)
Holding company and related corporations balances, net	(14,457)	9,100
Amount due from associates	(7,385)	(2,567)
Amount due from jointly controlled entities	10,439	81
Trade payables	105,060	(131,357)
Advance payments from customers	18,648	366,461
Other payables, accruals and provisions	8,777	72,160
Loans to staff and third parties	11,735	13,798
Deferred income	35,432	4,366
Foreign currency translation of foreign operations	6,885	(5,509)
Cash generated from operations	1,020,176	1,102,976
Interest received	19,595	22,897
Income tax paid	(109,978)	(85,052)
Net cash from operating activities	929,793	1,040,821

3 CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013 (cont'd)

	GROUP	
	FY2013	FY2012
	\$'000	\$'000
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	10,166	14,310
Proceeds from sale of an investment property	-	3,908
Proceeds from sale and maturity of investments	137,419	239,206
Proceeds from disposal of subsidiaries	-	149
Proceeds from disposal of associates	1,200	1,620
Loan to a jointly controlled entity	(3,136)	-
Dividends from associates and jointly controlled entities	39,596	33,269
Dividends from investments	1	12
Purchase of property, plant and equipment	(282,121)	(238,390)
Purchase of investments	(66,623)	(197,207)
Capital reduction in an associate	-	5,560
Investment in associates	(7,924)	(735)
Investment in jointly controlled entities	(9,385)	(2,996)
Acquisition of other intangible assets	(67,079)	(2,935)
Acquisition of controlling interests in subsidiaries and business, net of cash acquired	(9,877)	(28,457)
Net cash used in investing activities	(257,763)	(172,686)
Cash flows from financing activities		
Capital contribution from non-controlling interests of subsidiaries	22,761	3,259
Loan from non-controlling shareholders	-	329
Repayment of other loans	(335)	(133)
Repayment of bank loans	(172,596)	(97,440)
Repayment of lease obligations	(726)	(3,471)
Proceeds from issue of shares	52,146	42,385
Proceeds of loan from a jointly controlled entity	836	-
Proceeds from bank loans	201,898	93,430
Payment to non-controlling interest for reduction of share capital	(1,354)	(1,960)
Acquisition of non-controlling interests in subsidiaries	-	(1,198)
Dividends paid to shareholders of the Company	(521,290)	(475,809)
Dividends paid to non-controlling interests	(12,767)	(14,061)
Interest paid	(40,346)	(50,125)
Deposit discharged/(pledged)	2,025	(3,778)
Net cash used in financing activities	(469,748)	(508,572)
Net increase in cash and cash equivalents	202,282	359,563
Cash and cash equivalents at beginning of the year	1,700,950	1,358,989
Exchange difference on cash and cash equivalents at beginning of the year	17,692	(17,602)
Cash and cash equivalents at end of the year	1,920,924	1,700,950

3(a) ANALYSIS OF CONSOLIDATED STATEMENT OF CASH FLOWS

Compared to FY2012, net cash from operating activities of \$930 million in FY2013 was lower by \$111 million. This was mainly due to unfavourable working capital movements arising mainly from the negative variances in advance payments from customers, progress billings in excess of work-in-progress and trade receivables, but these were partially offset by positive variances in advance payments to suppliers, deferred income, inventories and work-in-progress and trade payables.

3(a) **ANALYSIS OF CONSOLIDATED STATEMENT OF CASH FLOWS** (cont'd)

The Group's net cash used in investing activities of \$258 million in FY2013 was higher than that of FY2012 by \$85 million. The higher cash outflow was mainly attributable to lower proceeds from sale and maturity of investments as well as higher cash outflow for new investments in Aerospace sector and purchase of property, plant and equipment, but these were partially offset by lower cash outflow for the purchase of investments.

The Group's net cash used in financing activities of \$470 million in FY2013 was lower than that of FY2012 by \$39 million, mainly attributable to higher net proceeds from bank loans.

Resulting from the above, the cash and cash equivalents as at FY2013 was \$1,921 million, \$220 million higher than FY2012.

4 **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013**

The Statement of Comprehensive Income included as part of the results announcement is in compliance with the Singapore Financial Reporting Standards (FRS).

	GROUP		
	FY2013	FY2012	+ / (-)
	\$'000	\$'000	%
Profit for the year	591,547	584,621	1.2
Other comprehensive income			
Net fair value changes on available-for-sale financial assets	(7,931)	9,427	(184.1)
Net fair value changes on cash flow hedges	48,592	11,518	321.9
Foreign currency translation differences	45,993	(46,673)	(198.5)
Share of foreign currency translation differences of associates and jointly controlled entities	10,395	(8,680)	(219.8)
Reclassification adjustment of foreign currency translation reserve to profit or loss arising from disposal of a foreign entity	(205)	84	(344.0)
Other comprehensive income for the year, net of tax	96,844	(34,324)	(382.1)
Total comprehensive income for the year, net of tax	688,391	550,297	25.1
Total comprehensive income attributable to:			
Shareholders of the Company	674,953	542,877	24.3
Non-controlling interests	13,438	7,420	81.1
	688,391	550,297	25.1

5 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013

Group	Share capital \$'000	Capital reserves \$'000	Other reserves \$'000	Retained earnings \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1.1.2012	723,411	116,323	(106,552)	1,033,013	1,766,195	109,913	1,876,108
Total comprehensive income for the year							
Profit for the year	-	-	-	576,178	576,178	8,443	584,621
Other comprehensive income							
Net fair value changes on available-for-sale financial assets	-	-	9,427	-	9,427	-	9,427
Net fair value changes on cash flow hedges	-	-	9,842	-	9,842	1,676	11,518
Foreign currency translation differences	-	-	(43,974)	-	(43,974)	(2,699)	(46,673)
Share of foreign currency translation differences of associates and jointly controlled entities	-	-	(8,680)	-	(8,680)	-	(8,680)
Reclassification adjustment of foreign currency translation reserve to profit or loss arising from disposal of foreign entities	-	-	84	-	84	-	84
<i>Other comprehensive income for the year, net of tax</i>	-	-	(33,301)	-	(33,301)	(1,023)	(34,324)
Total comprehensive income for the year, net of tax	-	-	(33,301)	576,178	542,877	7,420	550,297
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners of the Company							
Issue of shares	58,430	-	(16,045)	-	42,385	-	42,385
Capital contribution by non-controlling interests	-	-	-	-	-	3,259	3,259
Cost of share-based payment	-	-	19,212	-	19,212	117	19,329
Return of capital by a subsidiary	-	-	-	-	-	(1,960)	(1,960)
Dividends paid	-	-	-	(475,809)	(475,809)	-	(475,809)
Dividends paid to non-controlling interests	-	-	-	-	-	(14,061)	(14,061)
<i>Total contributions by and distributions to owners of the Company</i>	<i>58,430</i>	<i>-</i>	<i>3,167</i>	<i>(475,809)</i>	<i>(414,212)</i>	<i>(12,645)</i>	<i>(426,857)</i>
Changes in ownership interests in subsidiaries							
Acquisition of non-controlling interests in subsidiaries representing total changes in ownership interest in subsidiaries that do not result in a loss of control	-	-	(173)	-	(173)	(1,362)	(1,535)
Acquisition of subsidiaries with non-controlling interests	-	-	-	-	-	14,569	14,569
Total transactions with owners of the Company	58,430	-	2,994	(475,809)	(414,385)	562	(413,823)
Transfer from retained earnings to statutory reserve	-	-	738	(738)	-	-	-
At 31.12.2012	781,841	116,323	(136,121)	1,132,644	1,894,687	117,895	2,012,582

5 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013 (cont'd)

Group	Share capital \$'000	Capital reserves \$'000	Other reserves \$'000	Retained earnings \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1.1.2013	781,841	116,323	(136,121)	1,132,644	1,894,687	117,895	2,012,582
Total comprehensive income for the year							
Profit for the year	-	-	-	580,834	580,834	10,713	591,547
Other comprehensive income							
Net fair value changes on available-for-sale financial assets	-	-	(7,931)	-	(7,931)	-	(7,931)
Net fair value changes on cash flow hedges	-	-	49,401	-	49,401	(809)	48,592
Foreign currency translation differences	-	-	42,459	-	42,459	3,534	45,993
Share of foreign currency translation difference of associates and jointly controlled entities	-	-	10,395	-	10,395	-	10,395
Reclassification adjustment of foreign currency translation reserve to profit or loss arising from disposal of a foreign entity	-	-	(205)	-	(205)	-	(205)
<i>Other comprehensive income for the year, net of tax</i>	-	-	94,119	-	94,119	2,725	96,844
Total comprehensive income for the year, net of tax	-	-	94,119	580,834	674,953	13,438	688,391
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners of the Company							
Issue of shares	70,770	-	(18,624)	-	52,146	-	52,146
Capital contribution by non-controlling interests	-	-	-	-	-	22,761	22,761
Cost of share-based payment	-	-	15,490	-	15,490	108	15,598
Return of capital by a subsidiary	-	-	-	-	-	(1,354)	(1,354)
Dividends paid	-	-	-	(521,290)	(521,290)	-	(521,290)
Dividends paid to non-controlling interests	-	-	-	-	-	(12,767)	(12,767)
Loans forgiven by non-controlling interests	-	-	-	-	-	483	483
<i>Total contributions by and distributions to owners of the Company</i>	<i>70,770</i>	<i>-</i>	<i>(3,134)</i>	<i>(521,290)</i>	<i>(453,654)</i>	<i>9,231</i>	<i>(444,423)</i>
Changes in ownership interests in subsidiaries							
Acquisition of subsidiaries with non-controlling interests	-	-	-	-	-	3,109	3,109
Disposal of a subsidiary	-	-	255	-	255	-	255
Total transactions with owners of the Company	70,770	-	(2,879)	(521,290)	(453,399)	12,340	(441,059)
Transfer from retained earnings to statutory reserve	-	-	230	(230)	-	-	-
At 31.12.2013	852,611	116,323	(44,651)	1,191,958	2,116,241	143,673	2,259,914

5 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013 (cont'd)

Company	Share capital \$'000	Share-based payment reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1.1.2012	723,411	72,496	536,877	1,332,784
Total comprehensive income for the year				
Profit for the year	-	-	481,322	481,322
Total comprehensive income for the year	-	-	481,322	481,322
Transactions with owners of the Company, recognised directly in equity				
Contributions by and distributions to owners of the Company				
Issue of shares	58,430	(16,045)	-	42,385
Cost of share-based payment	-	19,329	-	19,329
Dividends paid	-	-	(475,809)	(475,809)
<i>Total contributions by and distributions to owners</i>	<i>58,430</i>	<i>3,284</i>	<i>(475,809)</i>	<i>(414,095)</i>
At 31.12.2012	781,841	75,780	542,390	1,400,011
At 1.1.2013	781,841	75,780	542,390	1,400,011
Total comprehensive income for the year				
Profit for the year	-	-	543,316	543,316
Total comprehensive income for the year	-	-	543,316	543,316
Transactions with owners of the Company, recognised directly in equity				
Contributions by and distributions to owners of the Company				
Issue of shares	70,770	(18,624)	-	52,146
Cost of share-based payment	-	15,598	-	15,598
Dividends paid	-	-	(521,290)	(521,290)
<i>Total contributions by and distributions to owners</i>	<i>70,770</i>	<i>(3,026)</i>	<i>(521,290)</i>	<i>(453,546)</i>
At 31.12.2013	852,611	72,754	564,416	1,489,781

5(a) CHANGES IN COMPANY'S SHARE CAPITAL

Issued and paid up capital

As at 31 December 2013, the Company has an issued share capital of 3,105,903,530 ordinary shares (31 December 2012: 3,080,441,746 ordinary shares).

As at 31 December 2013, the Company did not hold any treasury shares (31 December 2012: Nil).

	Number of shares for the year ended 31.12.2013	Number of shares for the quarter ended 31.12.2013
As at beginning of the year/quarter	3,080,441,746	3,105,343,944
Issue of shares under the terminated Singapore Technologies Engineering Share Option Plan (ESOP)	17,986,756	526,291
Issue of shares under the terminated Singapore Technologies Engineering Performance Share Plan (PSP 2000)	781,587	-
Issue of shares under the terminated Singapore Technologies Engineering Restricted Stock Plan (RSP 2000)	3,145,299	12,857
Issue of shares under the Singapore Technologies Engineering Restricted Share Plan 2010 (RSP 2010)	3,548,142	20,438
As at end of the year	3,105,903,530	3,105,903,530

Share Option Plan

As at 31 December 2013, there were 30,517,942 (31 December 2012: 48,760,165) unexercised options of unissued ordinary shares under ESOP.

Performance Share Plan

- (i) *Singapore Technologies Engineering Performance Share Plan (PSP 2000)*
As at 31 December 2013, the total number of contingent shares granted conditionally but not released was nil (31 December 2012: 1,364,026).
- (ii) *Singapore Technologies Engineering Performance Share Plan 2010 (PSP 2010)*
As at 31 December 2013, the total number of contingent shares granted conditionally but not released was 3,828,166 (31 December 2012: 3,107,287). Based on the achievement factor, the actual release of the awards could range from zero to a maximum of 6,507,882 (31 December 2012: 5,282,387) ordinary shares of the Company.

Restricted Stock Plan

- (i) *Singapore Technologies Engineering Restricted Stock Plan (RSP 2000)*
As at 31 December 2013, the total number of awards released but not vested was 1,684,312 (31 December 2012: 4,917,906) ordinary shares of the Company.
- (ii) *Singapore Technologies Engineering Restricted Share Plan 2010 (RSP 2010)*
As at 31 December 2013, the total number of contingent shares granted conditionally but not released was 8,588,608 (31 December 2012: 11,209,419). Based on the achievement factor, the actual release of the awards could range from zero to a maximum of 12,835,412 (31 December 2012: 16,811,628) ordinary shares. As at 31 December 2013, the total number of awards released but not vested was 3,265,102 (31 December 2012: 214,950) ordinary shares of the Company.

6 **AUDIT**

The figures have been audited by the Company's auditors.

7 **AUDITORS' REPORT**

See attached auditors' report

8 **ACCOUNTING POLICIES**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 31 December 2012 except for the adoption of FRS and INT FRS that are mandatory for financial year beginning on or after 1 January 2013. The adoption of these FRS and INT FRS has no significant impact on the financial statements.

9 **CHANGES IN ACCOUNTING POLICIES**

Not applicable.

10 REVIEW OF GROUP PERFORMANCE

10(a) Revenue

FY2013 vs FY2012

\$m	FY2013	FY2012	Growth	
Aerospace	2,079	2,019	60	3%
Electronics	1,650	1,578	72	5%
Land Systems	1,475	1,513	(38)	(2%)
Marine	1,238	1,011	227	23%
Others	191	259	(68)	(27%)
Total	6,633	6,380	253	4%

Group's revenue of \$6,633 million for FY2013 was comparable to that of FY2012. All sectors' revenues were comparable except for Marine sector which recorded higher revenue. The lower revenue under "Others" was attributable to ST Synthesis and Miltope.

Aerospace sector's FY2013 revenue of \$2,079 million was comparable to that of FY2012. The higher revenue in the **Aircraft Maintenance & Modification (AMM)** business group and more project milestone completions in the **Engineering & Material Services (EMS)** business group were largely offset by lower sales in the components division in the **Component/Engine Repair & Overhaul (CERO)** business group.

FY2013 revenue of \$1,650 million for the Electronics sector was comparable to that of FY2012. **Large-Scale Systems Group (LSG)** recorded higher revenue, while both **Communication & Sensor Systems Group (CSG)** and **Software Systems Group (SSG)** had comparable revenue. **LSG's** higher revenue was mainly due to milestone completions of the Land Transport Authority's (LTA) Downtown Line project, the Chennai Metro Rail project and the MRT projects in Wuxi, Bangkok and Taipei.

Land Systems sector's FY2013 revenue of \$1,475 million was comparable to that of FY2012. Both **Munitions & Weapon (M&W)** and **Services, Trading & Others (S&T)** business groups recorded lower revenue, while Automotive (Auto) business group came in with comparable revenue.

Revenue of Marine sector in FY2013 of \$1,238 million was higher than that of FY2012 by 23% or \$227 million, due mainly to higher **Shipbuilding** activities from local operation, but partially offset by lower **Engineering** revenue due to lower environmental engineering activities.

10 REVIEW OF GROUP PERFORMANCE (cont'd)

10(a) **Revenue** (cont'd)

4Q2013 vs 3Q2013

\$m	4Q2013	3Q2013	Growth	
Aerospace	587	510	77	15%
Electronics	522	350	172	49%
Land Systems	389	348	41	12%
Marine	377	296	81	27%
Others	66	46	20	43%
Total	1,941	1,550	391	25%

Group's revenue for 4Q2013 of \$1,941 million was higher than that achieved in 3Q2013 by 25% or \$391 million. All sectors recorded higher revenue in the 4Q2013 compared to 3Q2013.

Aerospace sector's revenue of \$587 million for 4Q2013 was higher than that of 3Q2013 by 15% or \$77 million. The higher revenue contributed by the **AMM** business group and more project milestone completions in the **EMS** business group were partially offset by the lower sales in the engines division in the **CERO** business group.

4Q2013 revenue of \$522 million in the Electronics sector was higher than that of 3Q2013 by 49% or \$172 million. All three business groups registered higher revenue. **LSG's** higher revenue was mainly due to milestone completions of an air traffic control system project and LTA's communications systems projects. **CSG's** higher revenue was attributable to milestone completions of communication projects, increased sales of satellite communication products and electro-optics equipment, while **SSG's** higher revenue was mainly due to milestone completions of various software system projects.

Land Systems sector's 4Q2013 revenue of \$389 million was higher than that achieved in 3Q2013 by 12% or \$41 million, attributable to higher revenue from **Auto** and **M&W** business groups.

4Q2013 revenue of \$377 million for the Marine sector was 27% or \$81 million higher than that achieved in 3Q2013, mainly due to higher **Shipbuilding** and **Engineering** revenue.

10 REVIEW OF GROUP PERFORMANCE (cont'd)

10(b) Profitability

FY2013 vs FY2012

\$m	FY2013	FY2012	Growth	
Aerospace	319.4	297.8	21.6	7%
Electronics	170.3	152.3	18.0	12%
Land Systems	111.8	113.3	(1.5)	(1%)
Marine	146.3	127.6	18.7	15%
Others	(18.1)	24.4	(42.5)	(175%)
Total	729.7	715.4	14.3	2%

Group's profit before tax (PBT) for FY2013 of \$729.7 million was comparable to that achieved in FY2012. Higher PBT was recorded by all sectors except Land Systems sector which had comparable PBT.

Aerospace sector's PBT of \$319.4 million in FY2013 was higher than that achieved in FY2012 by 7% or \$21.6 million. The higher PBT was attributable to higher gross profit, lower operating expenses and favourable foreign exchange impact, but these were partially offset by the absence of a one-off gain on disposal of a property and write-back of allowance for inventory obsolescence recognised in FY2012.

PBT for Electronics sector in FY2013 of \$170.3 million was higher than that achieved in FY2012 by 12% or \$18.0 million. The higher PBT was mainly attributable to lower impairment of intangible assets, gain on the disposal of an investment as well as lower loss incurred by an associate.

Land Systems sector's FY2013 PBT of \$111.8 million was comparable to that of FY2012. The impact of lower revenue and unfavourable product mix was largely offset by lower operating expenses and higher gain on disposal of property.

PBT of Marine sector in FY2013 of \$146.3 million was higher than that of FY2012 by 15% or \$18.7 million. The higher PBT was mainly due to gross profit from higher revenue achieved, higher interest income and favourable change in the net fair value of embedded derivatives, financial instruments and hedged item.

The lower PBT under "Others" was due to the lower contribution from ST Synthesis and Miltope in line with the lower revenue, absence of contribution from an associate with profit from Singapore Airshow 2012 as well as unfavourable fair value change in respect of the cross currency interest rate swaps.

10 REVIEW OF GROUP PERFORMANCE (cont'd)

10(b) Profitability (cont'd)

4Q2013 vs 3Q2013

\$m	4Q2013	3Q2013	Growth	
Aerospace	88.2	78.5	9.7	12%
Electronics	46.7	43.0	3.7	9%
Land Systems	39.6	17.5	22.1	126%
Marine	47.1	34.0	13.1	39%
Others	(5.5)	(5.0)	(0.5)	(9%)
Total	216.1	168.0	48.1	29%

Group's PBT for 4Q2013 of \$216.1 million was higher than that achieved in 3Q2013 by 29% or \$48.1 million as all sectors recorded higher PBT in the current quarter.

Aerospace sector's PBT of \$88.2 million was higher than that of 3Q2013 by 12% or \$9.7 million. The higher PBT was largely due to lower operating expenses and favourable foreign exchange impact, partially offset by lower contribution from associates and jointly controlled entities.

Electronics sector's PBT of \$46.7 million for 4Q2013 was higher than that achieved in 3Q2013 by 9% or \$3.7 million. The higher PBT was in line with the higher revenue, partially offset by less favourable sales mix and higher operating expenses.

Compared to 3Q2013, Land Systems sector's 4Q2013 PBT of \$39.6 million was higher by 126% or \$22.1 million. The higher PBT was mainly attributable to gain on disposal of a property, higher revenue, and lower operating expenses.

Marine sector's PBT of \$47.1 million in 4Q2013 was higher than that achieved in 3Q2013 by 39% or \$13.1 million. The higher PBT was attributable to higher gross profit in line with the higher revenue as well as favourable sales mix.

11 **VARIANCE FROM PROSPECTS STATEMENT**

In the Prospects Statement for the 3Q2013 results announced in November 2013, Land Systems sector forecasted that PBT for FY2013 would likely be lower than FY2012. The Sector is pleased to report that the PBT for FY2013 is comparable to that of FY2012, due mainly to gain from the disposal of a property which was not forecasted.

Other than the variance as mentioned above, there is no other variance from the 3Q2013 Prospects Statement.

12 **PROSPECTS**

Group

Barring unforeseen circumstances, the Group expects to achieve higher Revenue and PBT in FY2014 compared to that of FY2013.

Sectors

For the Aerospace sector, FY2014 revenue is expected to be higher, whilst PBT is expected to be comparable to that of FY2013.

For the Electronics and Marine sectors, FY2014 revenue and PBT are expected to be higher than that of FY2013.

For the Land Systems sector, FY2014 revenue is expected to be comparable, whilst PBT is expected to be lower than that of FY2013.

This release may contain forward-looking statements that involve risks and uncertainties. These forward-looking statements reflect the Company's current intentions, plans, expectations, assumptions and beliefs about future events. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes, as well as natural disasters which may negatively impact business activities of the ST Engineering group. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

13 DIVIDENDS

The Directors are pleased to announce that a final dividend of 12.0 cents per share has been recommended for the year ended 31 December 2013. The recommended final dividend consists of an Ordinary Dividend of 4.0 cents per share and a Special Dividend of 8.0 cents per share. Together with the interim ordinary dividend of 3.0 cents per share paid on 13 September 2013, the total dividend for the year ended 31 December 2013 will be 15.0 cents per share and amounts to \$466.1 million. The recommended dividends take into consideration the Group's FY2013 profit after tax, present cash position, positive cash flow generated from operations and projected capital requirements. Payment of the final dividend is subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting.

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? Yes

Name of Dividend	Interim Ordinary tax exempt (one-tier)	Final Ordinary tax exempt (one-tier)	Special Dividend tax exempt (one-tier)	Total
Dividend Type	Cash	Cash	Cash	Cash
Dividend Per Share	3.0 cents per ordinary share	4.0 cents per ordinary share	8.0 cents per ordinary share	15.0 cents per ordinary share
Annual Dividend	\$93.2m	\$124.3m	\$248.6m	\$466.1m

(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 Ordinary tax exempt (one-tier)	Final Ordinary tax exempt (one-tier)	Special Dividend tax exempt (one-tier)	Total
Dividend Type	Cash	Cash	Cash	Cash
Dividend Per Share	3.0 cents per ordinary share	4.0 cents per ordinary share	9.8 cents per ordinary share	16.8 cents per ordinary share
Annual Dividend	\$92.2m	\$124.1m	\$304.0m	\$520.3m

(c) Books Closure and Dividend Payment Dates

NOTICE IS HEREBY GIVEN THAT the Register of Members and Share Transfer Books will be closed on 2 May 2014 for the preparation of dividend warrants. Duly completed transfers in respect of ordinary shares in the capital of the Company together with all relevant documents of title received by the Company's share registrar, M & C Services Private Limited, 112 Robinson Road #05-01 Singapore 068902 up to 5.00 p.m. on 30 April 2014 will be registered to determine members' entitlements to the proposed dividends, subject to approval of members to the proposed dividends at the Seventeen Annual General Meeting to be convened on 24 April 2014. Subject as aforesaid, members whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 30 April 2014 will be entitled to the proposed dividends. The proposed dividends, if so approved by members, will be paid on 20 May 2014.

14 **BUSINESS SEGMENTAL INFORMATION**

By Business Activity

	FY2013						
	Aerospace	Electronics	Land Systems	Marine	Others	Elimination	Group
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue							
External sales	2,079,076	1,650,332	1,475,361	1,237,933	190,450	-	6,633,152
Inter-segment sales	9,029	31,946	9,858	914	31,926	(83,673)	-
	<u>2,088,105</u>	<u>1,682,278</u>	<u>1,485,219</u>	<u>1,238,847</u>	<u>222,376</u>	<u>(83,673)</u>	<u>6,633,152</u>
Reportable segment profit from operations	291,828	165,546	90,472	134,479	(58,943)	49,833	673,215
Other income, net	7,146	2,044	19,487	6,004	609,301	(609,794)	34,188
Finance income	14,528	9,546	4,836	37,038	77,706	(74,743)	68,911
Finance costs	(18,645)	(5,342)	(11,175)	(33,284)	(89,735)	80,477	(77,704)
Share of results of associates and jointly controlled entities, net of tax	<u>24,585</u>	<u>(1,466)</u>	<u>8,173</u>	<u>2,073</u>	<u>-</u>	<u>(2,283)</u>	<u>31,082</u>
Profit before taxation	319,442	170,328	111,793	146,310	538,329	(556,510)	729,692
Taxation	(53,589)	(30,502)	(19,196)	(36,325)	1,467	-	(138,145)
Non-controlling interests	<u>(6,639)</u>	<u>(2,707)</u>	<u>(1,358)</u>	<u>(30)</u>	<u>-</u>	<u>21</u>	<u>(10,713)</u>
Profit attributable to shareholders	<u>259,214</u>	<u>137,119</u>	<u>91,239</u>	<u>109,955</u>	<u>539,796</u>	<u>(556,489)</u>	<u>580,834</u>
Other assets	2,421,451	1,732,792	1,991,478	1,137,593	4,281,836	(3,320,648)	8,244,502
Associates and jointly controlled entities	<u>328,017</u>	<u>729</u>	<u>110,972</u>	<u>3,223</u>	<u>17,681</u>	<u>1,517</u>	<u>462,139</u>
Segment assets	<u>2,749,468</u>	<u>1,733,521</u>	<u>2,102,450</u>	<u>1,140,816</u>	<u>4,299,517</u>	<u>(3,319,131)</u>	<u>8,706,641</u>
Segment liabilities	<u>2,222,830</u>	<u>1,538,772</u>	<u>1,779,140</u>	<u>950,319</u>	<u>2,260,361</u>	<u>(2,304,695)</u>	<u>6,446,727</u>
Capital expenditure ⁺	176,066	90,305	67,719	56,195	7,452	-	397,737
Depreciation and amortisation	50,194	29,106	39,083	18,514	5,189	(42)	142,044
Impairment losses/(write-back of impairment)	3,488	3,479	2,348	-	(9)	-	9,306
Other non-cash expenses	956	315	112	-	3	-	1,386

⁺ Capital expenditure consists of additions of property, plant and equipment and intangible assets.

14 BUSINESS SEGMENTAL INFORMATION (cont'd)
By Business Activity

	FY2012						
	Aerospace	Electronics	Land Systems	Marine	Others	Elimination	Group
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue							
External sales	2,019,270	1,578,045	1,512,601	1,010,546	259,404	-	6,379,866
Inter-segment sales	6,357	40,672	12,740	546	29,574	(89,889)	-
	<u>2,025,627</u>	<u>1,618,717</u>	<u>1,525,341</u>	<u>1,011,092</u>	<u>288,978</u>	<u>(89,889)</u>	<u>6,379,866</u>
Reportable segment profit from operations	274,306	158,207	98,512	122,226	(46,529)	51,177	657,899
Other income, net	16,070	2,191	18,686	6,109	560,341	(560,155)	43,242
Finance income	9,774	3,206	4,448	6,820	107,458	(83,319)	48,387
Finance costs	(25,904)	(6,774)	(15,423)	(8,843)	(83,799)	73,669	(67,074)
Share of results of associates and jointly controlled entities, net of tax	23,594	(4,498)	7,045	1,270	300	5,215	32,926
Profit before taxation	297,840	152,332	113,268	127,582	537,771	(513,413)	715,380
Taxation	(40,568)	(29,831)	(23,066)	(32,926)	(4,368)	-	(130,759)
Non-controlling interests	(4,030)	(2,730)	(2,042)	357	-	2	(8,443)
Profit attributable to shareholders	<u>253,242</u>	<u>119,771</u>	<u>88,160</u>	<u>95,013</u>	<u>533,403</u>	<u>(513,411)</u>	<u>576,178</u>
Other assets	2,291,275	1,555,994	1,946,157	885,915	4,074,433	(3,028,328)	7,725,446
Associates and jointly controlled entities	160,875	4,702	111,550	2,562	17,681	8,746	306,116
Segment assets	<u>2,452,150</u>	<u>1,560,696</u>	<u>2,057,707</u>	<u>888,477</u>	<u>4,092,114</u>	<u>(3,019,582)</u>	<u>8,031,562</u>
Segment liabilities	<u>1,975,445</u>	<u>1,408,055</u>	<u>1,907,535</u>	<u>764,093</u>	<u>2,166,357</u>	<u>(2,202,505)</u>	<u>6,018,980</u>
Capital expenditure ⁺	108,745	46,722	52,865	49,932	4,551	-	262,815
Depreciation and amortisation	49,014	27,452	41,467	14,339	4,876	(46)	137,102
Impairment losses/(Write-back of impairment)	-	11,079	4,719	-	(340)	-	15,458
Other non-cash expenses	7,202	101	11	-	-	-	7,314

⁺ Capital expenditure consists of additions of property, plant and equipment and intangible assets.

14 **BUSINESS SEGMENTAL INFORMATION** (cont'd)

By Business Activity

For Revenue and Profit Before Tax of 4Q2013 vis-à-vis 3Q2013, please refer to paragraph 10.

	Profit Attributable to Shareholders		
	4Q2013	3Q2013	+/(-)
	\$'000	\$'000	%
Aerospace	69,565	63,763	9.1
Electronics	38,546	32,418	18.9
Land Systems	29,227	14,505	101.5
Marine	34,765	25,730	35.1
Others	(4,578)	(5,015)	(8.7)
Group	<u>167,525</u>	<u>131,401</u>	27.5

By Geographical Areas

	Revenue			
	FY2013		FY2012	
	\$'000	%	\$'000	%
Asia	3,868,536	58.3	3,758,800	58.9
USA	1,705,677	25.8	1,738,965	27.3
Europe	420,875	6.3	508,018	8.0
Others	638,064	9.6	374,083	5.8
Total	<u>6,633,152</u>	<u>100</u>	<u>6,379,866</u>	<u>100</u>

By Country of Incorporation

	Revenue				Non-Current Assets *			
	FY2013		FY2012		FY2013		FY2012	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Asia	4,811,651	72.5	4,393,699	68.9	1,893,992	67.4	1,638,684	66.7
USA	1,642,208	24.8	1,673,270	26.2	732,649	26.1	634,313	25.8
Europe	129,952	2.0	264,082	4.1	81,599	2.9	89,585	3.6
Others	49,341	0.7	48,815	0.8	101,381	3.6	95,396	3.9
Total	<u>6,633,152</u>	<u>100</u>	<u>6,379,866</u>	<u>100</u>	<u>2,809,621</u>	<u>100</u>	<u>2,457,978</u>	<u>100</u>

* Non-current assets for the purpose of FRS 108 *Operating Segments* excludes derivative financial instruments and deferred tax assets.

15 **ECONOMIC VALUE ADDED (EVA)**

EVA for FY2013 was \$413.8 million, a decrease of 6% or \$24.1 million over FY2012. The weighted average cost of capital for 2013 was 5.2% (2012: 5.3%).

16 **INTERESTED PERSON TRANSACTIONS** (unaudited)

Aggregate value of all transactions conducted under a shareholders mandate pursuant to Rule 920 of the SGX Listing Manual

	FY2013 \$'000	FY2012 \$'000
Transactions for the Sale of Goods and Services		
CapitaLand Limited and its Associates	173	602
SembCorp Industries Ltd and its Associates	-	5,515
SembCorp Marine Ltd and its Associates	6,399	7,259
SATS Ltd. and its Associates	900	-
Singapore Telecommunications Limited and its Associates	722	1,854
SMRT Corporation Ltd and its Associates	750	72,820
Temasek Holdings (Private) Limited and its Associates	10,208	14,593
	19,152	102,643
Transactions for the Purchase of Goods and Services		
SATS Ltd. and its Associates	2,552	3,978
Singapore Telecommunications Limited and its Associates	1,389	2,483
SMRT Corporation Ltd and its Associates	283	676
StarHub Ltd and its Associates	-	215
Temasek Holdings (Private) Limited and its Associates	2,927	4,599
	7,151	11,951
Total Interested Person Transactions	26,303	114,594

17 **REPORT OF PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO A DIRECTOR, CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDER**

Pursuant to Rule 704(13) of the SGX Listing Manual, as at 31 December 2013, based on returns from the Directors, no person occupying a managerial position in the Company or any of its principal subsidiaries is related to a Director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

CHUA SU LI
Company Secretary
27 February 2014

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For more details on how the business of each Sector is managed and its related performance, please see the attached sections. The information is given on a voluntary basis and from the perspective of the Sector management, as its disclosure is not made pursuant to any law or regulation.