SIA ENGINEERING COMPANY

7th May 2012

SIA ENGINEERING GROUP NET PROFIT GREW 4.1% to $269.1M FOR FY2011-12

HIGHLIGHTS OF THE GROUP'S PERFORMANCE

	FY2011-12			4th Quarter FY2011-12		
	Apr 2011 - Mar 2012	Year-on-Year % Change		Jan - Mar 2012	Year-on-Year % Change	
• Revenue	$1,169.9M	+	5.7	$316.5M	+	16.4
• Operating profit	$129.6M	-	4.5	$32.5M	+	6.2
• Share of profits from joint venture and associated companies	$156.9M	+	8.7	$38.5M	+	14.9
• Profit attributable to owners of the parent	$269.1M	+	4.1	$66.3M	+	8.9
• Basic earnings per share	24.56 cts	+	3.3	6.04 cts	+	8.1

GROUP EARNINGS

Financial Year 2011-12

SIAEC Group posted a profit attributable to owners of the parent of $269.1 million for the financial year ended 31 March 2012, an increase of $10.6 million or 4.1% over last year. Share of profits from associated and joint venture companies was $12.5 million or 8.7% higher at $156.9 million, representing a contribution of 51.8% to the Group's pre-tax profits. Performance in FY2011-12 included a write-back of tax provision of $3.1 million arising from a change in the tax rules relating to an overseas associated company during the year.

Revenue grew by $63.0 million or 5.7% to $1,169.9 million. This was primarily contributed by higher fleet management programme revenue with an increase in fleet size, more airframe and component overhaul work and a cabin interior reconfiguration project for four B777-300.

Expenditure at $1,040.3 million was $69.1 million or 7.1% higher, mainly due to higher subcontract and staff costs to support the increase in workload.

The resulting operating profit of $129.6 million was $6.1 million or 4.5% lower compared to previous financial year.

Basic earnings per share was 3.3% higher at 24.56 cents.

Note: The SIAEC Group's audited financial results for the financial year ended 31 March 2012 were announced on 7 May 2012. 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.)

Fourth Quarter FY2011-12

Operating profit for the quarter improved by $1.9 million or 6.2% to $32.5 million as revenue growth of $44.5 million or 16.4% was partially offset by a corresponding increase of $42.6 million or 17.6% in expenditure.

Profit attributable to owners of the parent amounted to $66.3 million in this quarter, an increase of $5.4 million or 8.9% over the same quarter last year. Share of profits from associated and joint venture companies increased by $5.0 million or 14.9% to $38.5 million. This accounted for 50.9% of the Group's pre-tax profits during the quarter. Provision for tax was higher by $1.7 million at $8.2 million for the fourth quarter ended this year.

Basic earnings per share increased by 8.1% to 6.04 cents.

GROUP FINANCIAL POSITION

As at 31 March 2012, equity attributable to owners of the parent of $1,254.3 million was $48.4 million or 3.7% lower than at 31 March 2011.

Total assets decreased by $22.2 million or 1.4% to $1,599.3 million at the end of FY2011-12, mainly due to the payment of a special dividend for FY2010-11. Net asset value per share of 114.3 cents as at 31 March 2012, was 5.1 cents or 4.3% lower than a year ago. The total number of shares issued as at 31 March 2012, was 1,097.6 million.

The Company has no borrowings and the cash balance of the Group as at 31 March 2012 amounted to $497.9 million.

DIVIDEND

The Board is recommending a final ordinary dividend of 15.0 cents per share. Together with the interim dividend of 6.0 cents per share paid earlier, the total dividend payment for FY2011-12 will be 21.0 cents per share.

Payment of the final dividend, which amounts to approximately $164.6 million, is subject to shareholders' approval at the Annual General meeting on 19 July 2012. The dividend will be paid on 10 August 2012.

OUTLOOK

Prevailing uncertainties in the world's major economies and oil price volatility continue to impact the aviation industry. Nevertheless, demand for the Group's core businesses is expected to remain stable in the near term. Cost and efficiency management will continue to be key priorities.

With our collaborations with strategic partners, the Group is well placed to benefit from the projected long-term growth in aviation in the region.

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(For the complete fourth quarter and financial year FY2011-12 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

	FY 2011-12	FY 2010-11	4th Quarter 2011-12	4th Quarter 2010-11
Financial Results ($ million)				
Total revenue	1,169.9	1,106.9	316.5	272.0
Total expenditure	1,040.3	971.2	284.0	241.4
Operating profit	129.6	135.7	32.5	30.6
Non-operating items	3.0	3.5	1.0	0.2
Dividend income from long term investment	13.6	12.5	3.6	3.6
Share of profits of joint venture companies	74.7	74.6	22.8	18.2
Share of profits of associated companies	82.2	69.8	15.7	15.3
Profit before taxation	303.1	296.1	75.6	67.9
Profit attributable to owners of the parent	269.1	258.5	66.3	60.9
Per Share Data				
Earnings before tax (cents)	27.66	27.22	6.89	6.22
Earnings after tax (cents) - basic [R1]	24.56	23.77	6.04	5.59
- diluted [R2]	24.36	23.51	6.00	5.52

	As at 31 Mar 2012	As at 31 Mar 2011
Financial Position ($ million)		
Share capital	317.3	297.8
Reserves		
Share-based compensation reserve	38.2	40.7
Foreign currency translation reserve	(129.2)	(128.6)
Fair value reserve	(0.9)	4.4
General reserve	1,028.9	1,088.4
Equity attributable to owners of the parent	1,254.3	1,302.7
Total assets	1,599.3	1,621.5
Net asset value per share (cents) [R3]	114.3	119.4

[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.