SIA ENGINEERING COMPANY

14th May 2013

SIA ENGINEERING GROUP POSTS PROFIT OF $270.1M FOR FY2012-13

HIGHLIGHTS OF THE GROUP'S PERFORMANCE

	FY2012-13			4th Quarter FY2012-13		
	Apr 2012 - Mar 2013	Year-on-Year % Change		Jan - Mar 2013	Year-on-Year % Change	
• Revenue	$1,146.7M	-	2.0	$283.5M	-	10.4
• Operating profit	$128.1M	-	1.2	$30.9M	-	4.9
• Share of profits from joint venture and associated companies	$159.2M	+	1.5	$40.4M	+	4.9
• Profit attributable to owners of the parent	$270.1M	+	0.4	$65.9M	-	0.6
• Basic earnings per share	24.51 cts	-	0.2	5.96 cts	-	1.3

GROUP EARNINGS

Financial Year 2012-13

SIAEC Group posted a profit attributable to owners of the parent of $270.1 million for the financial year ended 31 March 2013, an increase of $1.0 million or 0.4% over last year. Operating profit was $1.5 million or 1.2% lower at $128.1 million.

Revenue was $23.2 million or 2.0% lower, mainly due to lower fleet management and project revenue. Project revenue relates to the provision of services for the cabin interior reconfiguration of aircraft. Expenditure reduced by $21.7 million or 2.1%, in tandem with the lower revenue. Subcontract costs in particular declined by $32.6 million or 19.3%, but this was partially offset by higher staff costs.

Share of profits from associated and joint venture companies was $2.3 million or 1.5% higher at $159.2 million, representing a contribution of 52.0% to the Group's pre-tax profits.

Basic earnings per share was 24.51 cents for this financial year.

Note: The SIAEC Group's audited financial results for the financial year ended 31 March 2013 were announced on 14 May 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.)

Fourth Quarter FY2012-13

Operating profit for the quarter was $1.6 million or 4.9% lower compared to the same period last year. Revenue was $33.0 million or 10.4% lower, mainly due to lower material, fleet management and project revenue. Consequently, expenditure reduced by $31.4 million or 11.1%, mainly from lower material and subcontract costs.

Share of profits from associated and joint venture companies grew by $1.9 million or 4.9% to $40.4 million. This accounted for 53.4% of the Group's pre-tax profits during the quarter.

Basic earnings per share was 5.96 cents for this quarter.

GROUP FINANCIAL POSITION

As at 31 March 2013, equity attributable to owners of the parent of $1,301.9 million was $47.6 million or 3.8% higher than at 31 March 2012.

Total assets increased by $33.4 million or 2.1% to $1,632.7 million at the end of FY2012-13. Net asset value per share of 117.7 cents as at 31 March 2013 was 3.4 cents or 3.0% higher than a year ago.

The Company has no borrowings and the cash balance of the Group as at 31 March 2013 amounted to $522.9 million.

DIVIDEND

The Board is recommending a final ordinary dividend of 15.0 cents per share. Together with the interim dividend of 7.0 cents per share paid earlier, the total dividend payment for FY2012-13 will be 22.0 cents per share.

Payment of the final dividend, which amounts to approximately $165.9 million, is subject to shareholders' approval at the Annual General Meeting on 19 July 2013. The dividend will be paid on 7 August 2013.

OUTLOOK

The Group's performance is expected to remain stable in the near term. However, the operating environment remains challenging as uncertainties persist in the global economy.

Initiatives to improve productivity and efficiency, and strict control of costs are ongoing. These, coupled with sales efforts to improve our market share, should enhance our competitive position.

Our cluster of strategic partnerships and diversified portfolio position the Group well for sustainable growth. We will continue to pursue suitable strategic opportunities to benefit from the growth of the aviation industry in the region.

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

For more information, please contact:
Chia Peck Yong
Senior Manager Public Affairs
SIA Engineering Company
Tel: (65) 6541-5134
Fax: (65) 6546-0679
Mobile: 9863-0982
E-mail: peckyong_chia@singaporeair.com.sg

Company Registration No: 198201025C

GROUP FINANCIAL STATISTICS

	FY 2012-13	FY 2011-12	4th Quarter 2012-13	4th Quarter 2011-12
Financial Results ($ million)				
Total revenue	1,146.7	1,169.9	283.5	316.5
Total expenditure	1,018.6	1,040.3	252.6	284.0
Operating profit	128.1	129.6	30.9	32.5
Non-operating items	1.8	3.0	0.6	1.0
Dividend income from long term investment	17.0	13.6	3.7	3.6
Share of profits of joint venture companies	96.2	74.7	25.9	22.8
Share of profits of associated companies	63.0	82.2	14.5	15.7
Profit before taxation	306.1	303.1	75.6	75.6
Profit attributable to owners of the parent	270.1	269.1	65.9	66.3
Per Share Data				
Earnings before tax (cents)	27.77	27.66	6.83	6.89
Earnings after tax (cents) - basic [R1]	24.51	24.56	5.96	6.04
- diluted [R2]	24.30	24.36	5.91	6.00

	As at 31 Mar 2013	As at 31 Mar 2012
Financial Position ($ million)		
Share capital	348.1	317.3
Reserves		
Share-based compensation reserve	31.9	38.2
Foreign currency translation reserve	(134.5)	(129.2)
Fair value reserve	(0.6)	(0.9)
General reserve	1,057.0	1,028.9
Equity attributable to owners of the parent	1,301.9	1,254.3
Total assets	1,632.7	1,599.3
Net asset value per share (cents) [R3]	117.7	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, performance shares and restricted shares 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.