

Sectoral Financial Review – Aerospace

INCOME STATEMENT

	2010 \$'000	2009 \$'000
Turnover	1,874,995	1,875,225
Cost of sales	(1,529,338)	(1,556,683)
Gross profit	345,657	318,542
Distribution and selling expenses	(7,442)	(11,929)
Administrative expenses	(89,239)	(91,258)
Other operating expenses	(15,147)	(15,506)
Profit from operations before taxation, other income and finance costs, net	233,829	199,849
Other income net	9,350	20,434
Finance income	15,194	7,971
Finance costs	(25,391)	(34,071)
Finance costs, net	(10,197)	(26,100)
Share of results of associates and joint ventures	29,237	34,105
Profit from operations before taxation	262,219	228,288
Taxation	(46,848)	(33,688)
Profit from operations after taxation	215,371	194,600
Attributable to:		
Shareholders of the Company	209,767	185,700
Non-controlling interests	5,604	8,900
	215,371	194,600



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BALANCE SHEET

	2010 \$'000	2009 \$'000
ASSETS		
Non-current assets		
Property, plant and equipment	825,248	770,076
Associates and joint ventures	128,078	125,601
Investments	1	1,342
Intangible assets	8,648	9,311
Long-term receivables, non-current	34,368	32,064
Derivative financial instruments	523	6,405
Deferred tax assets	27,808	44,551
	1,024,674	989,350
Current assets		
Inventories and work-in-progress	374,815	388,165
Trade debtors	364,392	363,844
Amounts due from related parties, current	122,047	4,244
Advances and other debtors	268,863	82,954
Long-term receivables, current	10,227	7,399
Short-term investments	99	91
Bank balances and other liquid funds	323,770	266,743
	1,464,213	1,113,440
TOTAL ASSETS	2,488,887	2,102,790
EQUITY AND LIABILITIES		
Current liabilities		
Advance payments from customers, current	96,696	110,602
Creditors and accruals	510,951	437,860
Amounts due to related parties, current	312,630	134,116
Provisions	58,095	63,271
Progress billing in excess of work-in-progress	109,408	95,622
Provision for taxation	75,194	81,107
Lease obligations, current	1,579	1,644
Long-term bank loans, current	300,020	–
	1,464,573	924,222
NET CURRENT (LIABILITIES)/ASSETS	(360)	189,218
Non-current liabilities		
Advance payments from customers, non-current	456,452	287,884
Deferred income	2,615	2,199
Deferred tax liabilities	7,557	8,844
Lease obligations, non-current	1,713	3,583
Long-term bank loans, non-current	69,318	360,442
Other loans, non-current	11,523	3,253
Derivative financial instruments	–	1,916
Amounts due to related parties, non-current	53,049	53,049
	602,227	721,170
TOTAL LIABILITIES	2,066,800	1,645,392
NET ASSETS	422,087	457,398
Share capital and reserves	377,977	412,210
Non-controlling interests	44,110	45,188
	422,087	457,398
TOTAL EQUITY AND LIABILITIES	2,488,887	2,102,790

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STATEMENT OF CASH FLOWS

	2010 \$'000	2009 \$'000
Net cash from operating activities	358,596	461,921
Net cash used in investing activities	(155,583)	(90,404)
Proceeds from sale of property, plant and equipment	4,599	4,322
Dividends from associates	17,763	42,495
Dividends from investments	–	104
Proceeds from sale and maturity of investments	1,209	128
Purchase of property, plant and equipment	(177,170)	(130,148)
Purchase of investments	(104)	(57)
Acquisition of subsidiaries	–	(7,248)
Additional investment in associates	(1,880)	–
Net cash used in financing activities	(142,606)	(247,653)
Capital contribution from non-controlling interests of a subsidiary	–	5,092
Acquisition of non-controlling interests in subsidiaries	(743)	(320)
Repayment of lease obligations, net	(1,510)	(1,578)
Proceeds from long-term bank loans	17,892	358,815
Proceeds/(repayment) of bank loans	20	(313,742)
Proceeds from loans with related parties	259,079	6,830
Repayment of loans with related parties	(195,830)	(123,996)
Loan to associate	–	(3,022)
Dividend paid to shareholder	(202,563)	(142,629)
Dividend paid to non-controlling interests	(6,859)	(8,514)
Interest paid	(12,092)	(24,589)
Net increase in cash and cash equivalents	60,407	123,864
Cash and cash equivalents at beginning of the year	266,743	143,194
Exchange difference on cash and cash equivalents at beginning of the year	(3,380)	(315)
Cash and cash equivalents at end of the year	323,770	266,743



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FINANCIAL HIGHLIGHTS

	2010 \$'000	2009 \$'000	2008 \$'000	2007 \$'000	2006 \$'000
Operating Performance					
Turnover	1,874,995	1,875,225	1,940,954	1,837,769	1,675,493
EBITDA	299,867	288,938	331,937	381,857	321,464
EBIT	233,829	199,849	234,220	303,441	237,080
Profit before tax	262,219	228,288	272,120	341,162	305,280
Net profit	209,767	185,700	225,691	270,479	255,036
Financial Indicators					
Earnings per share (cents)	104.88	92.85	112.85	135.24	127.52
Return on sales (%)	11.5	10.4	12.1	15.6	15.6
Return on equity (%)	48.7	39.9	52.6	58.4	54.2
Return on total assets (%)	8.7	9.3	11.2	13.6	13.2
Net assets value per share (cents)	211.04	228.70	207.99	253.64	256.11
Selected Balance Sheet Data					
Shareholders' funds	337,977	412,210	375,925	409,977	417,680
Total assets	2,488,887	2,102,790	2,103,333	2,107,305	1,987,885
Net assets	422,087	457,398	415,981	507,284	512,220
Capital expenditure	186,533	132,729	103,213	111,091	158,373
Productivity Data					
Average staff strength (numbers)	7,323	7,253	7,081	6,757	5,880
Sales per employee (\$)	256,042	258,545	274,107	271,980	284,948
Net profit per employee (\$)	28,645	25,603	31,873	40,029	43,373
Employment costs	591,191	594,184	639,900	605,220	589,440
Employment costs per \$ of turnover (\$)	0.31	0.32	0.33	0.33	0.35
Economic Value Added	163,904	146,146	198,653	235,931	194,390
Economic Value Added spread (%)	12.7	11.8	17.8	22.5	19.5
Economic Value Added per employee (\$)	22,382	20,150	28,054	34,917	33,060
Value added	935,010	944,048	1,047,825	1,043,873	981,309
Value added per employee (\$)	127,681	130,160	147,977	154,488	166,889
Value added per \$ of employment costs (\$)	1.58	1.59	1.64	1.72	1.66
Value added per \$ of gross property, plant and equipment (\$)	0.64	0.66	0.78	0.79	0.81
Value added per \$ of turnover (\$)	0.50	0.50	0.54	0.57	0.59