



## **SIA Engineering Company Opens Two New Hangars & Announces Plans for 6<sup>th</sup> Hangar**

- *SIAEC invests S\$160 million in 3 new hangars*
- *Hangar 6, ready in early 2008, will handle the Airbus A380*

**SINGAPORE – 1 December 2006:** Mainboard-listed **SIA Engineering Company Limited** (SIAEC) plans to build a sixth hangar at Changi Airport, in response to the continued upswing in global air travel and the robust demand for aircraft maintenance, repair and overhaul (MRO) services.

The Company's latest hangar facility, Hangar 6, to be operational in early 2008, will be specially equipped to handle the Airbus A380, the world's largest commercial airliner.

A ground-breaking ceremony signalling the beginning of the construction of Hangar 6 will be held shortly after SIAEC's Hangars 4 & 5 are officially opened today by Minister for Transport and Second Minister for Foreign Affairs, Mr Raymond Lim.

Completed in 2005, Hangars 4 & 5 offered a much-needed 30% increase in airframe maintenance capacity and provided a platform for SIAEC to launch into its next phase of growth. Hangar 4 is dedicated to the Group's new Passenger-to-Freighter (PTF) conversion business. SIAEC, which is amongst the first in the world to have B747-400 PTF conversion capability, is in the final stages of converting a B747-400 passenger airplane into a freighter for its launch customer Dragonair. Hangar 6 will increase the Company's airframe maintenance capacity by a further 10%.

Mr Lim commented: “SIAEC’s investment in these three new hangars will certainly strengthen Singapore’s position as a “one-stop shop” for sophisticated aerospace MRO services, offering the complete MRO value chain of services to the regional and global markets. I am glad to learn that SIAEC’s total investment of \$160 million in its three new hangars will create highly-skilled jobs for up to 1,000 engineers and technicians.”

Said SIAEC’s Chairman, Mr Stephen Lee: “Our decision to build another new hangar so soon after we have commissioned two new hangars underscores SIAEC’s relentless commitment to develop a global MRO Centre of Excellence in Singapore. Prospects for the MRO industry are bright, riding on the back of increasing MRO outsourcing and robust air traffic growth. Airlines in Asia are poised for more expansion and fleet renewal. SIAEC aims to be at the vanguard of these changes to capture a larger share of the global MRO business.”

SIAEC’s strategy of building hangars specialising in the latest aircraft types has resulted in increased operating efficiencies. With each new hangar, the benefits of aircraft specialisation and critical mass are derived to achieve economies of scale and faster turnaround times for its customers. This is an embedded feature of the Group’s infrastructural expansion that it aims to sustain and enhance.

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## **About SIA Engineering Company**

(Company Registration No. 198201025C)

***[www.siaec.com.sg](http://www.siaec.com.sg)***

SIA Engineering Company is a major provider of aircraft maintenance, repair, and overhaul services in Asia Pacific. The Company has a client base of more than 80 international carriers and aerospace equipment manufacturers. It provides line maintenance services at Singapore Changi Airport for more than 60 international carriers, as well as airframe and component overhaul on some of the most advanced and widely used commercial aircraft in the world. The Company achieved a revenue of S\$959 million in FY2005/2006.

19 joint ventures with original equipment manufacturers and airlines in Singapore, Ireland, Hong Kong, Taiwan, Philippines and Indonesia increase the depth and breadth of the company's comprehensive service offerings. The combined revenue of the group's joint ventures is approximately S\$1.7 billion in FY2005/2006, with 73 percent coming from non-Singapore Airlines (SIA) customers.

SIA Engineering Company has approvals from 23 national aviation regulatory authorities to provide MRO services for aircraft registered in the U.S., Europe, and Japan, among others.

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