



SIA ENGINEERING COMPANY COMPLETES AMALGAMATION OF ROLLS-ROYCE JOINT VENTURES

SINGAPORE, 3 OCTOBER 2016 – On 30 June 2016, mainboard-listed SIA Engineering Company Limited (“**SIAEC**” or the “**Company**”) announced that it had completed its divestment of its 10% stake in Hong Kong Aero Engine Services Ltd (“**HAESL**”) to Rolls-Royce Overseas Holdings Limited and Hong Kong Aircraft Engineering Company Limited in equal proportion. At the same time, HAESL completed its divestment of its 20% stake in Singapore Aero Engine Services Private Limited (“**SAESL**”) to Rolls-Royce Singapore Pte Ltd (“**RRS**”). The Company also announced that Rolls-Royce plc and SIAEC intend to amalgamate the business and operations of SAESL and International Engine Component Overhaul Pte Ltd (“**IECO**”), their second joint venture in Singapore, into a single entity. In furtherance of the proposed amalgamation, each of RRS and SIAEC’s 50% stake in IECO has been acquired by SAESL.

SIAEC wishes to announce the completion of the SAESL and IECO amalgamation (with SAESL being the surviving entity) on 2 October 2016. The amalgamated company will be able to generate greater operational efficiencies, economies of scale and synergies from better allocation of resources and streamlining of business processes. This will position SAESL, in which SIAEC and RRS now each have a 50% stake, to compete more effectively for the global engine and component repair business.

The amalgamation is not expected to have a material impact on SIAEC’s financial performance in FY2016/17. None of the Directors of SIAEC has any interest, direct or indirect, in the amalgamation.

About SIA Engineering Company

(Company Registration No. 198201025C)

www.siaec.com.sg

SIA Engineering Company (SIAEC) is a major provider of aircraft maintenance, repair and overhaul (MRO) services in Asia-Pacific. SIAEC has a client base of more than 80 international carriers and aerospace equipment manufacturers. It provides line maintenance services at 35 airports in 7 countries, as well as airframe and component services on some of the most advanced and widely used commercial aircraft in the world. Apart from MRO services, SIAEC also offers a comprehensive and integrated suite of solutions under its fleet management services.

The 24 ventures with original equipment manufacturers and strategic partners in Singapore, Australia, Hong Kong, Indonesia, Philippines, United States, Taiwan and Vietnam increase the depth and breadth of the Company's service offerings. SIAEC has approvals from 27 national aviation regulatory authorities to provide MRO services for aircraft registered in the U.S., Europe, China and other countries.

For further information:

Chia Peck Yong

Senior Manager Risk Management & Public Affairs

SIA Engineering Company Limited

Tel: (65) 6549 2390

E-mail: peckyong_chia@singaporeair.com.sg