



SIA Engineering sets up Aircraft Interior Modification Centre in Singapore

- *Centre will be among the first in the region to offer total solutions for aircraft interior modifications*
- *Knowledge-based skills will be transferred from US and Japanese partners, thereby strengthening Singapore's position as the region's leading aerospace hub*

SINGAPORE, 13 July 2004 – Mainboard-listed SIA Engineering Company Limited (SIAEC) announced today it has signed an agreement with Jamco Corporation and Jamco America, Inc. for a joint venture to provide turnkey solutions for aircraft interior modifications.

The joint venture, to be incorporated in Singapore as Jamco Aero Design & Engineering Private Limited (JADE), will have a paid-up capital of US\$1 million, with SIA Engineering holding 45% equity shareholding. The remaining 55% equity shareholding is held by Jamco America and Jamco Corporation.

SIAEC's Chief Executive Officer Mr. William Tan said: "Increasingly, airlines are differentiating their products and services to sharpen their competitive edge. Reconfiguring the aircraft interior is one important aspect that is gaining growing attention.

"By drawing from the collective expertise and strengths of the joint venture partners from America, Japan and Singapore, JADE will be one of the first in the region to offer airline customers with a one-stop service centre for cabin modifications, from initial conceptual design and certification, right through to final installation."

"We deeply appreciate the strong support we received from the Economic Development Board, whose tireless efforts to attract industry leaders to the Singapore air hub have been instrumental in the success of this initiative", Mr Tan added.

Mr Takashi Kawashima, President of Jamco Corporation, said: "This joint venture will contribute to enhancing our services to Singapore Airlines and to expanding our market exposure to third-party airlines in the Asia Pacific region. By adding the engineering capability for cabin modification, SIAEC will be able to provide airline customers with a one-stop MRO service. Hence, this collaboration will be beneficial to both parties."

Through the joint venture, new knowledge-based skills in engineering design, programme management and consultancy expertise will be transferred from its Jamco partners who are based in the United States and Japan, thereby fortifying Singapore's position as the region's leading aerospace hub.

JADE is the second joint venture that SIAEC has with Jamco Corporation, the first being Singapore Jamco Private Limited, which manufactures cabin and galley equipment.

* * * * *

About SIA Engineering Company

www.siaec.com.sg

SIA Engineering Company is a major provider of aircraft maintenance, repair and overhaul (MRO) 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.

18 joint ventures with original equipment manufacturers and airlines in Singapore, Ireland, China, Hongkong, Taiwan 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\$2 billion in FY2003/04, with 77% coming from non-Singapore Airlines (SIA) customers. Taking into account SIA Engineering Company's equity holding in its joint ventures, non-SIA customers contributed approximately 41% of SIA Engineering Group's business.

SIA Engineering Company has approvals from 23 national aviation regulatory authorities to provide MRO services for aircraft registered in the United States of America, major European countries and Japan, among others.

For more information, please contact:

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