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SIA ENGINEERING COMPANY IN NEGOTIATIONS TO ACQUIRE 25% STAKE IN GAMECO

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SINGAPORE, 17 April 2002 – Mainboard-listed SIA Engineering Company Limited, a leading provider of aircraft maintenance, repair and overhaul (MRO) services in Asia-Pacific, has entered into a conditional agreement to acquire the entire 25% stake in Guangzhou Aircraft Maintenance Engineering Company (GAMECO) held by U.S. aerospace firm Lockheed Martin Aeronautics Service International. SIA Engineering Company and Lockheed Martin Aeronautics Service International will proceed to negotiate the detailed terms of the definitive agreement. The proposed transaction will be subject to, amongst other things, the consent of the shareholders of GAMECO as well as the receipt of necessary regulatory and government approvals. The conclusion of the proposed transaction is subject to negotiations, entry into the mutually agreed definitive agreement and satisfaction of closing conditions.

SIA Engineering Company will make further announcements at the appropriate time.

About SIA Engineering Company

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 about 220 flights daily, as well as airframe and component overhaul on some of the most advanced and widely used commercial aircraft in the world.

16 joint ventures with original equipment manufacturers and airlines in Singapore, Ireland, China, Hongkong and Taiwan increase the depth and breadth of the Company's comprehensive service offerings. The combined revenue of these joint ventures is approximately \$1.0 billion for the first half of FY2002/03, with 71% coming from non-Singapore Airlines customers. Taking into account SIA Engineering Company's equity holding in its joint ventures, non-SIA customers contributed approximately 33% 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.

About Singapore Aircraft Leasing Enterprise (SALE)

Established in 1993, SALE has swiftly grown to become a major aircraft lessor. The company currently has a portfolio of 40 modern aircraft, with another 32 on firm order from Airbus and Boeing for delivery through 2008. The company has offices in Singapore, London, Washington D.C. and San Diego, California.

About GAMECO

Established in 1989, GAMECO (www.gameco.com.cn), an equity joint venture between China Southern Airlines, Lockheed Martin Aeronautics Service International and Hutchison Aircraft Maintenance Investment, is based in Guangzhou Baiyun International Airport. The Company is FAA, JAA and CAAC certified to perform multi-levels of aircraft maintenance checks for Boeing 737, B757, B767, B777 as well as Airbus A320 and A321 aircraft. GAMECO has backshops providing extensive component repair capabilities to support its maintenance commitments.

GAMECO is the maintenance service provider of China Southern Airlines, the largest airline in China with a substantial fleet of 80 advanced aircraft. GAMECO also provides maintenance services to over 30 other domestic and international airlines.

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