



SIA Engineering Secures S\$116 million Cebu Pacific Contract to cover 18 more A320/A319

- **Under the new agreement, SIAEC will maintain Cebu Pacific's fleet of 32 A320/A319 up to 2018**

SINGAPORE, 17 January 2008: Mainboard-listed SIA Engineering Company Limited (SIAEC) announced it has signed an extension of its current maintenance contract with Cebu Pacific to cover an additional 18 Airbus A320/A319 aircraft. The additional fleet coverage, valued at approximately S\$116 million, will extend the current agreement between the two companies to 2018.

The 18 new aircraft are planned to progressively join Cebu Pacific's fleet over the next four years. The Carrier has also placed an option for another 10 aircraft.

Since December 2004, SIAEC has been providing line, airframe and fleet management services to Cebu Pacific's current fleet of 14 A320/A319 aircraft. Line maintenance and light checks are undertaken in Manila by an SIAEC subsidiary company, which Cebu Pacific has an equity share. Heavy maintenance checks are performed by SIAEC in Singapore. The value of the existing contract is worth S\$89.6 million.

Mr William Tan, Chief Executive Officer of SIAEC said: "We are delighted that Cebu Pacific, a highly prolific and progressive airline in the Asia-Pacific, is extending the coverage and tenure of our maintenance agreement. This is testimony of the excellent working relationship we have established with our valued partner in the Philippines, in providing the Airline with total solutions for its rapidly expanding Airbus A320/A319 fleet.

"The bundling of MRO services with our high value-add Fleet Management Programme provides airlines with fully integrated maintenance solutions for all their engineering needs. Coupled with our dedication to on-time deliveries and leveraging our large base for economies of scale benefits, customers are able to achieve higher fleet operating efficiencies and cost savings."

The transaction is not expected to have a material impact on the Company's financial performance in FY2007/08.

None of the Directors of the Company has any interest, direct or indirect, in the transaction.

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 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\$977 million in FY2006/2007.

20 joint ventures with original equipment manufacturers and strategic partners in Singapore, Australia, Ireland, Hong Kong, Taiwan, Philippines and Indonesia increase the depth and breadth of the Company's comprehensive service offerings. The combined revenue of SIAEC's joint ventures is approximately S\$2.4 billion in FY2006/2007, with 71 percent derived from airlines outside the Singapore Airlines Group.

SIAEC has approvals from 25 national aviation regulatory authorities to provide MRO services for aircraft registered in the U.S., Europe, and Japan, among others.

About Cebu Pacific

Cebu Pacific (CEB), the low fare leader in the Philippines entered the market on March 1996 and pioneered the "low fare, great value" strategy in the local aviation industry. CEB launched its International Operations on November 2001 and now flies to Bangkok, Hong Kong, Jakarta, Kuala Lumpur, Singapore, Incheon, Pusan, Taipei, Shanghai, Xiamen, Guangzhou, Macau.

CEB now operates a fleet of 15 Airbus A319 and A320 aircraft, the youngest fleet in the Philippines with an average fleet age of 1.7 years. With the completion of its re-fleeting, CEB has doubled its capacity. CEB continues to offer the 'Go' fares - providing the lowest year-round fares in all its domestic and international destinations. CEB remains the pioneer in creative pricing strategies as it manages to offer the lowest fare in every route it operates. The 'Go' fares are not promotional and are exclusive of surcharges and government tax.

For media inquiries, 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