



SIA ENGINEERING COMPANY INVESTS IN PRATT & WHITNEY NEW-GENERATION ENGINE TO PROPEL GROWTH

SINGAPORE, 18 January 2010 - Mainboard-listed **SIA Engineering Company Limited** (SIAEC) today announced it has signed a Definitive Agreement with Pratt & Whitney (P&W) to participate in its PW1000G Risk-Revenue Sharing Program (RRSP).

P&W, a world-leading manufacturer of aircraft engines, is developing the PW1000G engine to power Next Generation Single-Aisle (NGSA) aircraft. The PW1000G engine, scheduled to enter service in 2013, has already been selected as the sole-source engine for the Bombardier CSeries aircraft and Mitsubishi Regional Jet (MRJ) aircraft.

SIAEC will participate in the PW1000G engine RRSP with a 3% stake in the CSeries aircraft engine program and a 1% stake in the MRJ aircraft engine program. To hold SIAEC's investments in the CSeries and MRJ aircraft engine programs, SIAEC has incorporated two special-purpose, wholly-owned subsidiaries, namely NexGen Network Holding (1) and NexGen Network Holding (2).

As part of the long-term arrangement, P&W will designate Eagle Services Asia (ESA), a joint venture between SIAEC and P&W, as the first engine centre in the global RRSP MRO network for the PW1500G engine (the PW1000G engine variant that powers the CSeries aircraft). ESA is poised to benefit from this designation. This arrangement will also provide feed to the SIAEC/P&W engine component repair joint ventures in Singapore.

"We are delighted that SIAEC is participating in P&W's Risk Revenue Sharing Programme, as it strengthens the strategic partnership between Singapore and global aerospace companies. SIAEC's investment will also reinforce Singapore's position as a global aerospace hub for undertaking high-value aerospace work. We congratulate both P&W and SIAEC for forming this partnership and wish them every success in the programme," said Dr Beh Swan Gin, Managing Director, Singapore Economic Development Board.



Mr William Tan, Chief Executive Officer of SIAEC said: “Our investments in P&W’s new generation engine will attract high technology aerospace work into Singapore, thereby enhancing the vibrancy and growth of the Singapore Aviation Hub.”

“By scaling up the MRO value chain through our investments in the development of the PW1000G engine, our P&W joint ventures will benefit from the downstream MRO work. The acquisition of new engine capabilities will also enable SIAEC to access the markets of next-generation aircraft powered by the new engines“, Mr Tan added.

“We are pleased that SIAEC has committed to participate in our Risk Revenue Sharing Program for the PurePower PW1000G engine,” said Todd Kallman, President, Pratt & Whitney Commercial Engines & Global Services. “By investing in the PW1000G, SIAEC is investing in the future of aviation technology for next generation aircraft.”

The transaction is not expected to have a material impact on SIAEC’s financial performance in FY2009/2010. None of the Directors of SIAEC has any interest, direct or indirect, in the transaction.

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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\$1,045 million in FY2008/09.

24 ventures with original equipment manufacturers and strategic partners in Singapore, Vietnam, the Philippines, Australia, Ireland, United States, Hong Kong, Taiwan and Indonesia increase the depth and breadth of the Company's comprehensive service offerings. The revenue of SIAEC's ventures is approximately S\$2.9 billion in FY2008/2009, 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 Pratt & Whitney

The PurePower PW1000G engine is an all-new centerline engine that includes flight proven, next generation technology. The PurePower PW1000G engine features an advanced gear system that allows the engine's fan to operate at a slower speed than the low-pressure compressor and turbine. The combination of the gear system and all-new advanced core delivers double-digit improvements in fuel efficiency and environmental emissions and a 50 percent reduction in noise.

Pratt & Whitney is a United Technologies Corp. (NYSE:UTX) company. Pratt & Whitney is a world leader in the design, manufacture and service of aircraft engines, space propulsion systems and industrial gas turbines. United Technologies, based in Hartford, Conn., is a diversified company providing high technology products and services to the global aerospace and building industries.

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