



SIA Engineering forms line maintenance joint venture with Cebu Pacific Air

- *With the latest initiative, SIAEC operates line maintenance at 30 airports in Singapore, China, Indonesia and the Philippines.*

SINGAPORE, 21 April 2005 – Mainboard-listed **SIA Engineering Company Limited** (SIAEC) today announced that it has signed a joint venture agreement with Cebu Pacific Air to set up a joint venture offering line maintenance services at 14 airports in the Philippines. The joint venture will be incorporated in the Philippines. SIAEC will hold a 51-percent stake, while Cebu Pacific Air will hold the remaining 49 percent.

Cebu Pacific Air is the second largest airline in the Philippines, operating domestic flights to and from 14 cities in the country, and international flights from Manila and Cebu.

The joint venture, known as Aviation Partnership (Philippines) Corporation, is SIAEC's third line maintenance joint venture outside Singapore, apart from Pan Asia Pacific Aviation Services in China and PT Jas Aero Engineering Services in Indonesia.

Aviation Partnership (Philippines) Corporation will pave the way for SIAEC to effectively combine its "Total Support" capabilities with Cebu Pacific Air's skilled engineering labour to offer line maintenance, light aircraft checks and technical ramp handling to Cebu Pacific Air and third-party airline customers at 3 major international airports (Manila, Cebu and Davao) and 11 domestic airports in the Philippines.

Said Mr William Tan, Chief Executive Officer of SIAEC: "We are delighted that Cebu Pacific Air, a highly prolific and progressive airline in the Asia-Pacific, is partnering us in our first foray into the Philippines. By capitalising on each other's strengths and expertise, we will be able to add greater value to the aviation industry in the Philippines.

"Our strategic thrust is focused on serving our global customers with high quality services at more locations around the world. With this initiative, we will be offering line maintenance services at 30 airports in Singapore, Philippines, China and Indonesia", Mr Tan added.



Cebu Pacific CEO Lance Gokongwei stated, "Aviation Partnership (Philippines) Corporation (A+), our joint venture with SIAEC, further strengthens our confidence in our fleet of new Airbus aircraft arriving in May 2005. With SIAEC providing the total airframe support and GE providing total engine support, plus our local team - we have a world class group which will add significant merit to the Philippine aviation industry by increasing the efficiency of our operations."

Added Gokongwei, "SIAEC's worldwide experience and support capabilities will certainly help us live by our mission to bring people together through an affordable and reliable mode of travel. This will also allow A+ to grow its business base to attract additional third party customers, which will add more employment opportunities to our country. In this way, we hope to do our part in uplifting tourism in the Philippines and strengthening our economy."

The agreement is not expected to have a material impact on SIAEC's financial performance for FY2005/06.

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

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**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, Philippines, Taiwan and Indonesia increase the depth and breadth of the Company's comprehensive service offerings.

SIA Engineering Company has approvals from 25 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 Cebu Pacific Air

Cebu Pacific Air (CEB) made a big splash when it entered the Philippine market in 1996 by pioneering the "low fare, great value" strategy in the local aviation industry. Being a low-cost, no-frills carrier that gave more value for money, CEB was able to amplify the market pie by attracting first-time flyers as well as enticing flyers to travel more or take companions on their trips.

The airline started several innovative products in the domestic circuit such as the Commuter Pass, Hotels Plus, E-Ticketing and TextCEB. It is also the first airline in the world to have its entire organization AQS 9000 / 121 and ISO 9002 certified.

CEB, wholly owned by J.G. Summit Holdings, Inc., is currently the second largest airline in the Philippines and the leading carrier in inter-island travel. For year 2004, it carried more than two million passengers and its on-time performance is unparalleled in the domestic arena.

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