



ACE Services, the first non-OEM hydraulics repair facility in the world, officially opens in Singapore

- *A joint venture between SIA Engineering and Parker Hannifin, the S\$19 million facility has the capability to service next-generation aircraft such as A380 and B787*

SINGAPORE, 22 February 2006 – Singapore-listed **SIA Engineering Company** Limited (SIAEC) and **Parker Aerospace** today announced the official opening of their joint venture facility, Aerospace Component Engineering Services (ACE Services).

SIAEC has a 51 percent stake in ACE Services, which has an authorised capital of S\$35 million, while Parker Hannifin Corporation holds the remaining 49 percent.

Built at a cost of S\$19 million, the 3,000 square-metre facility, located at Loyang Aerospace Park near Singapore Changi Airport, specialises in the servicing of hydraulic pumps, flight control actuators, servo-control valves, and thrust reverser actuators.

ACE Services' brand-new facility is the **first** non-original equipment manufacturer (OEM) hydraulic service centre in the world capable of handling hydraulic pressures of up to 5,000 psi, which qualifies it to support next-generation commercial aircraft such as the Airbus A380 and Boeing 787, as well as aircraft from all aircraft manufacturers.

ACE Services was formed to provide hydraulics maintenance, repair and overhaul (MRO), local support and original equipment (OE) products and services for all Asia-Pacific carriers. It will also be the first facility in the region to provide original-equipment MRO support of Parker components and systems.

Guest-of-Honour for the Official Opening, Mr. Teo Ming Kian, Chairman of the Singapore Economic Development Board (EDB), said: "ACE Services' opening attests

to Singapore's position as a competitive business location for aerospace companies. It is also an important addition to our comprehensive aerospace maintenance, repair and overhaul industry as it introduces hydraulic component capabilities for the next generation of aircraft."

SIAEC's Chief Executive Officer, Mr. William Tan, said: "This state-of-the-art facility is equipped to handle hydro-mechanical systems of the latest generation of aircraft. By locating it at the Singapore aerospace hub, the joint venture with industry leader Parker Hannifin will enable our customers to benefit from lower repair costs and shorter turnaround time."

Parker Aerospace Customer Support, Inc. General Manager Scott Ledbetter commented, "The new ACE Services joint venture enables Parker and SIA Engineering to meet the needs of the local Asia Pacific aerospace market. We are proud to be a part of the first independent hydraulic service center in the region to provide MRO support to Parker and other OE products."

About SIA Engineering Company

SIA Engineering Company 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.

19 joint ventures with original equipment manufacturers and airlines in Singapore, Ireland, Hong Kong, Taiwan, Philippines 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\$2.2 billion in FY2004/2005, with 75 percent 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 42 percent 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 U.S., Europe, and Japan, among others.

About Parker Hannifin Corporation

Parker Aerospace is an operating segment of Parker Hannifin Corporation. Parker Aerospace designs, manufactures, and services hydraulic, fuel, and pneumatic components, systems, and related electronic controls for aerospace and other high-technology markets. Based in Irvine, California, its product lines include flight control actuation systems and components, thrust-reverser actuation systems, electrohydraulic servovalves, utility hydraulic systems and components, DC motor pumps, fuel pumps, lubrication and scavenge pumps, fuel measurement and management systems, cockpit instrumentation, flight inspection systems, pneumatic subsystems and components, fluid metering delivery and atomization devices, wheels and brakes, hoses, tubes, disconnects, and fittings.

With annual sales exceeding US\$8 billion, Parker Hannifin is the world's leading diversified manufacturer of motion and control technologies and systems, providing precision-engineered solutions for a wide variety of commercial, mobile, industrial, and aerospace markets. The company employs more than 50,000 people in 46 countries around the world. Parker has increased its annual dividends paid to shareholders for 49 consecutive years, among the top five longest-running dividend-increase records in the S&P 500 index. For more information, visit the company's web site at www.parker.com, or its investor information site at www.phstock.com.

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