



## SIA Engineering signs MOU for line maintenance joint venture with Cebu Pacific Air

- *SIAEC's first foray into the MRO market in the Philippines, its third line maintenance joint venture outside Singapore*

**SINGAPORE**, 23 December 2004 – Mainboard-listed **SIA Engineering Company Limited** (“SIAEC”) today announced that it has signed a Memorandum of Understanding (MOU) with Cebu Pacific Air (“CEB”) to set up a joint venture to provide line maintenance, technical ramp handling services and light maintenance checks at thirteen airports in the Philippines.

The yet-to-be-named joint venture, in which SIAEC will hold 51% stake and CEB the remaining 49%, will be SIAEC’s third line maintenance joint venture outside Singapore, besides Pan Asia Pacific Aviation Services in Hong Kong and PT Jas Aero Engineering Services in Indonesia.

CEB is the second largest airline in the Philippines, operating domestic flights to and from 13 cities in the country and international flights from Manila and Cebu currently to Hong Kong and Seoul.

Said Mr William Tan, Chief Executive Officer of SIAEC: “Our first foray into the Philippines will give us an opportunity to offer our experience and expertise in aircraft certifications through this partnership with Cebu Pacific. Besides line maintenance, the joint venture will also offer light maintenance, such as “A” checks to airline customers in various airports in the Philippines.”

President and Chief Executive Officer of CEB, Mr Lance Gokongwei said: “We are in the midst of renewing our fleet of 15 DC-9s and B757s with new-generation A320 family. SIAEC’s comprehensive experience in handling these aircraft will add further value to the joint venture by offering a high level of technical service and despatch reliability to its customers.”

Following the signing of the MOU, SIA Engineering Company and Cebu Pacific Air will work on the details of the joint venture agreement.



## **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 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.

17 joint ventures with original equipment manufacturers and airlines in Singapore, Ireland, China, Hong Kong, Taiwan 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 billion in FY2003/04, with 77% 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 41% of SIA Engineering Group's business.

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.

### **For more information, 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](mailto:peckyong_chia@singaporeair.com.sg)