



SIA Engineering Company and Parker Hannifin form Asia-Pacific hydraulic equipment service centre joint venture

- *Facility will offer the latest technologies to service the Airbus A380 and Boeing 787 Dreamliner*

SINGAPORE, 25 April 2005 – Mainboard listed **SIA Engineering Company** (SIAEC) today signed a joint venture agreement to form an aerospace hydraulic equipment service centre with Parker Hannifin Corporation's Parker Aerospace Group. The new venture, named Aerospace Component Engineering Services Private Limited (ACE Services), will be incorporated in Singapore and located in a new 3,000 square-metre facility at Changi North Crescent.

ACE Services will provide maintenance, repair, and overhaul (MRO) services of hydro-mechanical equipment for aircraft such as the Boeing B747-400 and B777, and the Airbus A320, A330 and A340. It will be the first facility in the region to provide original-equipment MRO support of Parker components and systems.

Additionally, ACE Services will be the first non-original equipment manufacturer (OEM) hydraulic service centre in the world capable of handling hydraulic pressures of up to 5,000 psi, enabling it to support the state-of-the-art Airbus A380 and new Boeing 787 Dreamliner. Singapore Airlines will be the first to fly the A380 in 2006, and the 787 has received strong orders within the Asia-Pacific region.

Under the terms of the joint venture agreement, which was signed today by SIAEC Chief Executive Officer William Tan and Parker Aerospace President Robert Barker, SIAEC will have a 51-percent stake in ACE Services while Parker Hannifin Corporation will hold the remaining 49 percent.

SIAEC Chief Executive Officer William Tan said: "We are extremely pleased to forge this strategic collaboration with Parker Hannifin Corporation, a world leader in motion and control technologies and systems. Besides complementing our existing wide range of total support services, the joint venture will fortify SIAEC's position as the region's preeminent MRO centre for the most advanced airliners in the industry."



“We are delighted to form this partnership,” commented Barker. “SIAEC is a leader in the aerospace industry and sets a high standard for customer service to our mutual airline customers. We look forward to supporting the rapidly developing business base in the Asia Pacific region together with innovative and advanced service capabilities.”

“The aerospace MRO sector in Singapore is the most comprehensive in Asia. This new joint venture between SIAEC and Parker Aerospace will add further depth to our MRO capabilities and boost our position as a leading aviation hub,” said Manohar Khatani, Director of Logistics and Transport, Singapore Economic Development Board.

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

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



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, China, Taiwan, Philippines 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 U.S., Europe, and Japan, among others.

About Parker Hannifin Corporation

With annual sales exceeding US\$7 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 48,000 people in 46 countries around the world.

An operating segment of Parker Hannifin Corporation, Parker Aerospace designs, manufactures, and services hydraulic, fuel, and pneumatic systems and components 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, and wheels and brakes.

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