



SIA Engineering Company Signs \$197 million Services Agreement with SilkAir

SINGAPORE, 26 June 2015 - Mainboard-listed **SIA Engineering Company Limited** (SIAEC) is pleased to announce the renewal of its Services Agreement with SilkAir.

The new agreement covers a broad spectrum of maintenance, repair and overhaul (MRO) and fleet management services for SilkAir's fleet of A319/A320 aircraft. The agreement is firm for five years, with a one-year extension option. The total value of the contract is \$197 million.

SIAEC's Chief Executive Officer, Mr Png Kim Chiang, said: "This new agreement reaffirms the strong synergy and excellent relationship between SIAEC and SilkAir. Both Companies have worked in close partnership to uphold the engineering excellence and high despatch reliability of the Airline. With MRO experience built up on the Airbus fleets over a span of three decades, supported by a network of 34 line maintenance stations across 7 countries, our fleet management solutions offer airline customers seamless technical support and increased operating efficiencies."

Mr Leslie Thng, Chief Executive of SilkAir, said: "At SilkAir, safety and reliability in our flight operations is a vital part of our business. The level of services provided by SIAEC has been up to our expectations and the renewal of this agreement endorses the good service and support rendered to us over the past few years.

"We are pleased to partner SIAEC once again and look forward to continuing to uphold our high quality of aircraft maintenance with the engineering support that SIAEC provides."

As the new Services Agreement re-establishes an existing arrangement, it is not expected to have a material impact on SIAEC's financial performance in FY2015/16. None of the Directors of SIAEC has any interest, direct or indirect, in the transaction.

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 (MRO) services in the Asia-Pacific. The Company has a client base of more than 80 international carriers and aerospace equipment manufacturers. It provides line maintenance services at 34 airports in 7 countries, as well as airframe and component services on some of the most advanced and widely used commercial aircraft in the world. Apart from offering a comprehensive spectrum of MRO services to airlines, SIAEC has established itself as one of the world's leading fleet management service providers.

26 ventures with original equipment manufacturers and strategic partners in Singapore, Australia, Hong Kong, Indonesia, Ireland, Philippines, United States, Taiwan and Vietnam increase the depth and breadth of the Company's service offerings. SIAEC has approvals from 29 national aviation regulatory authorities to provide MRO services for aircraft registered in the U.S., Europe and Japan, among others.

About SilkAir

As the regional wing of Singapore Airlines, SilkAir operates the Singapore Airlines Group's narrowbody fleet and extends the Group network by seeding and developing new, exciting destinations in Asia Pacific.

The airline took to the skies in February 1989 as Tradewinds the Airline, before evolving into SilkAir in 1992. In its early days, the airline catered to passengers holidaying in exotic destinations in the region, including Phuket and Tioman. As the carrier developed, regional business destinations such as Phnom Penh, Yangon and Kuala Lumpur were added.

Today, the full service airline operates more than 350 weekly flights to 49 destinations in 12 countries. Recent additions to the network include Denpasar (Dec 2014) and Cairns (May 2015). The airline currently has a fleet of 28 aircraft, comprising 5 A319s, 13 A320s and 10 Boeing 737-800s. In August 2012, the airline announced the largest order in its history of up to 68 Boeing 737 aircraft, with firm orders comprising 23 Boeing 737-800s and 31 Boeing 737 MAX 8s. For more information visit silkair.com.

For further information:

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