



SIA ENGINEERING COMPANY SECURES LONG-TERM FLEET MANAGEMENT CONTRACT FROM GULF AIR

SINGAPORE, 26 March 2009 - Mainboard-listed **SIA Engineering Company Limited (SIAEC)** today announced it has signed a fleet management programme (FMP) contract with Gulf Air to provide maintenance and fleet management services for Gulf Air's current Airbus fleet of 29 aircraft and the 35 Airbus aircraft that will be delivered to the airline in the future.

Under the FMP contract that will commence in June 2009, SIAEC will provide Gulf Air with a wide range of FMP services, including 'A' and 'C' checks, Fleet Technical Management, Material Management and Engineering Services, which will be performed in Bahrain and Singapore.

This latest award complements the current 3-year heavy maintenance contract that was signed between the two companies in February 2008. Together with the new FMP contract, the total value of the services for Gulf Air's present fleet of 29 Airbus aircraft is more than US\$100 million.

With the addition of Gulf Air, SIAEC's FMP customer base covers nine airlines with a total fleet size of 173 aircraft, out of which 62 are currently in service and the remainder scheduled for delivery within the next five years.

"We are delighted that Gulf Air, a highly progressive and fast-growing international airline in the Middle East, has selected SIA Engineering Company to be the engineering service provider of its Airbus fleet. With more than 25 years of experience in servicing a wide range of Airbus aircraft, including being the first in the world to maintain the A380, our customers are assured of high quality, on-time delivery for the Airbus aircraft entrusted to us", said Mr William Tan, Chief Executive Officer of SIAEC.

"The Middle East is poised to become an important springboard to Europe and Asia. SIAEC is honoured and privileged to partner Gulf Air in developing Bahrain into a vibrant aviation hub in the region", Mr Tan added.

"As the national carrier of the Kingdom of Bahrain, Gulf Air's strategy is aligned with the Kingdom's 'Vision 2030' and this announcement is an important step in ensuring that we can continue to support that vision", said Gulf Air Chairman of the Board of Directors Mr. Talal Al Zain.

“We have chosen SIAEC for their long-standing reputation in the aviation sector providing complete maintenance, repair and overhaul (MRO) services in line-maintenance, airframe, component, engine, aircraft conversions and modifications to major airlines from four continents.

We believe they are the right choice to help us boost our operational reliability, manage costs and establish a self-sufficient and robust aircraft maintenance system”, he concluded.

The transaction is not expected to have a material impact on the Company's financial performance in FY2009/10. None of the Directors of SIAEC has any interest, direct or indirect, in the transaction.

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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 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. The Company achieved a revenue of S\$1,010 million in FY2007/2008.

23 ventures with original equipment manufacturers and strategic partners in Singapore, the Philippines, Australia, Ireland, United States, Hong Kong, Taiwan, Indonesia and Vietnam increase the depth and breadth of the Company's comprehensive service offerings. The combined revenue of SIAEC's ventures is approximately S\$2.7 billion in FY2007/2008, with 75 percent derived from airlines outside the Singapore Airlines Group.

SIAEC 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 Gulf Air

Gulf Air was founded in 1950. Today, it is owned by the Kingdom of Bahrain, and is the only truly pan Gulf carrier in the region. The airline's network stretches from Europe to Asia and covers 42 cities in 27 countries. The current fleet of Gulf Air consists of 30 aircraft.

On January 17th Gulf Air Board of Directors confirmed the appointment of Björn Näf as the Chief Executive Officer for Bahrain's national carrier.

Mr. Näf, who brings across the broad experience in the aviation industry, has been instrumental in implementing the new revamped network launched on July 1, and is also the commander of a major alignment program to turnaround Gulf Air. The plan entails a simplified and more efficient organization structure, an improved network with lower connection times and better service to key destinations, better on-board products, more efficient customer service on the ground and a stronger punctuality, which has been improving under his command.

The new network, based on a "wave" model, offers over 800 flights every week within the Middle East with more non-stop flights than any other airline. The airline is also planning to re-fleet itself over the next five years to further strengthen its presence. It recently signed a deal worth nearly US \$ 6 billion with Boeing Co. to purchase up to 24 Boeing 787 aircraft and another deal with Airbus for 35 aircrafts, including A320s and A330s.

The airline aims to become the carrier of choice. Gulf Air's onboard service caters high quality products and services, including the innovative, unique and award winning Sky Chefs and Sky Nannies.

Some of the notable recognitions include:

Best Onboard Catering in First Class 2007 (Sky Trax Awards)
Best Onboard Catering in First Class 2006 (Sky Trax Awards)
Best Onboard Catering in Business Class 2006 (Sky Trax Awards)
Best Business Airline 2006 (British Travel Awards)
Best Onboard Service 2006 (Gold) (Mercury Awards)
Best Onboard Catering in First Class 2005 (Sky Trax Awards)
Best Onboard Catering in Business Class 2005 (Sky Trax Awards)
Best designed in-flight magazine 2005 (American Creativity Awards)
Middle East Leading First Class Airline 2005 (World Travel Awards)
World's Leading Airport Lounge 2005 (World Travel Awards)
Middle East region's best airport restaurant for its restaurant in Bahrain
International Airport lounge 2005 (PAX International Readership Awards)
Official Airline and Sponsor of the Gulf Air Bahrain Grand Prix 2009

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