



SIA Engineering Company opens 6th overseas line maintenance joint venture

- **New joint venture in Vietnam has secured line maintenance contracts with 9 airline customers**
- **SIAEC's line maintenance network covers more than 20 airports in 7 countries – Singapore, Vietnam, Australia, Hong Kong, United States, Philippines and Indonesia.**

SINGAPORE, 26 November 2010 - Mainboard-listed **SIA Engineering Company Limited (SIAEC)** today announced the official opening of its sixth overseas line maintenance joint venture at Ho Chi Minh City's Tan Son Nhat International Airport, the largest and busiest airport in Vietnam.

The joint venture company, Southern Airports Aircraft Maintenance Services Co. Ltd. (SAAM), is 49% owned by SIAEC while the remaining 51% is held by Southern Airports Corporation (SAC), a state-owned enterprise under the country's Ministry of Transport.

SAC operates nine international and domestic airports in the southern region of Vietnam. Its subsidiary SAGS is the dominant ground-handling service provider at Tan Son Nhat International Airport, with a market share of more than 50%.

SAAM commenced operations in November 2010, servicing a strong base load of nine airline customers - Singapore Airlines, Cathay Pacific, United Airlines, All Nippon Airways, Qatar Airways, Turkish Airlines, Philippine Airlines, Cardig Air and Neptune Airlines.

SIAEC's Chief Executive Officer, Mr William Tan said: "SIA Engineering Company is delighted and honoured to partner Southern Airports Corporation in setting up the first line maintenance joint venture in Vietnam. This pioneering initiative is testimony to the vision and foresight of SAC to grow the aviation sector of Vietnam."

"Benefiting from SAC's extensive experience in Vietnam and SIAEC's line maintenance expertise covering more than 20 airports in 7 countries, SAAM has taken off well with nine airline customers. The joint venture will raise the bar for line maintenance services in Vietnam, and is poised to expand its customer base and service offerings at Tan Son Nhat Airport", Mr Tan added.

Mr Nguyen Dinh Hung, Director of SAGS, said: "We have chosen SIA Engineering Company for its wealth of experience and excellent track record of high quality engineering services. The joint venture will further enhance the level of airline support provided at the airport, giving added confidence to the more than 40 international airlines and domestic airlines flying here. We are certain that the enhanced levels of services and technical excellence will contribute positively to the success of Vietnam's aviation industry."

The opening of SIAEC's latest line maintenance facility in Vietnam further extends the Group's global network of line maintenance stations, which covers more than 20 airports in Singapore, Australia, Hong Kong, United States, Philippines, Indonesia and Vietnam. The line maintenance network across these seven countries handles approximately 800 flights daily round-the-clock for more than 60 airlines.

The commencement of operations of SIAEC's line maintenance joint venture in Ho Chi Minh is not expected to have a material impact on SIAEC's financial performance in FY2010/11. None of the Directors, executive officers or controlling shareholders of SIAEC has any interest, direct or indirect, in SAAM.

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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 (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 50 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\$1,006 million in FY2009/10.

25 ventures with original equipment manufacturers and strategic partners in Singapore, Vietnam, the Philippines, Australia, Ireland, United States, Hong Kong, Taiwan and Indonesia increase the depth and breadth of the Company's comprehensive service offerings. The revenue of SIAEC's ventures is approximately S\$2.6 billion in FY2009/10, with 81 percent derived from airlines outside the Singapore Airlines Group.

SIAEC 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 Southern Airports Corporation

<http://sac.vn/cms/en>

Southern Airports Corporation (SAC) is a state owned Corporation under the Ministry of Transport and is currently managing eight airports in Southern Vietnam, including Tan Son Nhat International Airport and seven local airports: Buon Ma Thuot, Lien Khuong, Phu Quoc, Rach Gia, Ca Mau, Con Dao and Can Tho Airport.

SAC is a large and prestigious state-owned company in aviation industry in Vietnam. The Company was established based on reorganization of the Southern Airports Authority (SAA) in 2008. At present, SAC consists of seven subsidiary companies operating in a wide range of fields. SAC contributes a significant part to the government budget each year. It has a charter capital of 4,109,045,000,000 VND.

SAC has a customer base covering more than 40 reputable airlines, such as Air France-KLM, Lufthansa, United Airlines, Qatar Airways, Cathay Pacific, ANA, Air China, JAL, Korean Air, Asiana, Air China, China Airlines and national airlines of ASEAN members as well as low-cost carriers such as Tiger Airways, Jetstar International, Jetstar Asia and Bangkok Airways.

For more information, please contact:

Chia Peck Yong

Senior Manager Public Affairs

SIA Engineering Company Limited

Tel: (65) 6541 5134

Fax: (65) 6546 0679

Mobile: (65) 9863 0982

E-mail: peckyong_chia@singaporeair.com.sg