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SIA ENGINEERING COMPANY ACQUIRES 30% STAKE IN AREOSTRUCTURES REPAIR AND OVERHAUL FACILITY

SIA Engineering Company Acquires 30% Stake in Aerostructures Repair and Overhaul Facility

Singapore, March 29, 2001 - SIA Engineering Company (SIAEC) and BFGoodrich Aerostructures Group today signed an agreement for a strategic alliance to repair and overhaul aircraft nacelles, thrust reversers and pylons in Singapore.

Under the terms of the Sale and Purchase Agreement, SIAEC will pay US\$15 million to acquire a 30% stake in BFGoodrich Aerostructures & Aviation Services Group's wholly owned subsidiary, Rohr Aero Services-Asia (RASA). SIAEC has an option to acquire a further 10% equity share of RASA, subject to certain conditions.

RASA was incorporated in Singapore in 1995 and operates a 60,000-square-foot maintenance, repair and overhaul facility in Singapore's Loyang aerospace hub. RASA performs repair work for over 30 airlines in the Asia-Pacific region. Their customer base includes carriers such as Singapore Airlines, Japan Airlines and Cathay Pacific Airways. RASA has the capability to repair and overhaul nacelle, pylon and thrust reverser components for nearly all Airbus Industrie and Boeing aircraft.

Working together with SIAEC, RASA will expand its aerostructure repair and overhaul capabilities to support new generation aircraft, including very large aircraft (VLA) that will be introduced in a few years, such as the A380.

The Sale and Purchase Agreement was signed today in Singapore by SIAEC President and Chief Operating Officer Mervyn Sirisena and Bud Wetzler, Group President BFGoodrich Aerostructures & Aviation Services. BFG Aerostructures Aftermarket Services Vice President and General Manager Bob Gustafson also represented BFGoodrich at the signing ceremony.

SIAEC's President & Chief Operating Officer Mervyn Sirisena said: "RASA's aerostructures repair and overhaul facility is a key addition to our 'Total Support' capability, which will further our ability to provide customers with comprehensive and integrated services.

"This partnership with BFGoodrich is our 15th joint venture and is in keeping with SIA Engineering Company's strategy of allying ourselves with reputable original equipment manufacturers who are at the forefront of technology in their respective areas of expertise. We are proud to partner BFGoodrich, which is renowned for its technical excellence and quality, and are confident that RASA will become a leader in repair and overhaul of aircraft composite components in the Asia Pacific Region."

Mr Bud Wetzler added: "This joint venture with SIA Engineering Company allows us to enter into a strategically important alliance with one of Asia Pacific region's largest providers of MRO services. This solidifies our position as the premier nacelle/thrust reverser MRO center in the Pacific Rim."

SIAEC, a listed subsidiary of Singapore Airlines, is a provider of comprehensive aircraft maintenance, repair and overhaul (MRO) services. It provides line maintenance and technical ground handling as well as airframe and component repair and overhaul services for SIA and other customers of more than 70 other airlines. SIAEC also offers a comprehensive range of engine, aircraft and engine component repair and overhaul services through its 15 joint ventures with leading Original Equipment Manufacturers. SIAEC, which employs over 4,600 people, had a turnover of S\$567.3 million in its last financial year ended 31 March 2000.

With 2000 sales of \$4.4 billion, BFGoodrich is a leading worldwide supplier of aerospace components, systems, and services, as well as sealing and compressor systems and other engineered industrial products. BFGoodrich is ranked by Fortune magazine as one of the most admired aerospace companies and is included in Forbes Platinum List of America's Best Big Companies. The company has its headquarters in Charlotte, North Carolina and employs over 23,000 people worldwide. The company's Aerostructures & Aviation Services Group designs, integrates, manufactures, sells, and supports aircraft engine nacelle and pylon systems for large commercial aircraft. The Group also provides a broad range of other specialised aerostructures for commercial, military, and space applications.

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