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## **SIAEC ACQUIRES STAKE IN MESSIER SERVICES ASIA PTE LTD (MSA)**

### **SIA Engineering Company Limited Acquires a 40% Equity Stake in Landing Gear Repair and Overhaul Facility**

(7 July 2000) SIA Engineering Company Limited ('SIA Engg') and Messier Services Pte Ltd ('MSPL') are pleased to announce that SIA Engg has completed its acquisition of a 40% equity stake in Messier Services Asia Pte Ltd ('MSA'), a landing gear repair and overhaul facility (the 'Acquisition').

#### **The Acquisition**

SIA Engg bought from MSPL a 40% equity stake in MSA for a purchase consideration of approximately US\$8,000,000. A Shareholders' Agreement was signed today by Mr. Mervyn Sirisena, President/Chief Operating Officer of SIA Engg, Mr. Yves Leclère, Chairman & CEO of Messier-Bugatti and Chairman of MSPL, Mr Louis Le Portz, Chairman & CEO of Messier-Dowty International Limited ('Messier-Dowty') and Mr Goh Han Hian, Managing Director of MSA.

As part of the transaction, SIA Engg and MSA have signed a 10-year maintenance service agreement for the repair and overhaul of landing gear and parts.

#### **The Facility**

MSA is located in the Loyang Aerospace hub of Singapore and engages in repair and overhaul of a wide range of commercial aircraft landing gears. The facility has a total built-up area of 10,000 square metres, with a staff strength of about 150. It is one of the most comprehensive landing gear overhaul facilities in the world, equipped with the latest landing gear overhaul technologies to provide its commercial airline customers with the highest service standards at competitive prices.

MSA is currently the only facility in the Asia Pacific region able to overhaul the latest A330/A340 and B777 gears, and plans to expand into overhauling future models of commercial landing gears.

#### **The Rationale**

Prior to the acquisition, MSA was a wholly-owned subsidiary of MSPL, a global maintenance, repair

and overhaul service provider for landing gear systems, which is jointly owned by Messier-Dowty and Messier-Bugatti.

Commenting on the joint venture, Mr. Mervyn Sirisena said " This partnership brings together two companies with a reputation for excellence; Messier Services which has long been synonymous with engineering and technical excellence and SIA Engineering Company with our reputation for service excellence in the aviation Maintenance, Repair and Overhaul (MRO) field. This landing gear overhaul joint venture is our first airframe component joint venture, our first with the SNECMA Group, and also importantly with an European OEM. Joint venture with a leading edge company like Messier Services allows SIA Engineering Company to continue to enhance its already comprehensive 'Total Support' solutions to our customers; by providing additional capabilities at competitive and cost effective terms".

"With the creation of this joint venture with SIA Engineering Company, a subsidiary of one of the most successful airlines in the world, Singapore Airlines, " noted Mr. Yves Leclère, "we are confident that Messier Services Asia will be the preferred choice for repair and overhaul of commercial aircraft landing gears in the Asia-Pacific region".

"As the OEM for all Airbus landing gear," noted Mr. Louis Le Portz, " we will be focused on delivering full support to the JV. This company will benefit from Messier-Dowty's experience in the design and production of landing gears and its aftermarket support".

Mr. Goh Han Hian commented, "We are extremely pleased with this JV, which will provide new business opportunities and enhance our return on investment."

#### Further Information on the Parties

Messier-Dowty is the world's leading manufacturer of landing gears, with a technical and logistics support network serving 400 airlines across the globe. Messier-Bugatti is the world's leading manufacturer of high performance carbon brakes and braking systems.

SIA Engg is a public listed subsidiary of Singapore Airlines, engaged in providing comprehensive aircraft maintenance, repair and overhaul services.

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