ST Engineering

News Release

ST Engineering's Aerospace Arm Clinches $920M Worth of New Contracts in 2Q2015

Singapore, 9 July 2015 – Singapore Technologies Engineering Ltd (ST Engineering) today announced that its aerospace arm has secured new contracts worth $920m in the second quarter (2Q) of 2015. These new orders involve projects ranging from airframe, component and engine maintenance, to engine wash and pilot training.

The total contract value includes the recently announced component Maintenance-By-the-Hour contract worth over US$100m (approximately S$134.8m) awarded by Flybe, and the engine maintenance contract worth around US$350m (approximately S$472m) from Jet Airways.

Included in the 2Q2015 contracts is a heavy maintenance agreement for six Airbus A319 aircraft belonging to an international airline. For component support, ST Aerospace secured several Boeing 737NG landing gear overhaul and exchange contracts for airline operators in Asia and Oceania. In terms of engine support, an agreement was inked for the heavy maintenance of six CFM56-7B engines for a low-cost carrier in Southeast Asia. Multiple contracts have also been sealed with customers in Asia Pacific, Europe and the US for EcoPower® engine wash services.

On pilot training, a three-year contract has been signed with Tigerair Singapore for the provision of simulator training services.

In 2Q2015, the aerospace sector redelivered a total of 310 aircraft for airframe maintenance and modification work. In addition to airframe redeliveries, a total of 10,850 components, 34 landing gears and 50 engines were processed, while 1,008 engine washes were conducted for both commercial and military customers.

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On aircraft capability, the aerospace sector's airframe facility in Guangzhou has obtained certification from the Department of Civil Aviation (Thailand), following previous ratings from the US Federal Aviation Administration (FAA) for the Airbus A330 and Boeing 757 aircraft. In the US, FAA has granted authorisation for its Mobile-based facility to perform line maintenance services.

On engine capabilities, certification was obtained from the Civil Aviation Authority of the Philippines for the maintenance of the CFM56 engine series in Singapore.

During 2Q2015, ST Aerospace signed agreements with Airbus and Elbe Flugzeugwerke GmbH (EFW) to launch the A320/A321 passenger-to-freighter (P2F) conversion programme. This follows a similar collaboration for the A330P2F conversion programme launched in 2013.

In addition, ST Aerospace's flight training academy becomes the only training centre in Singapore to be equipped with an Airbus A320 full flight simulator, certified by the European Aviation Safety Agency.

As a globally renowned MRO leader, ST Aerospace continues to lead the aviation aftermarket as the top-ranking MRO, achieving 12m airframe maintenance man-hours in 2014, as affirmed by the Aviation Week & Space Technology, following its biennial survey. In recognition of ST Aerospace's quality MRO services, the company was also conferred the 2015 ATE&M Best Component MRO Provider award.

The above developments are not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of ST Engineering for the current financial year.

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ST Aerospace (Singapore Technologies Aerospace Ltd) is the aerospace arm of ST Engineering with a revenue of $2.07b in FY2014. Operating a global MRO network with facilities and affiliates in the Americas, Asia Pacific and Europe, it is the world's largest commercial airframe MRO provider with a global customer base that includes leading airlines, airfreight and military operators. ST Aerospace is an integrated service provider that offers a spectrum of maintenance and engineering services that include airframe, engine and component maintenance, repair and overhaul; engineering design and technical services; and aviation materials and asset management services, including Total Aviation Support. ST Aerospace has a global staff strength of around 8,000 employees worldwide. Please visit www.staero.aero.

ST Engineering (Singapore Technologies Engineering Ltd) is an integrated engineering group providing solutions and services in the aerospace, electronics, land systems and marine sectors. Headquartered in Singapore, the Group reported revenue of $6.54b in FY2014 and ranks among the largest companies listed on the Singapore Exchange. It is a component stock of the FTSE Straits Times Index, FTSE ASEAN 40 Index, MSCI Singapore and other indices. ST Engineering has about 23,000 employees worldwide, and over 100 subsidiaries and associated companies in 46 cities across 24 countries. Please visit www.stengg.com for more information.

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