ST Engineering

News Release

ST Engineering's Aerospace Arm Seals MBH Contract With Flybe

Singapore, 16 June 2015 - Singapore Technologies Engineering Ltd (ST Engineering) today announced that its aerospace arm Singapore Technologies Aerospace Ltd (ST Aerospace) has secured a seven-year contract worth more than US$100m (approximately S$134.8m), for aircraft component support with Flybe.

Under the agreement, ST Aerospace will provide comprehensive component Maintenance-By-the-Hour (MBH™) support covering component exchange, repair, overhaul, modification, reliability monitoring and logistics services, for Flybe's growing fleet of Bombardier Dash 8 Q400 aircraft. This contract follows an existing agreement signed in 2004.

"We have built up a strong working relationship with ST Aerospace over many years and they continue to provide Flybe with a high level of service, in support of our Bombardier Q400 fleet. ST Aerospace has demonstrated through a competitive process that they are the right partner for Flybe as we drive forward with our fleet expansion programme."

~ Saad HAMMAD, CEO, Flybe

"We are happy to play a role in Flybe's fleet expansion journey which has grown more than four folds over the last decade. This contract extension speaks of the long-standing partnership we have with our customer. It is also a testament of the success of our MBH™ programme, which delivers long term value to our customers' operations."

~ LIM Serh Ghee, President, ST Aerospace

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Renowned for its flexibility and high level of customisation, ST Aerospace's MBH™ arrangements are popular among its global customers. For a fixed rate per hour, the airline selects a range of support services and pays a corresponding flight per hour rate, which is pre-determined. In this way, operators are able to keep operating costs low and also minimise fixed asset inventory holdings in terms of spares or maintenance equipment.

Today, ST Aerospace provides integrated component support for a fleet of close to 900 aircraft on the MBH™ basis, for over 20 aircraft operators in Asia Pacific, Europe and the Middle East.

Flybe is Europe's largest regional airline which operates 178 routes to 72 airports. It is the largest scheduled airline at Birmingham, Manchester, Exeter, Inverness, Southampton, Isle of Man, Belfast City and Jersey and operates out of more UK airports than any other airline. Flybe operates 47 Bombardier Q400 and 17 E-jet aircraft.

This contract is 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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