

News Release

ST Engineering's Aerospace Arm Completes 50% Divestment of Keystone Holdings

Singapore, 5 July 2016 – Singapore Technologies Engineering Ltd (ST Engineering) today updated that further to its announcement made on 16 February 2016, ST Aerospace Resources Pte. Ltd. has completed the divestment of its 50% equity stake in Keystone Holdings (Global) Pte. Ltd. As a result, ST Aerospace Resources and SJ Aviation Capital Pte. Ltd. will now each own 50% shareholding in Keystone Holdings.

The divestment consideration of US\$10.3m (approximately S\$14.2m) took into account the current performance and net asset value of Keystone Holdings.

Keystone Holdings serves as a holding company for single aisle aircraft leasing investments. It has audited net assets of US\$18.9m (approximately S\$26m) as at 30 June 2016, and currently holds subsidiaries in various geographies to support its portfolio purchase of aircraft which are currently on lease to airlines. The shareholders plan to continue to build up the portfolio of mid-life and end-of life aircraft assets.

Based in Japan, Sojitz Group consists of approximately 410 subsidiaries and affiliates globally. As a general trading company, it engages in a wide range of businesses, including import, export, manufacturing and sale of various products. Sojitz also invests in various sectors and conducts financing activities. Sojitz operates in a broad range of sectors covering automobiles, plants, energy, mineral resources, chemicals, foodstuff resources, agricultural and forestry resources, consumer goods, and industrial parks.

The divestment 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.

ST Aerospace (Singapore Technologies Aerospace Ltd) is the aerospace arm of ST Engineering with a revenue of \$2.09b in FY2015. 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 \$6.34b in FY2015 and ranks among the largest companies listed on the Singapore Exchange. It is a component stock of the FTSE Straits Times Index, MSCI Singapore and the SGX Sustainability Leaders Index. 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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