News Release

ST Engineering's Aerospace Arm Secures Contracts Worth $840m in 4Q2016, totalling $2.57b for 2016

Singapore, 16 January 2017 – Singapore Technologies Engineering Ltd (ST Engineering) today announced that its aerospace arm, Singapore Technologies Aerospace Ltd (ST Aerospace), secured new contracts worth about $840m in the fourth quarter (4Q) of 2016 for services ranging from line and airframe maintenance to component repair and overhaul.

New contracts

The total contract value includes an agreement with Alaska Airlines to exclusively provide maintenance, repair and overhaul (MRO) maintenance support for the airline's CFM56-7B engines that power its fleet of Boeing 737-700 and 737-900 aircrafts. The five-year agreement is expected to cover more than 60 planned maintenance events and commences immediately.

Included in the 4Q2016 contracts are line and heavy airframe maintenance for commercial airlines and military operators. Other contract wins include several landing gear overhaul agreements from various airlines, a long-term landing gear repair contract from an established national carrier and multiple contracts for EcoPower® engine wash services including a one-year extension contract worth US$2.6m (approximately S$3.7m) for a commercial airline, the largest commercial contract that ST Aerospace has clinched for its engine wash business.

Redeliveries and capabilities development

The aerospace sector redelivered a total of 880 aircraft for airframe maintenance and modification work in 4Q2016. Additionally, a total of 10,639 components, 42 landing gears and 33 engines were processed, while 2,388 engine washes were conducted.

Singapore Technologies Engineering Ltd
ST Engineering Hub, 1 Ang Mo Kio Electronics Park Road #07-01, Singapore 567710
T: (65) 6722 1818 F: (65) 6720 2293
www.stengg.com
(Regn. No.: 199706274H)

ST Aerospace continued to expand its MRO capabilities during the quarter. Its airframe MRO station in Guangzhou, China, received approval by the Civil Aviation Authority Malaysia to provide line maintenance service at the Shantou Airport in Guangdong Province, extending the geographical reach of its maintenance service within the province.

As for new capabilities, ST Aerospace made further progress in developing its aircraft seats business when it received Singapore Technical Standards Order certification, a performance standard issued for specified materials, parts, processes, and appliances used on civil aircraft, from the Civil Aviation Authority of Singapore for its in-house aircraft seats design.

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.

*****

ST Aerospace (Singapore Technologies Aerospace Ltd) is the aerospace arm of ST Engineering. ST Aerospace is an integrated service provider that offers a wide spectrum of aircraft maintenance, engineering and training services for both military and commercial aircraft operators. These services include airframe, components and engine maintenance, repair and overhaul, engineering design and technical services, material support, asset management and pilot training. Operating a global maintenance, repair, and operations (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. Please visit www.staero.aero for more information.

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.

Media Contacts:

Lina Poa
Head, Corporate Communications & Investor Relations
ST Engineering
Tel: (65) 6722 1883
Email: linapoa@stengg.com

Say Huan Yuan
AVP, Corporate Communications
ST Aerospace
Tel: (65) 6380 6362
Email: say.huanyuan@stengg.com