News Release

ST Engineering's Aerospace Arm Secures New Contracts Worth about S$650m in 2Q2017

Singapore, 18 July 2017 – Singapore Technologies Engineering Ltd (ST Engineering) today announced that its aerospace arm, Singapore Technologies Aerospace Ltd (ST Aerospace) secured new contracts worth about S$650m in the second quarter (2Q) of 2017 for services ranging from heavy airframe and engine maintenance, component repair and overhaul to freighter conversion.

New contracts

The heavy airframe maintenance contracts include a long-term agreement, announced in June, that ST Aerospace's US affiliate company, VT San Antonio Aerospace (VT SAA), secured from Air Canada to service the airline's flagship 787 Dreamliner fleet. With the first Air Canada 787 successfully redelivered after it underwent C1-checks at VT SAA's facility in San Antonio, US, in May, ST Aerospace became the first MRO service provider in the Americas to perform heavy maintenance on the 787.

Among the other heavy maintenance contracts clinched during the quarter were agreements to service CFM56-5B and CFM56-7B engines for a European and Middle Eastern Airline respectively, as well as agreements to service the 747 and 767 aircraft for American airlines. Other long-term contracts won during the quarter included an agreement for a labour Charge-Per-Aircraft-Landing programme to service the wheels and brakes of a low-cost carrier's Airbus A320 fleet.

ST Aerospace gained momentum in its A330-300 passenger-to-freighter (P2F) conversion programme during the quarter when its joint venture with Airbus, Elbe Flugzeugwerke (EFW), secured additional four firm and 10 optional A330-300P2F conversions from DHL Express. This agreement, also announced in June, follows the launch contract for four similar A330-300P2F conversions that was also awarded by DHL Express in July last

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)

ENGINEERING WITH PASSION
SINCE 1967

year. The first aircraft under the launch contract is currently undergoing conversion at EFW's Dresden, Germany-based facilities, and is on track to be redelivered by the end of 2017.

Redeliveries and capabilities development

The aerospace sector redelivered a total of 862 aircraft for airframe maintenance and modification work in 2Q2017. Additionally, a total of 11,035 components, 48 landing gears and 33 engines were processed, while 2,613 engine washes were conducted.

ST Aerospace continued to build its capacity during the quarter. EFW added a new single-bay wide-body hangar in Dresden, Germany that allows it to take on an expanding A330-300 P2F conversion programme for DHL Express. Over in the US, ST Aerospace's VIP Completion Brand, AERIA Luxury Interiors, completed an expansion of its facilities with a new cabinet and upholstery shop as well as a new design showroom that showcases its wide array of solutions in VIP completion.

As for new capabilities, ST Aerospace made further progress in developing its aircraft seats business when it received European Aviation Safety Agency's Alternative Procedures to Design Organisation Approval for European Technical Standards Order (ESTO) Authorisation, demonstrating its capability to design aircraft articles that can meet ESTO's requirements.

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 with revenue of S$2.49b in FY2016. 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 global staff strength of around 8,000 employees worldwide. Please visit www.stengg.com/en/aerospace for more information.

ST Engineering (Singapore Technologies Engineering Ltd) is an integrated defence and engineering group specialising in the aerospace, electronics, land systems and marine sectors. It has global presence with offices in Asia, the Americas, Europe and the Middle East and employs about 22,000 employees. Across the globe, its employees bring innovation and technology together to create smart engineering solutions for its customers in the defence, government and commercial segments. Headquartered in Singapore, ST Engineering reported revenue of S$6.68b in FY2016 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. Please visit www.stengg.com for more information.

Media Contacts:

Lina Poa
Head, Corporate Communications & Investor Relations
ST Engineering
Tel: (65) 6722 1818
Email: linapoa@stengg.com

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