News Release

ST Engineering's Aerospace Arm Effects Capital Reduction of Aircraft Leasing JV

Singapore, 14 May 2018 – Singapore Technologies Engineering Ltd today announced that Keystone Holdings (Global) Pte. Ltd. (Keystone Holdings), a joint venture company of Singapore Technologies Aerospace Ltd (ST Aerospace), has effected a capital reduction of its share capital from US$39,958,806 (approximately S$53m) to US$34,336,270 (approximately S$46m).

The purpose of this exercise is to return shareholders an amount of US$5,622,536 (approximately S$7m) in paid-up capital that is in excess of Keystone Holdings' short-term needs so as to improve Return on Equity and liquidity management. Keystone is committed to increasing its aircraft fleet as it expands its leasing business, and will be well funded by way of equity from its shareholders and/or credit facilities that can be readily accessed to fund new aircraft purchases.

Keystone Holdings is a 50-50 joint venture company between ST Aerospace, held through its subsidiary ST Aerospace Resources Pte. Ltd, and SJ Aviation Capital Pte. Ltd. It holds subsidiaries across various geographies with a portfolio of aircraft which are currently on lease to global airlines.

The capital reduction 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.

*****

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 (Singapore Technologies Aerospace Ltd) is the aerospace arm of ST Engineering with revenue of S$2.54b in FY2017. 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 service 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 a global technology, defence and engineering group specialising in the aerospace, electronics, land systems and marine sectors. The Group employs about 22,000 people across offices in Asia, the Americas, Europe and the Middle East, serving customers in more than 100 countries. Its employees bring innovation and technology together to create smart engineering solutions for customers in the defence, government and commercial segments. Headquartered in Singapore, ST Engineering reported revenue of S$6.62b in FY2017 and it 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.

For media enquiries, please contact:

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

Say Huan Yuan
AVP, Corporate Communications
Tel: (65) 6722 1678
Email: say.huanyuan@stengg.com