



SIA ENGINEERING COMPANY COMPLETES RESTRUCTURING OF SHAREHOLDINGS IN ROLLS-ROYCE ENGINE REPAIR AND OVERHAUL CENTRES

SINGAPORE, 30 June 2016 – On 23 November 2015, mainboard-listed SIA Engineering Company Limited (“**SIAEC**” or the “**Company**”) announced that it had signed an agreement with Rolls-Royce Overseas Holdings Limited (“**RROH**”) and Hong Kong Aircraft Engineering Company Limited (“**HAECO**”) to divest its 10% stake in Hong Kong Aero Engine Services Ltd (“**HAESL**”) to RROH and HAECO in equal proportion. At the same time, HAESL signed an agreement with Rolls-Royce Singapore Pte Ltd (“**RRS**”) to divest its 20% stake in Singapore Aero Engine Services Private Limited (“**SAESL**”) to RRS. Both transactions are referred to herein as the “**Divestments**”.

SIAEC today announced the completion of the Divestments as approvals from national competition authorities in the relevant jurisdictions have been received and all other conditions for the Divestments have been satisfied.

Following completion of the Divestments, SIAEC and RRS now each hold a 50% stake in SAESL, and HAECO and RROH now each hold a 50% stake in HAESL. The termination of territorial based rights following the shareholding restructuring of SAESL will enable it to compete globally for the Trent engine aftermarket business.

Rolls-Royce and SIAEC have a second joint venture in Singapore, International Engine Component Overhaul Pte Ltd (“**IECO**”), which overhauls and repairs aero engine components. Following completion of the Divestments, Rolls-Royce and SIAEC intend to amalgamate the business and operations of SAESL and IECO into a single entity (with SAESL being the surviving entity post amalgamation), enabling them to compete more effectively for the global component repair business.

The Divestments will result in a net gain of S\$178 million to the SIAEC Group for the financial year ending 31 March 2017 based on the exchange rate prevailing on 29 June 2016.

About SIA Engineering Company
(Company Registration No. 198201025C)
www.siaec.com.sg

SIA Engineering Company (SIAEC) is a major provider of aircraft maintenance, repair and overhaul (MRO) services in Asia-Pacific. SIAEC has a client base of more than 80 international carriers and aerospace equipment manufacturers. It provides line maintenance services at 35 airports in 7 countries, as well as airframe and component services on some of the most advanced and widely used commercial aircraft in the world. Apart from MRO services, SIAEC also offers a comprehensive and integrated suite of solutions under its fleet management services.

The 25 ventures with original equipment manufacturers and strategic partners in Singapore, Australia, Hong Kong, Indonesia, Philippines, United States, Taiwan and Vietnam increase the depth and breadth of the Company's service offerings. SIAEC has approvals from 28 national aviation regulatory authorities to provide MRO services for aircraft registered in the U.S., Europe, China and other countries.

For further information:

Chia Peck Yong
Senior Manager Risk Management & Public Affairs
SIA Engineering Company Limited
Tel: (65) 6549 2390
E-mail: peckyong_chia@singaporeair.com.sg