



SIA ENGINEERING COMPANY AND GE AVIATION TO FORM ENGINE OVERHAUL JOINT VENTURE

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SIA Engineering Company Limited ("SIAEC") and GE Aviation ("GE") have agreed to establish a new engine overhaul joint venture based in Singapore. The joint venture will provide a full range of engine maintenance, repair and overhaul (MRO) services for the GE90 and GE9X engines. The GE90 engine exclusively powers the Boeing 777-300ER and 777-200LR, and the GE9X engine is the sole engine selection for the Boeing 777X aircraft.

The formation of the joint venture, where GE will have a 51% equity stake in the joint venture and SIAEC holding the remaining 49%, is subject to finalisation of the definitive agreements and receipt of required regulatory approvals.

This partnership, which is expected to have benefits to and beyond the SIA Group, is made possible by Singapore Airlines' announcement in February 2017 of a letter of intent for 39 Boeing widebody aircraft valued at \$13.8 billion, which includes 20 777-9s powered by GE9X engines. SIA is also a major operator of GE90-powered 777-300ERs.

The joint venture will establish a state-of-the-art facility, adopting GE's "Brilliant Factory" concepts,

combining advanced technologies and lean practices with digitisation and data analytics to enhance productivity.

Based in Singapore to handle SIA Group as well as third party MRO work, the joint venture will also present opportunities for Singapore, in terms of job creation, training and additional service offerings at the Singapore hub.

Mr. Png Kim Chiang, Chief Executive Officer of SIAEC, said: "SIAEC is delighted to join hands with GE in setting up a world-class facility in Singapore to provide reliable and high quality services for the latest-generation of GE engines. This partnership with GE, which is a significant strategic move for SIAEC, adds to our growing portfolio of joint ventures with the world's leading aircraft and engine manufacturers."

Mr. David Joyce, President and Chief Executive Officer of GE Aviation, said: "SIAEC is known for high-quality engine services and support, and this partnership is a natural fit for GE Aviation and SIAEC. The new Singapore MRO joint venture will ensure GE90 and GE9X operators have access to the best service and support for their engines and will further strengthen GE Aviation's presence in Singapore."

The joint venture is not expected to have a material impact on the financial performance of SIAEC in FY2017/18. None of the Directors of SIAEC has any interest, direct or indirect, in the transaction.

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