



SIA Engineering Company and Parker Hannifin Form Asia-Pacific Hydraulic Equipment Service Center Joint Venture

April 25, 2005

SINGAPORE, April 25, 2005 – SIA Engineering Company (SIAEC), a subsidiary of Singapore Airlines (SIA), signed a joint venture agreement today to form an aerospace hydraulic equipment service center with Parker Hannifin Corporation's Parker Aerospace Group. The new venture, named Aerospace Component Engineering Services Company (ACE Services), will be incorporated in Singapore and located in a new 30,000-square-foot facility at 45 Changi North, in the heart of Singapore's aerospace hub.

ACE Services will provide maintenance, repair, and overhaul (MRO) services of hydromechanical equipment for aircraft such as the Boeing 747-400 and 777 and the Airbus A320, A330, and A340. It will be the first in-region facility providing original-equipment MRO support of Parker components and systems.

First hydraulic service center to provide 5,000 psi support for A380 and 787. Additionally, ACE Services will be the first non-original equipment manufacturer (OEM) hydraulic service center in the world capable of 5,000 psi service, enabling it to support the state-of-the-art Airbus A380 and new Boeing 787 Dreamliner. SIA will be the first to fly the A380 in 2006, and the 787 has received strong orders within the Asia Pacific region.

Under the terms of the joint venture agreement, which was signed today by SIAEC Chief Executive Officer William Tan, and Parker Aerospace President Robert Barker, SIAEC will have a 51-percent stake in ACE Services while Parker Hannifin Corporation will hold the remaining 49 percent.

"We are extremely pleased to forge this strategic collaboration with Parker Hannifin Corporation, a world leader in motion and control technologies and systems," said Tan. "Besides complementing our existing wide range of total support services, the joint venture will fortify SIAEC's position as the region's preeminent MRO center for the most advanced airliners in the industry."

"Parker Aerospace is delighted to form this partnership," commented Barker. "SIAEC is a leader in the aerospace industry and sets a high standard for customer service to our mutual airline customers. We look forward to supporting the rapidly developing business base in the Asia Pacific region together with innovative and advanced service capabilities."

Operations begin fourth quarter of 2005. ACE Services will begin operations with capabilities on specific equipment in the fourth quarter of calendar year 2005. Parker's regional sales and support office in Singapore will also be collocated within the ACE Services facility by the end of 2005. Parker's MRO hydraulic equipment customers in the Asia Pacific region will receive communication and status reports of ACE Services capabilities on a regular basis.

About SIA Engineering Company

SIA Engineering Company is a major provider of aircraft maintenance, repair, and overhaul services in Asia Pacific. The company has a client base of more than 80 international carriers and aerospace equipment manufacturers. It provides line maintenance services at Singapore Changi Airport for more than 60 international carriers, as well as airframe and component overhaul on some of the most advanced and widely used commercial aircraft in the world.

Nineteen joint ventures with original equipment manufacturers and airlines in Singapore, Ireland, China, Taiwan, Indonesia and the Philippines increase the depth and breadth of the company's comprehensive service offerings.

SIA Engineering Company has approvals from 25 national aviation regulatory authorities to provide MRO services for aircraft registered in the U.S., Europe, and Japan, among others.

About Parker Hannifin Corporation

With annual sales exceeding \$7 billion, Parker Hannifin is the world's leading diversified manufacturer of motion and control technologies and systems, providing precision-engineered solutions for a wide variety of commercial, mobile, industrial, and aerospace markets. The company employs more than 48,000 people in 46 countries around the world.

An operating segment of Parker Hannifin Corporation, Parker Aerospace designs, manufactures, and services hydraulic, fuel, and pneumatic systems and components for aerospace and other high-technology markets. Based in Irvine, California, its product lines

include flight control actuation systems and components, thrust-reverser actuation systems, electrohydraulic servovalves, utility hydraulic systems and components, DC motor pumps, fuel pumps, lubrication and scavenge pumps, fuel measurement and management systems, cockpit instrumentation, flight inspection systems, pneumatic subsystems and components, fluid metering delivery and atomization devices, and wheels and brakes.

Contact: Cheryl Flohr, Director, Communication Services
(949) 851-3636
cflohr@parker.com

Chia Peck Yong, Senior Manager, Public Affairs
SIA Engineering Company
(65) 6541-5134
peckyong_chia@singaporeair.com.sg