



ST ENGINEERING'S AEROSPACE ARM SECURES NEW CONTRACTS WORTH ABOUT S\$1.11B IN 1Q2017

News / Finance, Maintenance / Trainings



Singapore Technologies Engineering Ltd (ST Engineering) announced that its aerospace arm, Singapore Technologies Aerospace Ltd (ST Aerospace), secured new contracts worth about S\$1.11b in the first quarter (1Q) of 2017 for services ranging from line and heavy airframe maintenance to component repair and overhaul.

The 1Q2017 contracts include performance-based logistics operation and support for military aircraft, several components repair and overhaul agreements, and contracts for EcoPower® engine wash services. Among these contracts are several multi-year renewal agreements.

Redeliveries and capabilities development

The aerospace sector redelivered a total of 836 aircraft for airframe maintenance and modification work in 1Q2017. Additionally, a total of 11,021 components, 65 landing gears and 38 engines were processed, while 2,292 engine washes were conducted.

ST Aerospace expanded its MRO capacity in China during the quarter when its airframe MRO station in Guangzhou opened its second hangar, which can accommodate two wide-body and two narrow-body aircraft simultaneously. With the new hangar which has 500,000 manhours in capacity when it reaches steady state, the Guangzhou MRO facility will be able to have 1,000,000 manhours in capacity in total.

In Germany, ST Aerospace expanded its capacity in aircraft component manufacturing when its subsidiary Elbe Flugzeugwerke broke ground for a new facility in Kodersdorf, Saxony. When completed, the facility will add 200,000 composite panels production capacity per annum which will help meet rising demand from the growing A320 and A321 Airbus fleet.

As for new capabilities, ST Aerospace made further progress in developing its aircraft seats business when it received AS9100 Quality Management System certification, a Quality Management Systems standard for the aerospace industry, from certification body, DNV GL for its in-house designed aircraft seats.

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.

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