

Media Release May/09

SATS EXTENDS CONTRACT WITH SIA

Singapore, 11 May 2009 – Singapore Airport Terminal Services Limited (SATS) is pleased to announce the renewal of its comprehensive ground handling and inflight catering contracts at Singapore Changi Airport with Singapore Airlines (SIA).

The existing contracts with SIA will expire in September 2009. The new contracts, commencing from 1 October 2009, are firm for three years with an automatic extension for a further two. The scope of services under the new contracts include passenger and ramp handling, aircraft interior cleaning, inflight catering and cabin handling.

This renewal, well ahead of expiry, reinforces the strong strategic relationship between the two companies. It is also a manifestation of SATS' strong position at the Singapore aviation hub. With Singapore as its showcase, SATS will continue to pursue its strategic development and growth in the airport services and food solutions businesses globally.

The agreement between SATS and SIA was sealed last Friday. Signing the contracts on behalf of SATS was Mr Clement Woon, its President and Chief Executive Officer, and on behalf of SIA, Mr Yap Kim Wah, the Airline's Senior Vice-President Product and Services.

Said Mr Woon: "We have enjoyed a successful partnership with SIA for more than three decades. The renewal is a clear endorsement that SATS remains the service partner of choice for SIA. SATS values this strong strategic partnership and will continue to work closely with SIA to uphold its unparalleled service delivery."

"As Singapore Changi Airport is our home base and hub, we require a strong and reliable partner. I am pleased that SATS understands this role and has done well for SIA. This extension will enable us to continue to deliver the highest level of service that our customers have come to expect," said Mr Yap.

The contract renewal is not expected to have any material impact on the Group's earnings per share and net tangible assets per share for the current financial year ending 31 March 2010.

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About Singapore Airport Terminal Services Limited

With over 60 years of operating experience and an emerging global presence, SATS is Singapore's leading provider of Airport Services and Food Solutions.

Our comprehensive scope of Airport Services encompasses airfreight handling, passenger services, ramp handling, baggage handling, aviation security, aircraft interior cleaning while our Food Solutions business comprises inflight catering, food trading and logistics, industrial catering, chilled and frozen food manufacturing as well as airline linen laundry.

Listed on the Singapore Exchange since May 2000, SATS is a subsidiary of Singapore Airlines (SIA). For more information on SATS, please visit www.sats.com.sg.

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