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**AIR INDIA AND SATS SIGN  
GROUND HANDLING JOINT VENTURE AGREEMENT  
FOR BANGALORE INTERNATIONAL AIRPORT LTD.**

**Chennai, 02 May 2007** – Air India Limited (AI) and Singapore Airport Terminal Services Limited (SATS) are pleased to announce that they have today signed a Joint Venture Agreement for the provision of ground handling services at the upcoming Bangalore International Airport at Devanahalli, Bangalore. The agreement was signed by Mr S. Ranganathan, Executive Director Ground Services, AI and Mr Karmjit Singh, Chief Operating Officer, SATS. This follows the signing of a joint venture agreement between AI and SATS last year for the provision of cargo handling services at the Bangalore International Airport after a similar AI-SATS consortium secured one of the two, fifteen-year cargo handling concessions for the airport.

The signing ceremony in Chennai was graced by Mr Raymond Lim, the Minister for Transport and Second Minister for Foreign Affairs of Singapore, who was in India on a state visit and Mr V. Thulasidas, Air India's Chairman & Managing Director.

The AI-SATS consortium is one of two bidders who have secured the seven-year concession at the conclusion of a tender exercise conducted by Bangalore International Airport Limited (BIAL). The airport is scheduled to commence operations in April 2008.

Chairman & Managing Director of AI, Mr V. Thulasidas said, "We have had an excellent track record of working with SATS and are happy to be collaborating together with them. We are confident that we have the best combination of expertise to make Bangalore airport a forerunner in world-class airports, not just regionally but globally. In AI and SATS, we have two very experienced ground handling personnel more than capable of bringing the best practices at the new Bangalore airport."

Elaborating, President & CEO of SATS, Mr Ng Chin Hwee said, "This marks our second collaboration with AI – the first being the cargo handling venture for Bangalore. Within a relatively short span of time of a year, we have learnt a great deal from shared mutual expertise and experience in our respective fields. Passenger and air cargo traffic in India's major cities, including Bangalore, is expected to grow by over 25% in the coming years and we are committed as a partnership to bringing our collective capabilities to creating a world-class ground handling operation at Bangalore airport."

As in the case of the joint venture agreement for cargo handling services, the Joint Venture Agreement for ground handling services has no immediate material financial impact on SATS in terms of earnings per share or net tangible assets per share.

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### About Air India Limited (AI)

AI, apart from being the National Flag Carrier, is the largest Ground Handling Service Provider in India having Ground Handling set-ups at 13 International Airports in India. With a provision of comprehensive ground handling services comprising passenger, ramp, cabin cleaning, flight operations, security and technical handling services, AI holds a market share of 65% of third party Ground Handling at Indian International Airports. AI boasts trained and skilled personnel with state of the art equipment facilities. During the year 2006-07, AI provided ground handling services to 83,000 flights.

For more information on AI, please visit [www.airindia.in](http://www.airindia.in)

### About Singapore Airport Terminal Services Limited (SATS)

The SATS Group is the leading provider of integrated ground handling and airline catering services at Singapore Changi Airport. SATS' network of ground handling and airline catering operations spans more than 34 airports in the Asia Pacific region. SATS' services include airfreight handling, airline catering, passenger services, baggage handling, ramp handling, aviation security and airline linen laundry. SATS, a subsidiary of Singapore Airlines Limited (SIA), has been listed on the Singapore Exchange since May 2000.

For more information on SATS, please visit [www.sats.com.sg](http://www.sats.com.sg)

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