



WAGE CUTS FOR SATS MANAGEMENT

Singapore May 26, 2003 – Singapore Airport Terminal Services (SATS) Limited today announced that its Management will take a pay cut of between 22.5% and 27.5%. The move is in line with measures being taken to restructure costs with the decline in business demand. Wage reduction will take effect from 1 June 2003.

In total, 60 managerial staff from Managers to Chief Executives will be affected. The reduction in wages will result in annual savings of S\$1.91 million.

Negotiations are in progress with the unions regarding wage cuts for non-managerial staff.

The Company's Directors have separately decided to waive 50% of the Directors' Fees to be put before the Company's Shareholders for approval at the upcoming SATS Annual General Meeting scheduled on 19 July 2003.

- Ends –

About Singapore Airport Terminal Services (SATS)

The Singapore Airport Terminal Services (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 14 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 has been listed on the Singapore Exchange since May 2000. For more information on SATS, please visit www.sats.com.sg

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