

SATS SEALS 11th OVERSEAS JOINT VENTURE

Confirms 20% Stake in Taiwanese Ground Handling Company

Singapore Airport Terminal Services Ltd (SATS) today held a Joint Venture Partnership ceremony with EVA Airways and Evergreen International Corporation (the Evergreen Group) to formalise its participation in Evergreen Airline Services Corporation (EGAS).

SATS will take a 20 per cent stake in EGAS, the joint venture company, which provides airport ground handling services at Chiang Kai Shek International Airport (CKS Airport) in Taipei. The Evergreen group will hold the remaining 80 per cent. SATS' investment is NTD48m (S\$2.7 million). SATS' stake will be diluted to 19.21 per cent when additional shares are issued to EGAS employees.

This investment, SATS' second major investment in Taiwan, is in line with its expansion overseas in the areas of catering and airport ground handling services. In October 1995, SATS took a 15 per cent stake in Evergreen Sky Catering Corporation, also with the Evergreen Group as its partner. With the latest venture, SATS now has 11 joint ventures overseas, throughout the Asia Pacific region.

EGAS, which had been providing airport ground handling services to EVA Airways, was awarded the second ramp handling licence by the Civil Aeronautics Administration to handle third-party airlines at CKS Airport on 18 November 1999.

Besides EVA Airways, EGAS currently handles UNI Airways, All Nippon Airways, Air New Zealand, British Airways, Federal Express, Qantas Airways, Royal Brunei Airlines, Singapore Airlines and Trans Asia Airways. EGAS aims to increase its market share of the flights from the current 20 per cent to 34 per cent at CKS Airport within the next 12 months.

SATS provides comprehensive ground handling services to SIA and the majority of airlines at Singapore Changi Airport. These services include inflight catering, ramp handling, cargo handling, aircraft interior cleaning, cabin handling, passenger & baggage handling and aviation security services.

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