



INVESTOR DAY

22 MARCH 2018

DISCLAIMER

These forward-looking statements reflect the Company's current intentions, plans, expectations, assumptions and beliefs about future events. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes, as well as natural disasters which may negatively impact business activities of the ST Engineering Group. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events. The Company does not undertake to update these forward-looking statements to reflect events or circumstances which arise after publication.

AEROSPACE

LIM SERH GHEE

PRESIDENT, ST AEROSPACE

Aviation Market Outlook is Positive

20 year demand



Air Travel

4.7%
CAGR



Air Cargo

4%
CAGR

20 year fleet growth



Fleet Growth

2X increase in global fleet | **44K** passenger aircraft by 2036

3.5% CAGR | **3K** dedicated freighters by 2036

ASIA to outpace rest of the world

Our core & growth markets



MRO

3.8% CAGR | **US\$109b** market by 2027

ASIA driving growth



Leasing

50% of fleet to be leased by 2020 | **US\$50b** Maintenance Reserves by 2027



Cabin Interiors

4.4% CAGR | **US\$22b** market by 2025

Key **DIFFERENTIATOR** for airlines

MRO Landscape

Key challenges:

New Generation Aircraft

- Increased reliability driving **longer service intervals**
- **E-enabled** – Changes approach to maintenance

OEMs

- **Intensifying competition** in the aftermarket
- **IP control**

Competition

- Emerging MROs from **lower cost countries**, especially in airframe

Strengthen Core Businesses | Aerospace



Strengthen and Grow Engineering and MRO

Maintain lead through **disciplined management**,
safety culture and **customer focus**

Engineering and MRO

Today



2017 Overall MRO of the Year
Aviation 100 MRO Global Awards



**By Airframe Maintenance
Man-hours (12.5M in 2016)**
Aviation Week

Strengthen

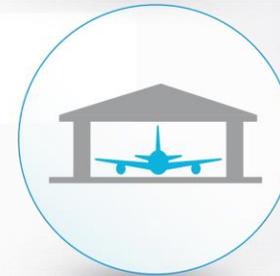


**Passenger-to-
Freighter Conversion**



**Leveraging
on technology**

Grow



**Increase
hangar capacity**



**Increase
global footprint**

Strengthen Engineering and MRO

| PTF Conversions

Established leader through design and engineering capability

Strengthen portfolio of freighter solutions and extract incremental MRO synergies

Our track record

>140
Redelivered

757-200 15P-Pallet*
757-200 8-Pallet*
757-200 Combi*
757-200 14-Pallet*
757-200 14.5-Pallet
727

>170
Redelivered

A330-300*
767-300 BCF
A300
DC10

>60
Redelivered

MD11
747 Combi

Narrow
body

Medium
Widebody

Large
Widebody

Our new solutions



A321 / 320 P2F*

2019 Entry into service

10 Firm order +
10 on option

40% Target market share by 2035



A330-200/ 300 P2F*

2 Redelivered

11 Firm order +
10 on option

45% Target market share by 2035

>\$400m_{pa}
Steady state revenue
by 2022

*Developed and hold Supplemental Type Certificate (STC)

Strengthen Engineering and MRO | Leverage on Technology



Our aim:

- E-enable our workforce
- Improve customer stickiness
- Offer new solutions

Grow MRO

| Increase capacity and global footprint

Strengthen regional presence in growth regions and key markets



- Airframe MRO
- Engine MRO
- Component MRO

Source: Oliver Wyman

Invest in New Growth Areas

Adjacencies that add value to MRO and offer competitive advantage via IP

Aircraft Leasing

Acquisition

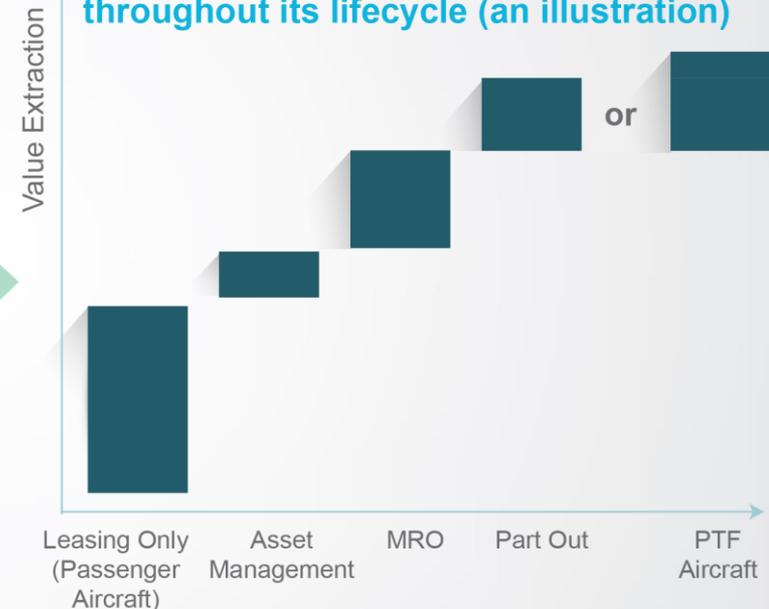
- Mid-life aircraft selection and valuation



During the lease

- Provide MRO services

Extracting value from a mid-life aircraft throughout its lifecycle (an illustration)

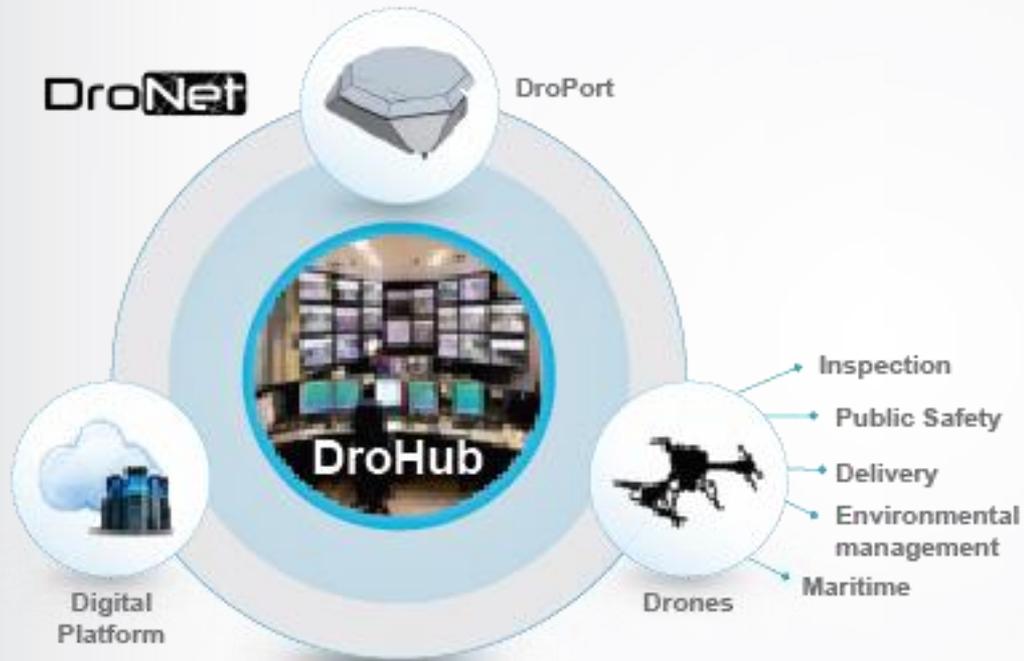


Exit Options

- Asset Management
 - Re-market
- Engineering
 - PTF • Part Out
- Financial
 - Securitise

Seed the Future

Develop technologies that shape autonomous networks and freighters



Enables city-wide drone network solutions

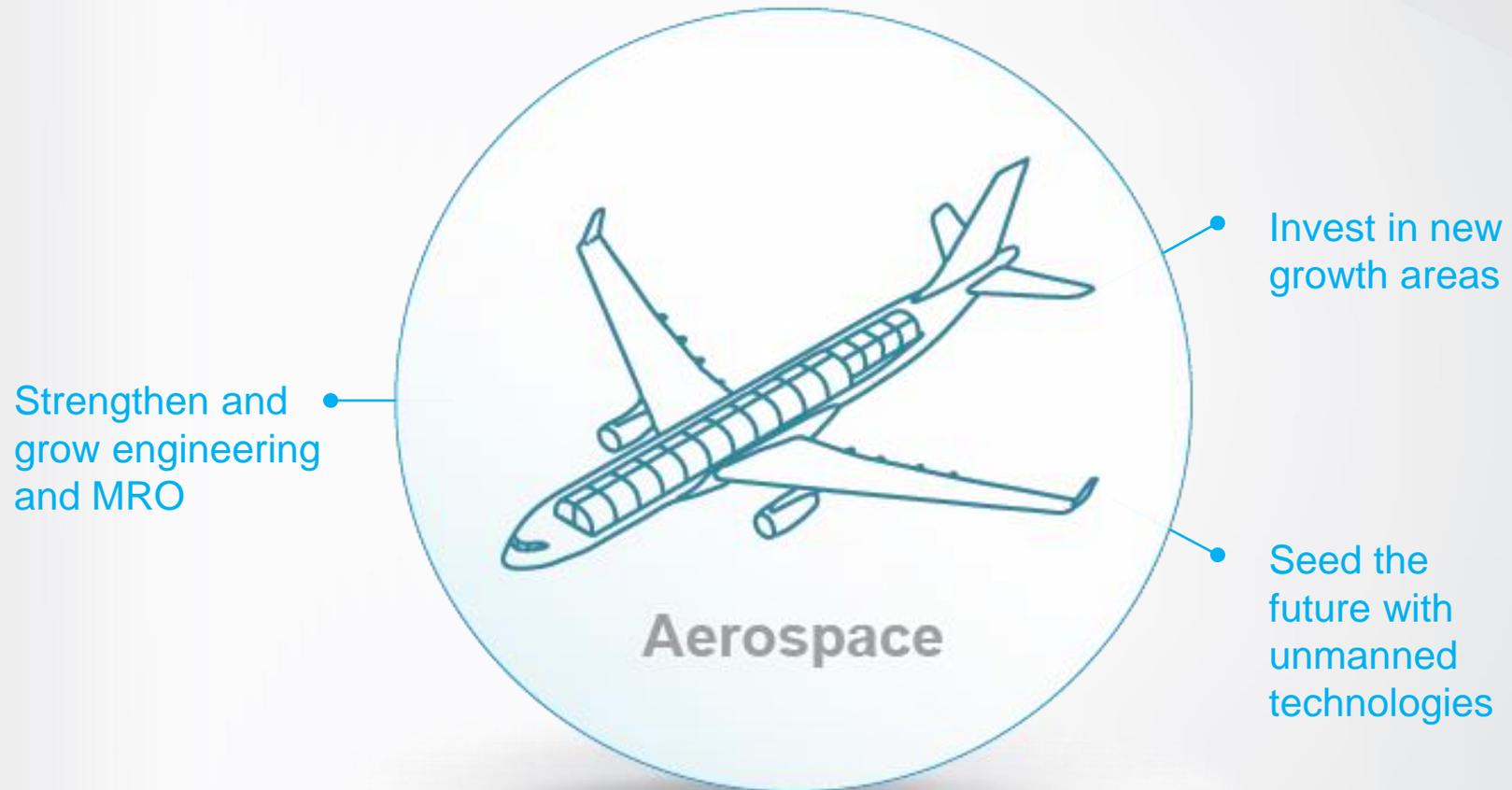
Unmanned Freighter



Reduce cost of freighter operations

- Addresses pilot shortage
- Significant savings for airline industry

Strengthen Core Businesses | Aerospace





**THANK
YOU**

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