



## MEDIA RELEASE

### For Immediate Release

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### HAESL TO EXPAND

Hong Kong Aero Engine Services Limited (HAESL) has today announced that it will invest HK\$85 million (US\$11 million) in an expansion to its aero jet engine overhaul and component repair facility at Tseung Kwan O, in Hong Kong's New Territories.

The investment comprises acquisition of 8,000 square metres of land immediately adjacent to HAESL's existing facility, the construction of a single-storey engineering workshop and surrounding hard-standing area, and purchase of supporting equipment.

Richard Kendall, HAESL's Director and General Manager, said, "This expansion will enable HAESL to increase its engine throughput by up to 25 per cent, improve our workflow efficiencies, and grow our capacity to meet increasing demand for component repairs."

"We built up our workforce during 2005 by 80 people, who are now under training, in anticipation of this expansion and now employ a total of 755 staff. We plan to continue this programme by recruiting over 60 people this year."

HAESL at present operates 30,400 square metres of floor space on an equivalent-sized plot area, including a 130,000 lb test cell. HAESL expects its new workshop facility to be fully operational in the 4<sup>th</sup> quarter of 2007.

#### NOTE TO EDITORS:

1. HAESL is a joint venture between Hong Kong Aircraft Engineering Co. Ltd. (HAECO, a Swire group company) (45%), Rolls-Royce plc (45%) and SIA Engineering Company (10%), and has been operating since 1997.
2. HAESL has overhauled more than 1,500 Rolls-Royce RB211 and Trent engines since its establishment. It has overhaul capability for the complete range of Rolls-Royce wide-body jet engines in service today.
3. HAESL holds extensive component repair capability on Rolls-Royce engines and provides these services to overseas engine overhaul bases as well as for engines it overhauls. Two of its component repair 'Centres of Excellence' were the first worldwide to achieve the top-level 'Gold' accreditation by Rolls-Royce in 2005.
4. HAESL currently employs 755 people at its facility in Hong Kong. This number is expected to increase to over 800 by the end of 2006.

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