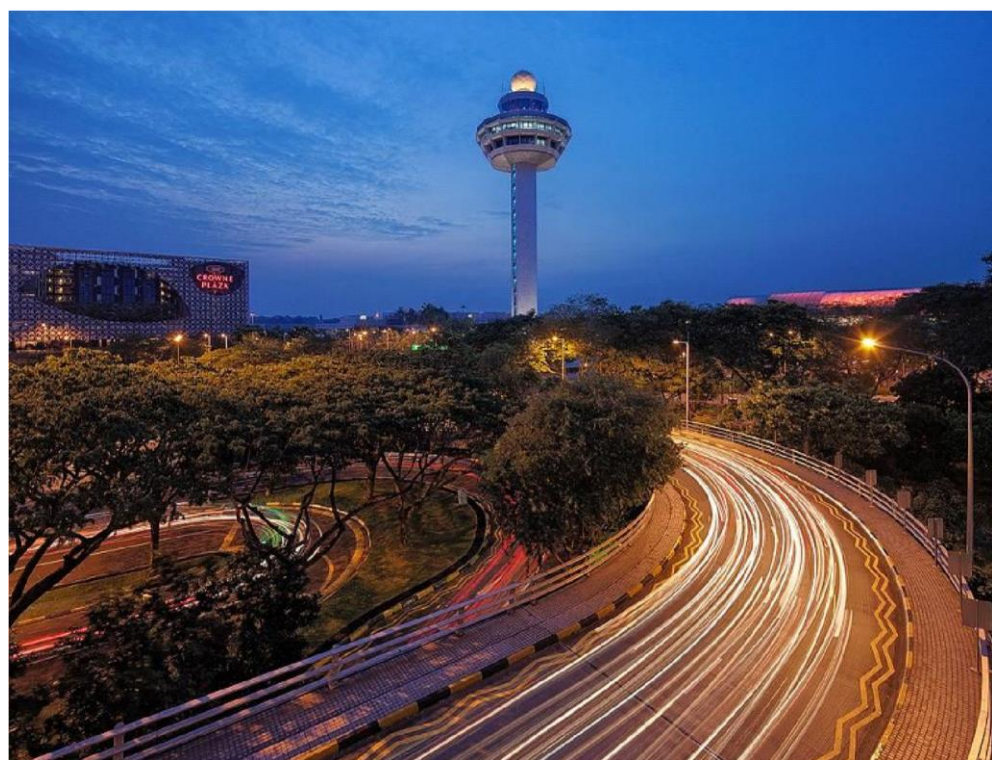


CHANGI AIRPORT PARTNERS TO GAIN FROM CAG'S \$100M PROGRAMME



GAIN provides temporary relief for airlines while laying the foundation for more efficient operations at Changi.

To give a boost in anchoring Singapore as a major air gateway to and from the region, Changi Airport Group (CAG) has announced a wide-ranging S\$100 million Growth and Assistance Incentive (GAIN) programme over the coming year. Through various initiatives and measures to be rolled out under GAIN, CAG aims to lower costs for airlines, boost passenger traffic and improve operational efficiency as well as productivity at Changi Airport.

A number of market factors including the strength of the Singapore dollar, the political uncertainty in Thailand and reduced Chinese demand for travel to Southeast Asia have contributed to declines in traffic at Changi in February and March this year. To provide cost assistance to Changi Airport partners, CAG is offering all airlines operating at Changi Airport

an across-the-board reduction in operating costs including rebates of 50% on aircraft parking fees and 15% on aerobridge fees between 1 July 2014 and 30 June 2015.

“CAG values the deep partnerships we have with our airline partners and we are cognisant of the market conditions faced by them,” said Mr Lee Seow Hiang, CAG’s Chief Executive Officer. “While we cannot iron out the volatilities of the industry cycle, we believe that GAIN will provide helpful temporary cost relief as airlines implement the necessary measures needed to adjust to the evolving market environment.”

As part of GAIN, CAG will also introduce a new package aimed at rewarding airlines for growing transfer traffic at Changi Airport, and is keen to work with airlines to raise efficiency of their terminal operations, providing funding support where appropriate.

To further stimulate traffic demand, CAG will invest in destination marketing campaigns to promote Singapore in major source markets like Australia, China, India, Indonesia and Russia, and will work with the Singapore Tourism Board as well as travel partners in these markets to increase the awareness of Singapore and spur travel demand from these countries. These efforts will also support the development of new city links to Singapore.

Recognising the increasing manpower challenges faced by the ground handling and security agencies at Changi Airport, CAG is also stepping up its effort to work with them to raise productivity levels of their workforce, committing funds to support enhancements that reduce manpower requirements and optimise the efficiency of operations at Changi.

The GAIN programme provides plenty of opportunity for CAG’s partners to collaborate and explore new ideas as well as initiatives that will position Singapore’s air hub strongly for the next wave of growth.