



Half Year and 2nd Quarter Ended 30 September 2004 Financial Results

ORDER OF PRESENTATION

- **THE GROUP**
- **THE AIRLINE COMPANY**
- **THE MAJOR SUBSIDIARIES**
- **DEVELOPMENTS**
- **OUTLOOK**

GROUP RESULTS – 1H/04 (\$million)

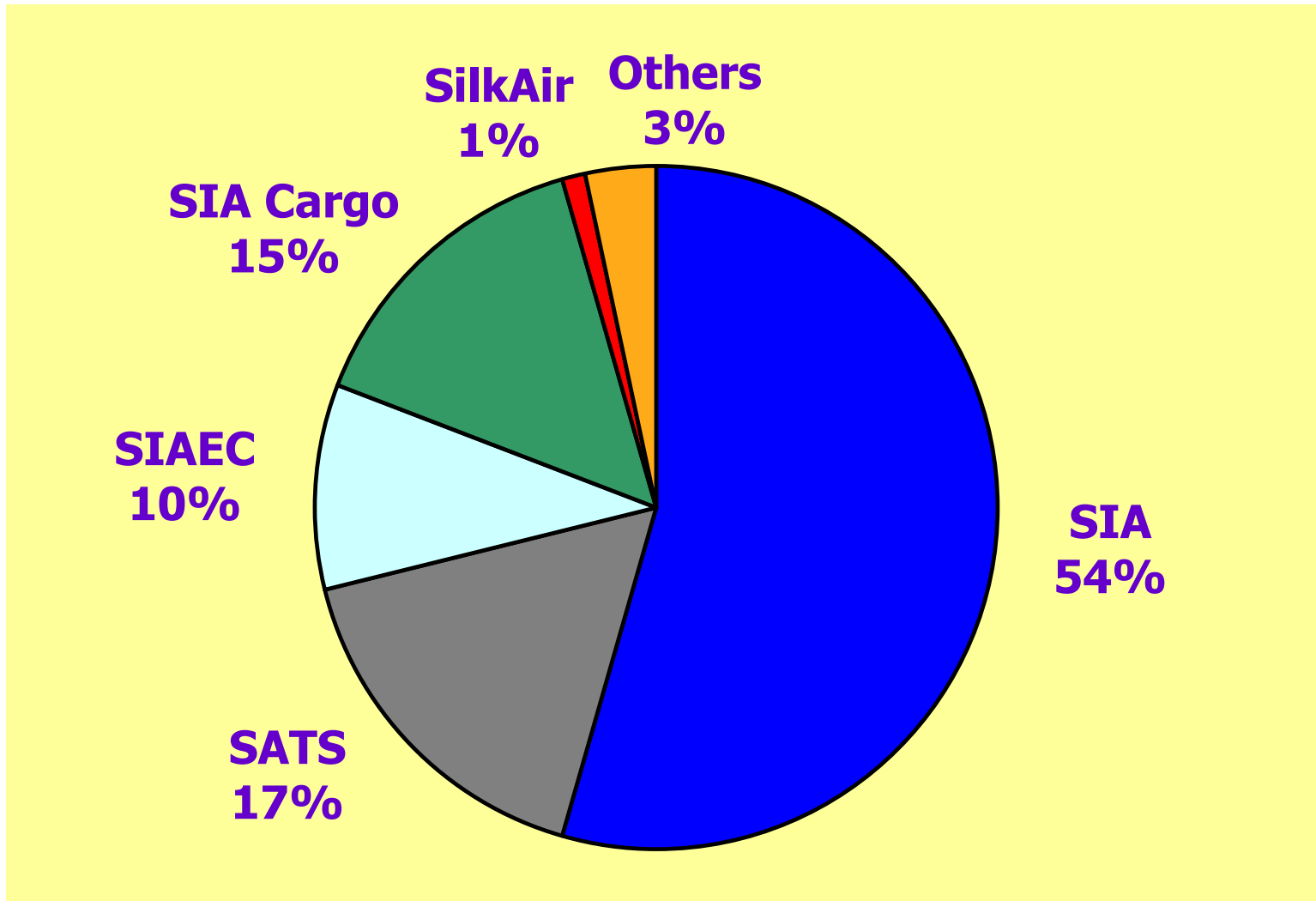
	<u>1H/04</u>	<u>1H/03</u>	<u>04 vs 03</u> <u>% Change</u>	<u>04 vs 02</u> <u>% Change</u>
Total Revenue	5,778.8	4,171.5	+ 38.5	+ 10.5
Total Expenditure	(5,140.6)	(4,234.0)	+ 21.4	+ 8.9
Operating Profit/(Loss)	638.2	(62.5)	n.m.	+ 25.2
Net Profit/(Loss) Attributable to Shareholders	615.9	(6.5)	n.m.	- 20.4*

*FY2002-03 net profit included tax write-back of \$277.8 million.

GROUP FINANCIAL STATISTICS – 1H/04

	<u>1H/04</u>	<u>1H/03</u>
Earnings/(Loss) Per Share (¢)	50.6	(0.5)
Interim Dividend Per Share (¢)	10.0 Tax exempt (one-tier)	Nil
	<u>At 30 Sep 04</u>	<u>At 31 Mar 04</u>
Net Asset Value Per Share (\$)	9.67	9.40
Total Debt to Equity Ratio	0.21:1	0.20:1

CONTRIBUTION TO GROUP OPERATING PROFIT – 1H/04



THE PASSENGER AIRLINE COMPANY

RESULTS –1H/04 (\$million)

	<u>1H/04</u>	<u>1H/03</u>	<u>04 vs 03</u> <u>% Change</u>	<u>04 vs 02</u> <u>% Change</u>
Total Revenue	4,449.0	2,971.4	+ 49.7	+ 10.2
Total Expenditure	(4,102.0)	(3,239.6)	+ 26.6	+ 8.5
Operating Profit/(Loss)	347.0	(268.2)	n.m.	+ 35.7

THE PASSENGER AIRLINE COMPANY

OPERATING PERFORMANCE – 1H/04

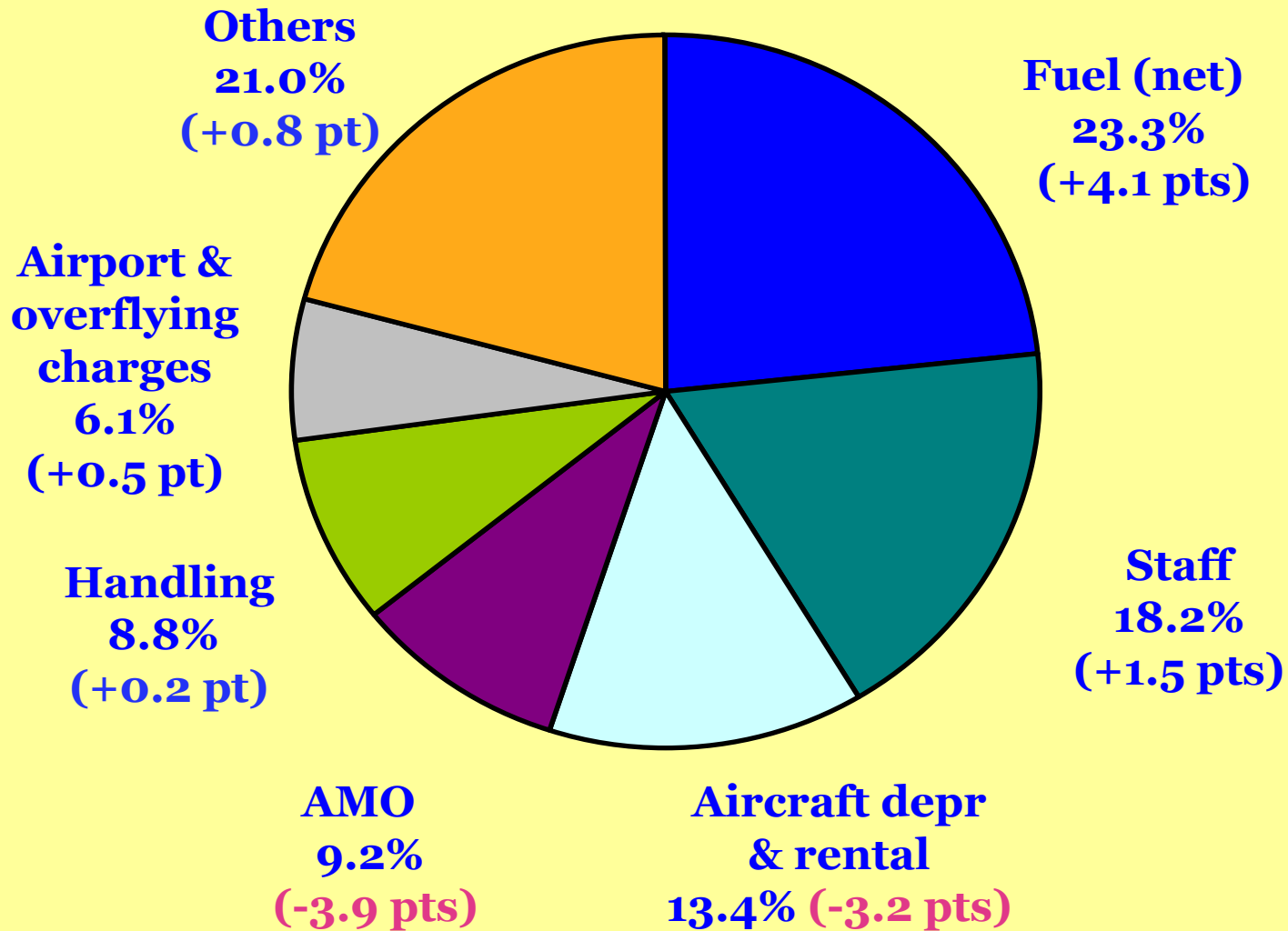
	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>
Seat Capacity (Billion ask)	51.6	39.6	+ 30.4
Passenger Carriage (Billion pkm)	38.1	27.7	+ 37.9
Passenger Load Factor (%)	73.9	69.9	+ 4.0 pts

THE PASSENGER AIRLINE COMPANY

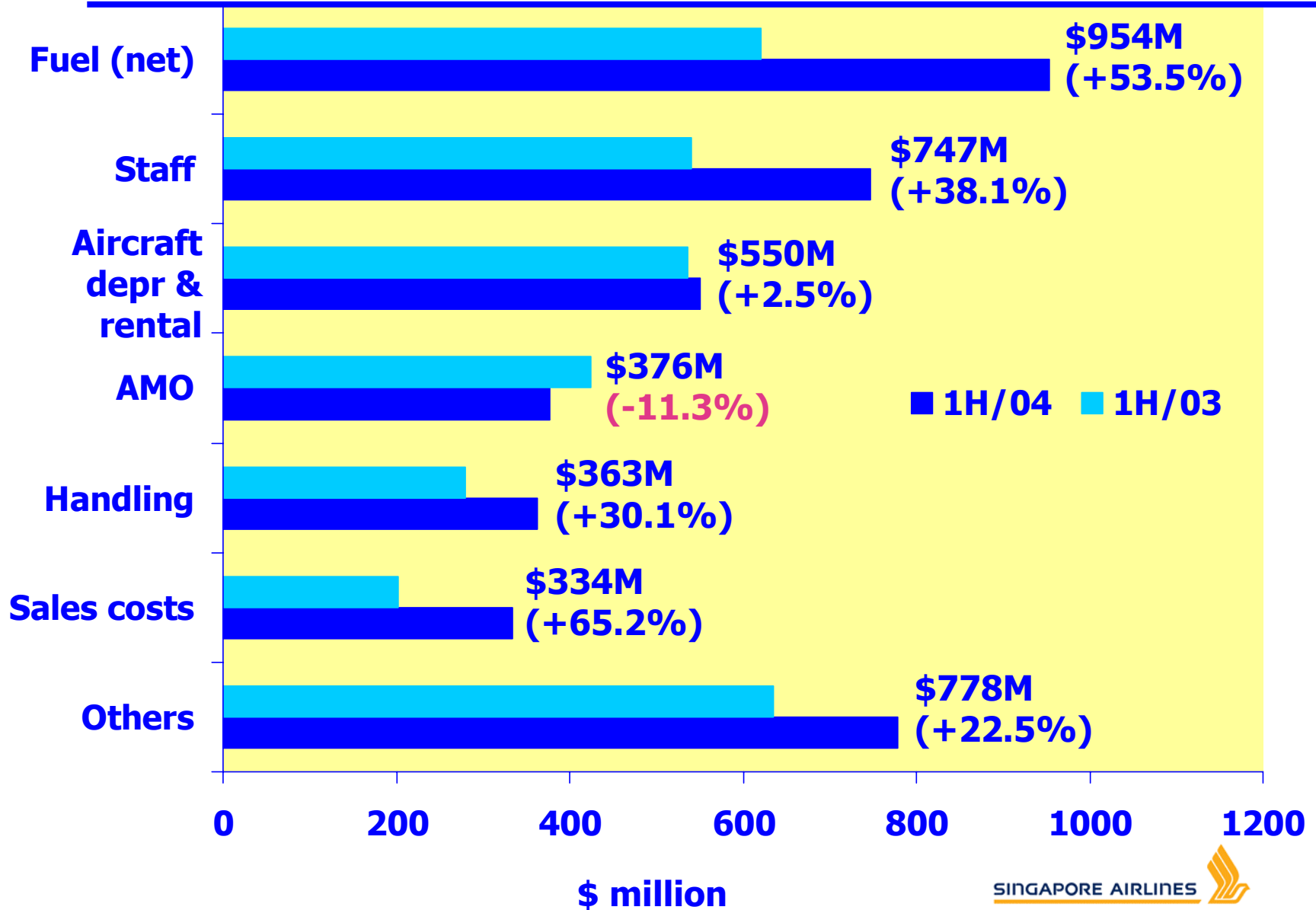
OPERATING PERFORMANCE – 1H/04

	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>
Revenue Yield (¢/pkm)	9.9	8.7	+ 13.8
Unit Cost (¢/ask)	6.8	6.9	- 1.4
Passenger Breakeven Load Factor (%)	68.7	79.3	- 10.6 pts
Unit Revenue (¢/ask)	7.3	6.1	+ 19.7

THE PASSENGER AIRLINE COMPANY – 1H/04 COST COMPOSITION



THE PASSENGER AIRLINE COMPANY – COST ANALYSIS 1H/04



THE PASSENGER AIRLINE COMPANY

FUEL COST ANALYSIS – 1H/04

\$333 million increase in fuel costs (after hedging) :

	\$ million
32.2% increase in volume uplifted	+ 199
39.7% increase in weighted average fuel price	+ 325
2.8% weakening of USD against SGD	- 32
Higher hedging gain	- 159
	<hr/> + 333 <hr/>

SUBSIDIARIES OPERATING PROFIT – 1H/04 (\$million)

	<u>1H/04</u>	<u>1H/03</u>	<u>04 vs 03</u>	<u>04 vs 02</u>
			<u>% Change</u>	<u>% Change</u>
SATS Group	106.3	80.7	+ 31.7	- 12.8
SIA Cargo	95.3	60.7	+ 57.0	n.m.*
SIAEC Group	61.8	47.8	+ 29.3	- 14.5
SilkAir	5.9	(4.2)	n.m.	- 28.9
Others	6.7	2.3	+ 191.3	- 24.7
Total	276.0	187.3	+ 47.4	+ 17.0

*FY2002-03 operating profit at \$24.5 million.

SIA CARGO RESULTS – 1H/04 (\$million)

	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>
Total Revenue	1,376.0	1,134.5	+ 21.3
Total Expenditure	(1,280.7)	(1,073.8)	+ 19.3
Operating Profit	95.3	60.7	+ 57.0
Net Profit	69.9	39.4	+ 77.4

SIA CARGO OPERATING PERFORMANCE – 1H/04

	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>
Capacity (M ctk)	5,685.2	4,952.4	+ 14.8
Load Carried (M ltk)	3,634.0	3,342.3	+ 8.7
Cargo Load Factor (%)	63.9	67.5	- 3.6 pts

SIA CARGO OPERATING PERFORMANCE – 1H/04

	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>	
Cargo Yield (¢/ltk)	34.7	31.8	+	9.1
Unit Cost (¢/ctk)	21.1	20.6	+	2.4
Breakeven Load Factor (%)	60.8	64.8	-	4.0 pts

SILKAIR RESULTS – 1H/04 (\$million)

	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>
Total Revenue	132.5	94.6	+ 40.1
Total Expenditure	(126.6)	(98.8)	+ 28.1
Operating Profit	5.9	(4.2)	n.m.
Net Profit	2.8	(3.9)	n.m.

SILKAIR OPERATING PERFORMANCE – 1H/04

	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>
Capacity (M ctk)	186.4	139.8	+ 33.3
Load Carried (M ltk)	97.0	67.9	+ 42.9
Overall Load Factor (%)	52.1	48.6	+ 3.5 pts

SILKAIR OPERATING PERFORMANCE – 1H/04

	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>
Overall Yield (¢/ltk)	127.2	130.5	- 2.5
Overall Unit Cost (¢/ctk)	65.1	67.7	- 3.8
Overall Breakeven Load Factor (%)	51.2	51.8	- 0.6 pt

DEVELOPMENTS

- **Competition from Low Cost Carriers**
- **Performance of Non-Stop Services to Los Angeles and New York**
- **B777-300ER Aircraft Order**
- **Progress on New Collective Agreements with Staff Unions**

OUTLOOK

- **Fuel Prices and Hedging Position**
- **Forward Bookings**
- **Low Cost Carriers**
- **Competition for SATS**

**SIA NOW FLIES 3 TIMES A WEEK
TO VIBRANT AMRITSAR, INDIA.**

