



**Half Year and 2nd Quarter  
FY2007-08 Financial Results  
31 October 2007**

Celebrating  
*60 years*  
in 2007 

[singaporeair.com](http://singaporeair.com)



SINGAPORE  
AIRLINES



# **THE PARENT AIRLINE**

## **1H FY2007-08**

### **RESULTS**

# THE PARENT AIRLINE COMPANY HIGHLIGHTS – 1H FY07/08



## Highlights of Company's Performance

- Capacity growth (-1.0%)
- Passengers carriage (+2.6%)
- Passenger load factor 80.3% (+2.8% points)
- Passenger yield 11.7¢/pkm (+9.3%)
- Revenue \$6,062 million (+10.6%)
- Unit cost 8.2¢/ask (+5.1%)
- Operating profit \$781 million (+112.2%)

# THE PARENT AIRLINE COMPANY RESULTS – 1H FY07/08



	<u>1H/07</u>	<u>1H/06</u>	<u>% Change</u>
<b>Total Revenue</b>	6,061.6	5,480.6	+ 10.6
<b>Total Expenditure</b>	(5,280.5)	(5,112.5)	+ 3.3
<b>Operating Profit</b>	781.1	368.1	+ 112.2

# THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE – 1H FY07/08

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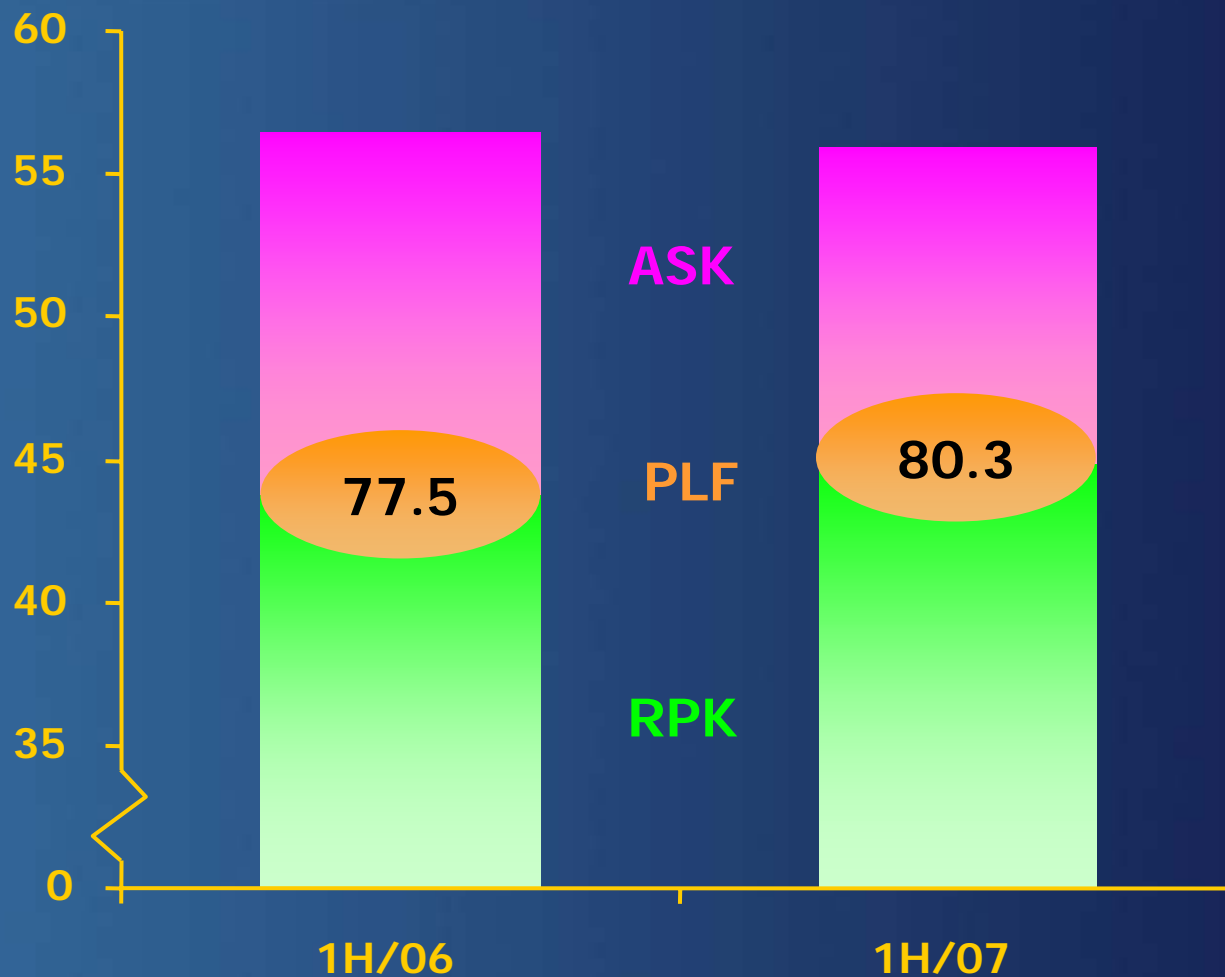
	<u>1H/07</u>	<u>1H/06</u>	<u>% Change</u>	
Passenger Yield (¢/pkm)	11.7	10.7	+	9.3
Unit Cost (¢/ask)	8.2	7.8	+	5.1
Passenger Breakeven Load Factor (%)	70.1	72.9	-	2.8 pts

# THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE – 1H FY07/08

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(Billion KM)



Capacity (ASK)

↓ 1.0%

Passenger  
Carriage (RPK)

↑ 2.6%

Pax. Load  
Factor (%)

↑ 2.8% pts

# THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE – 1H FY07/08

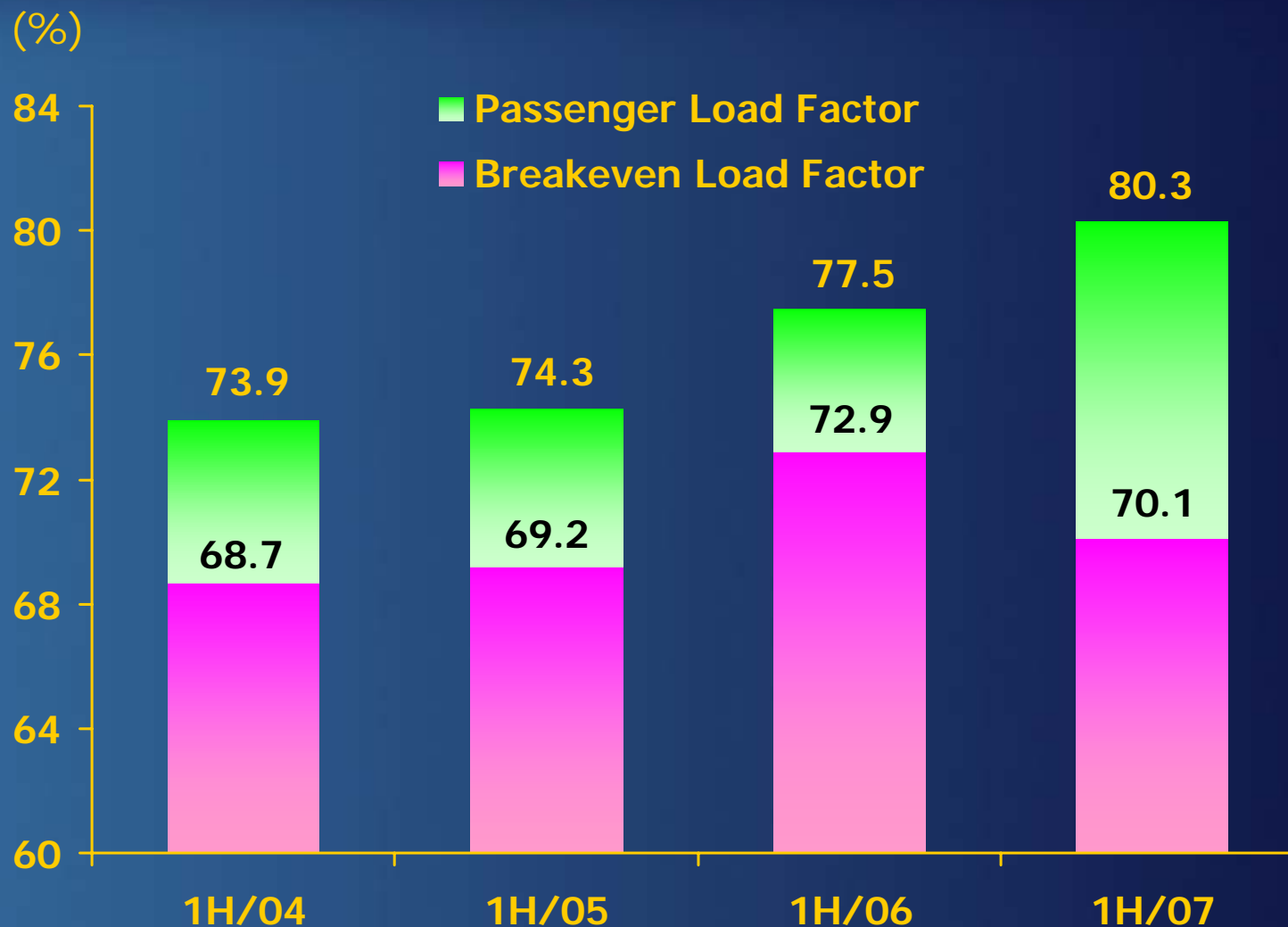
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	<u>1H/07</u>	<u>1H/06</u>	<u>% Change</u>	
Passenger Load Factor (%)	80.3	77.5	+ 2.8	pts
Passenger Breakeven Load Factor (%)	70.1	72.9	- 2.8	pts
Passenger Load Factor Spread (%)	10.2 pts	4.6 pts	+ 5.6	pts

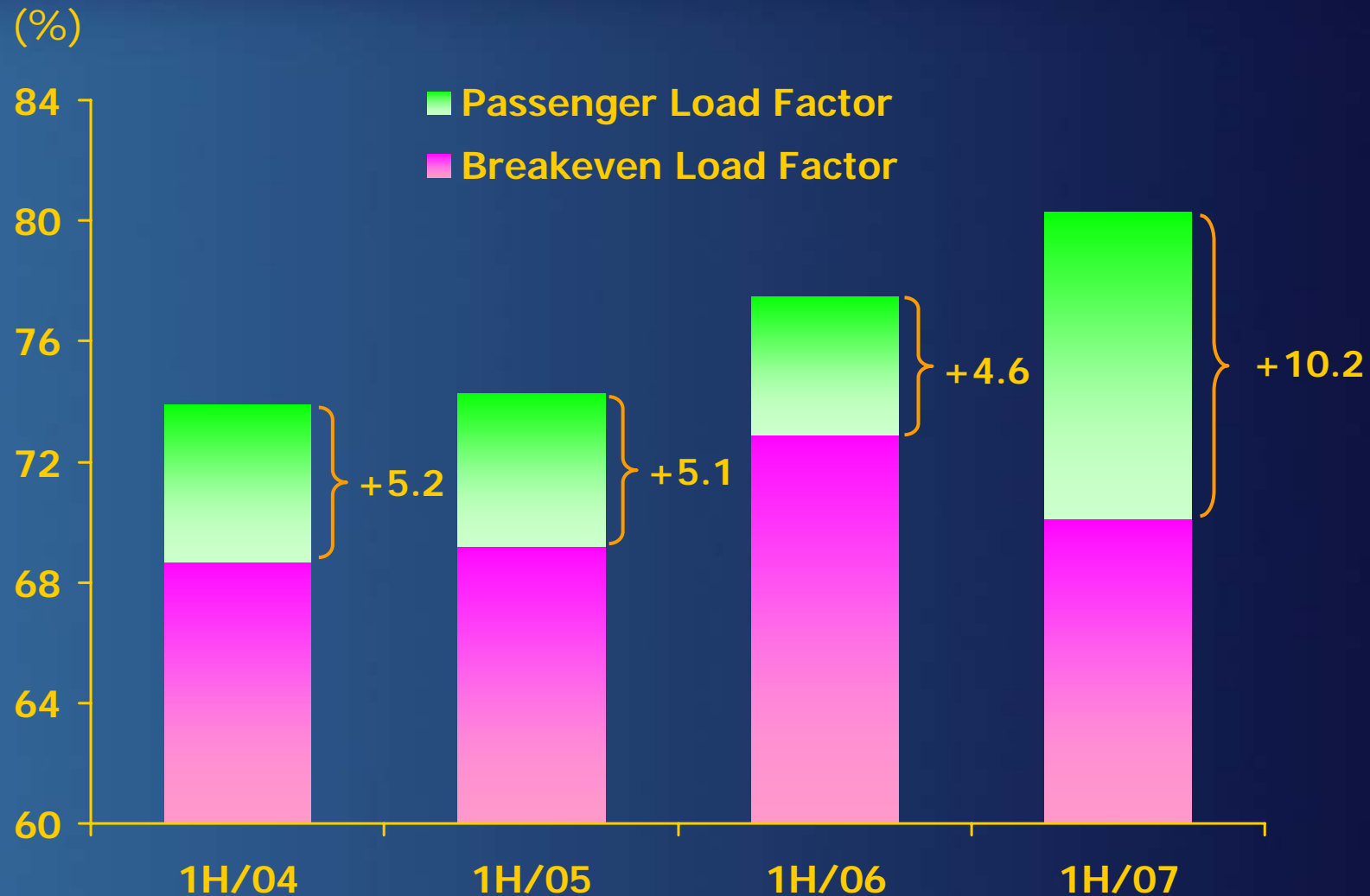
# THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE – 1H FY07/08

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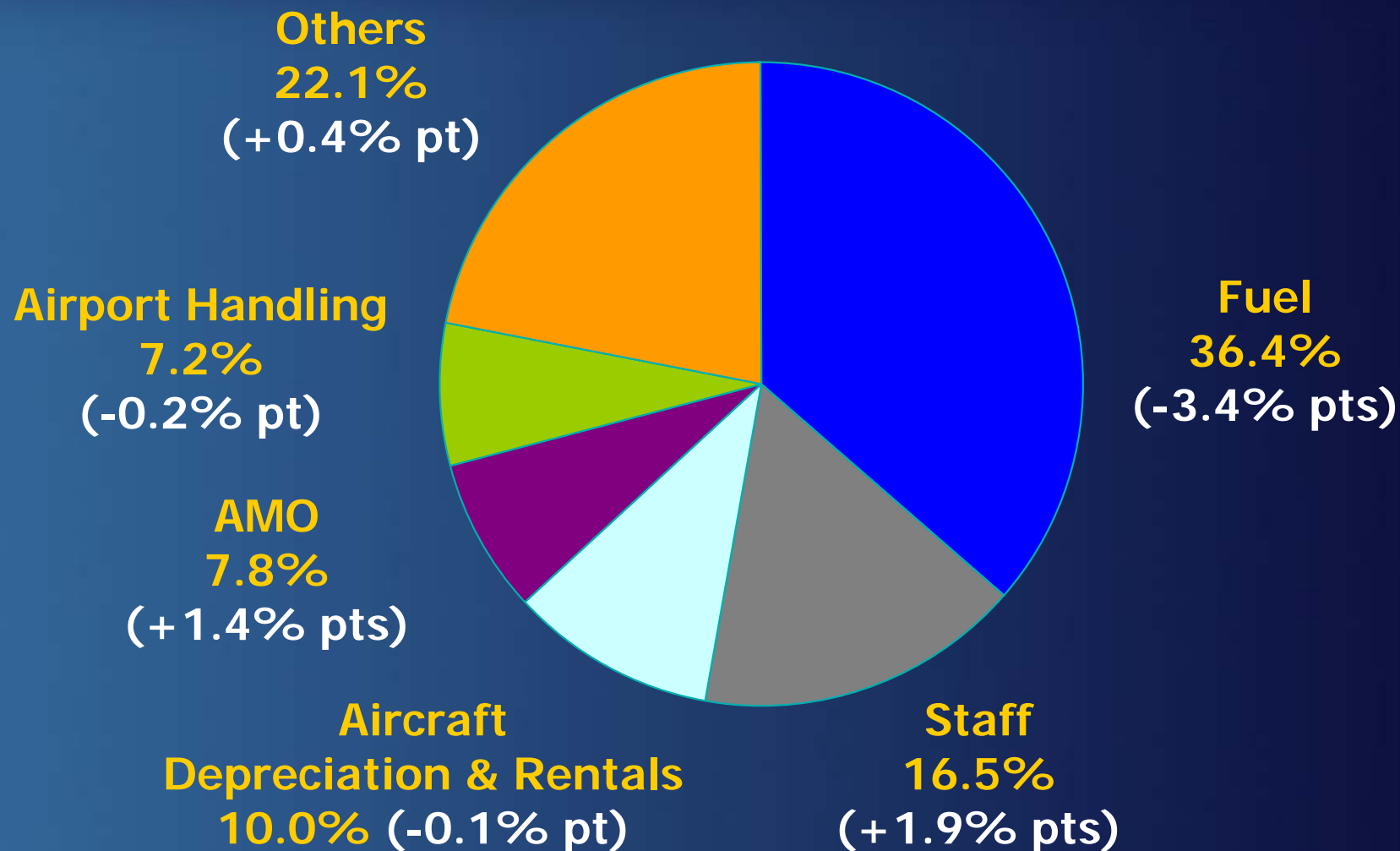


# THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE – 1H FY07/08



# THE PARENT AIRLINE COMPANY COST COMPOSITION – 1H FY07/08

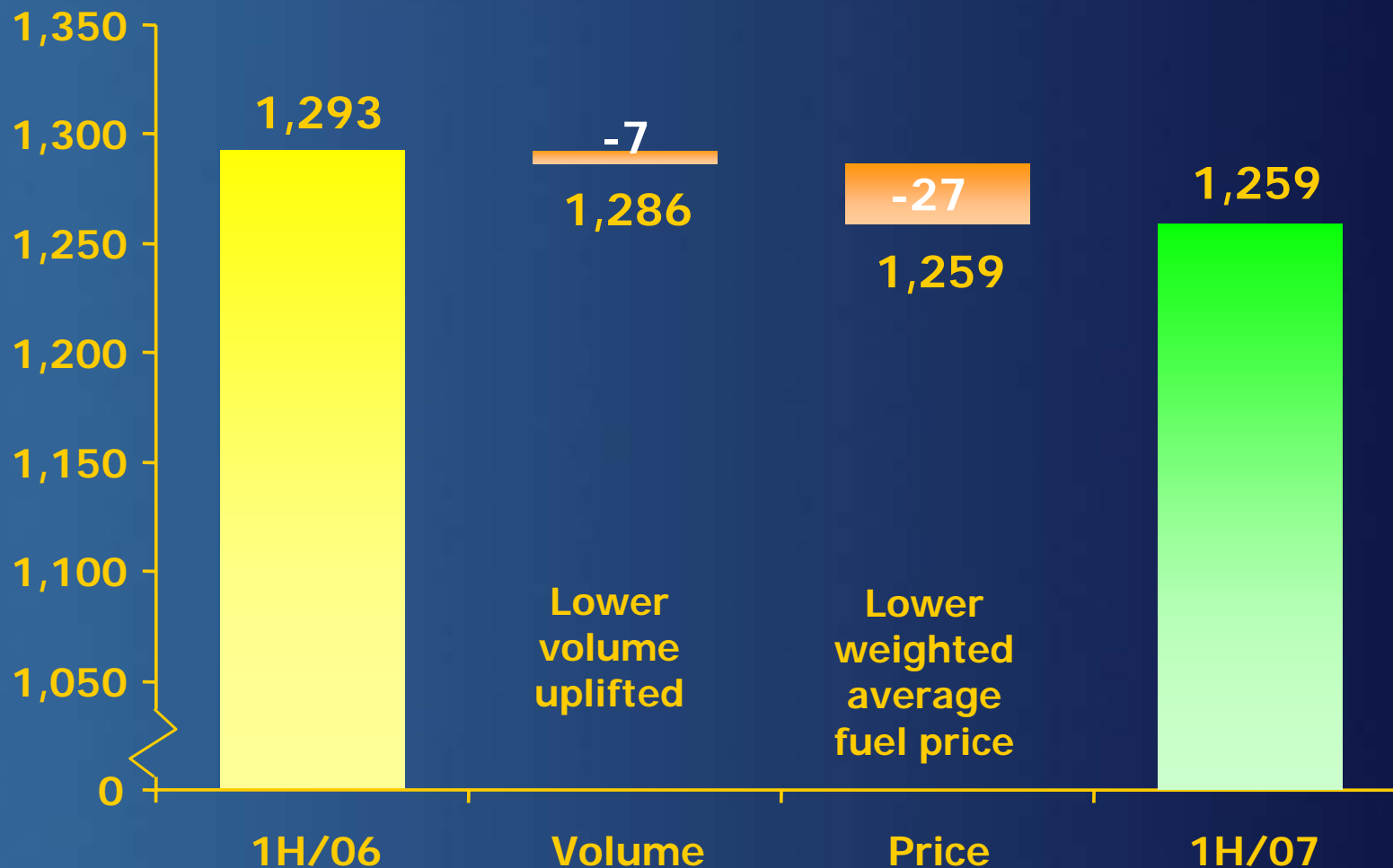
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# THE PARENT AIRLINE COMPANY FUEL EXPENDITURE – 1H FY07/08



(USD million)

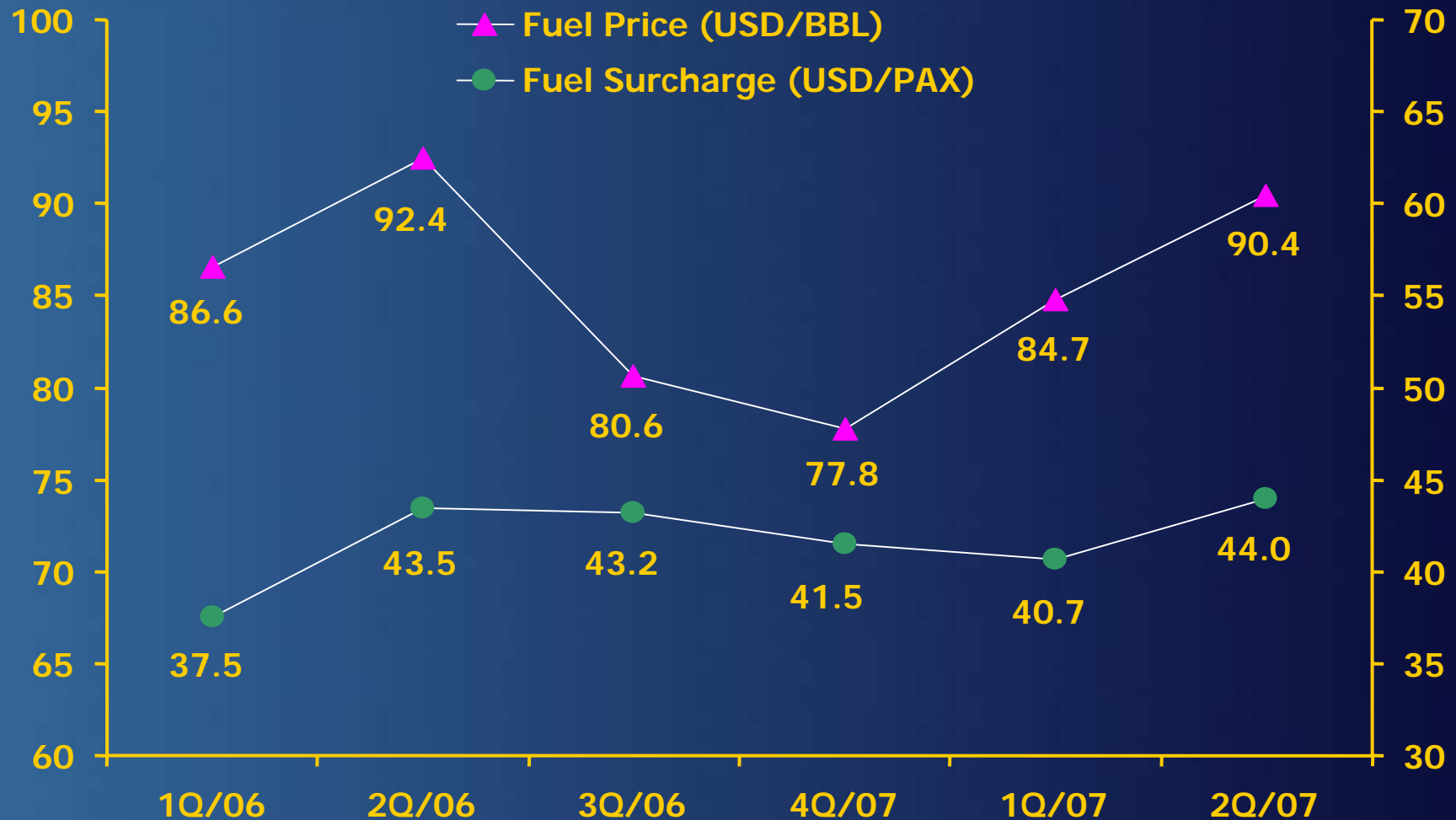


# THE PARENT AIRLINE COMPANY FUEL SURCHARGE – 1H FY07/08



(USD/BBL)

(USD/PAX)





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# **SIA SUBSIDIARIES 1H FY2007-08 RESULTS**

# SUBSIDIARIES NET PROFIT

## – 1H FY07/08 (\$ million)



	<u>1H/07</u>	<u>1H/06</u>	<u>% Change</u>
<b>SIAEC Group</b>	145.0	138.4	+ 4.8
<b>SATS Group</b>	96.4	100.5	- 4.1
<b>SIA Cargo</b>	17.0	(36.3)	n.m.
<b>SilkAir</b>	9.4	2.5	n.m.



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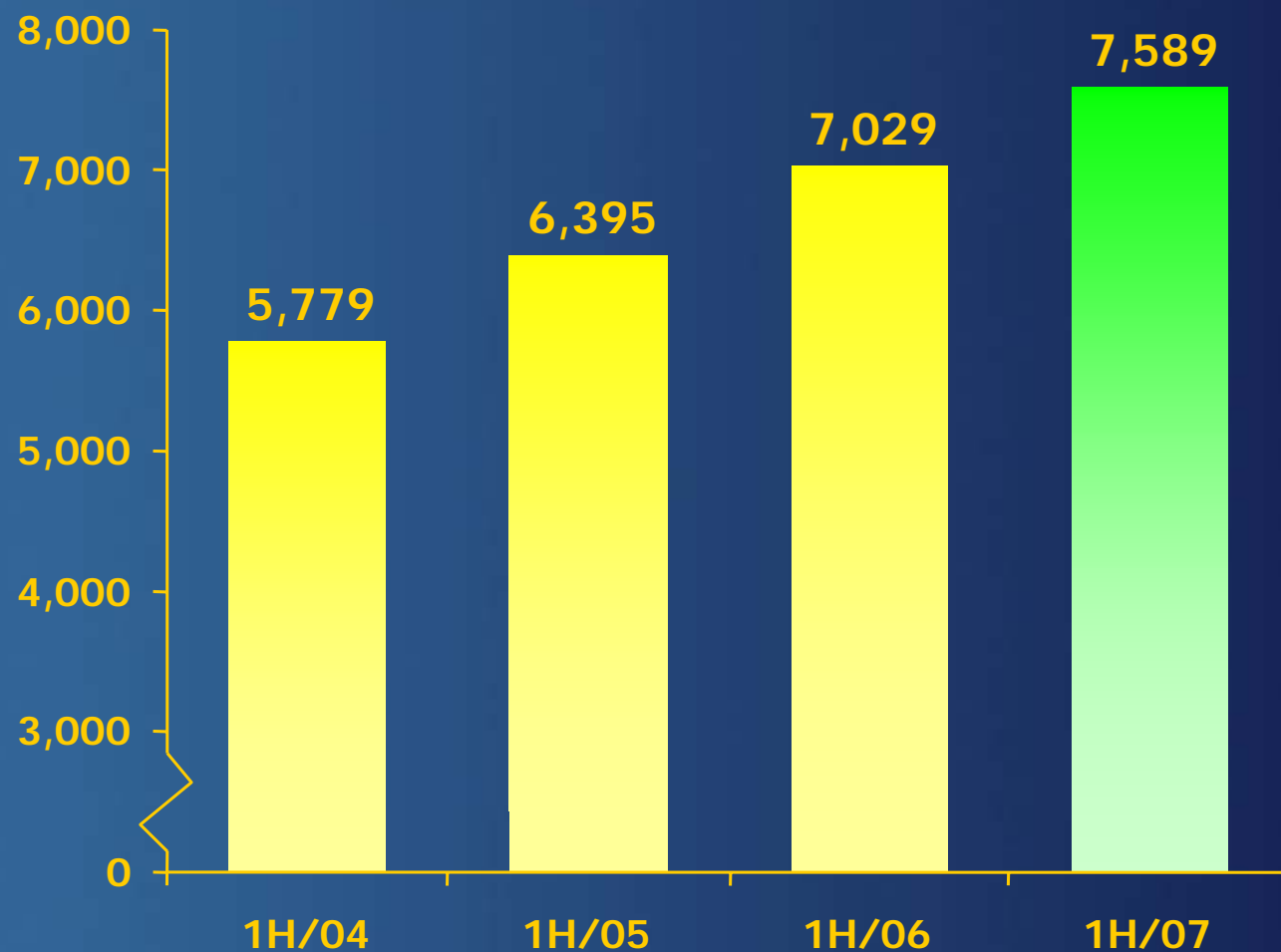


# **SIA GROUP 1H FY2007-08 RESULTS**

# GROUP REVENUE – 1H FY07/08 (\$ million)



(\$ million)



**Group Revenue**  
↑ 8.0%

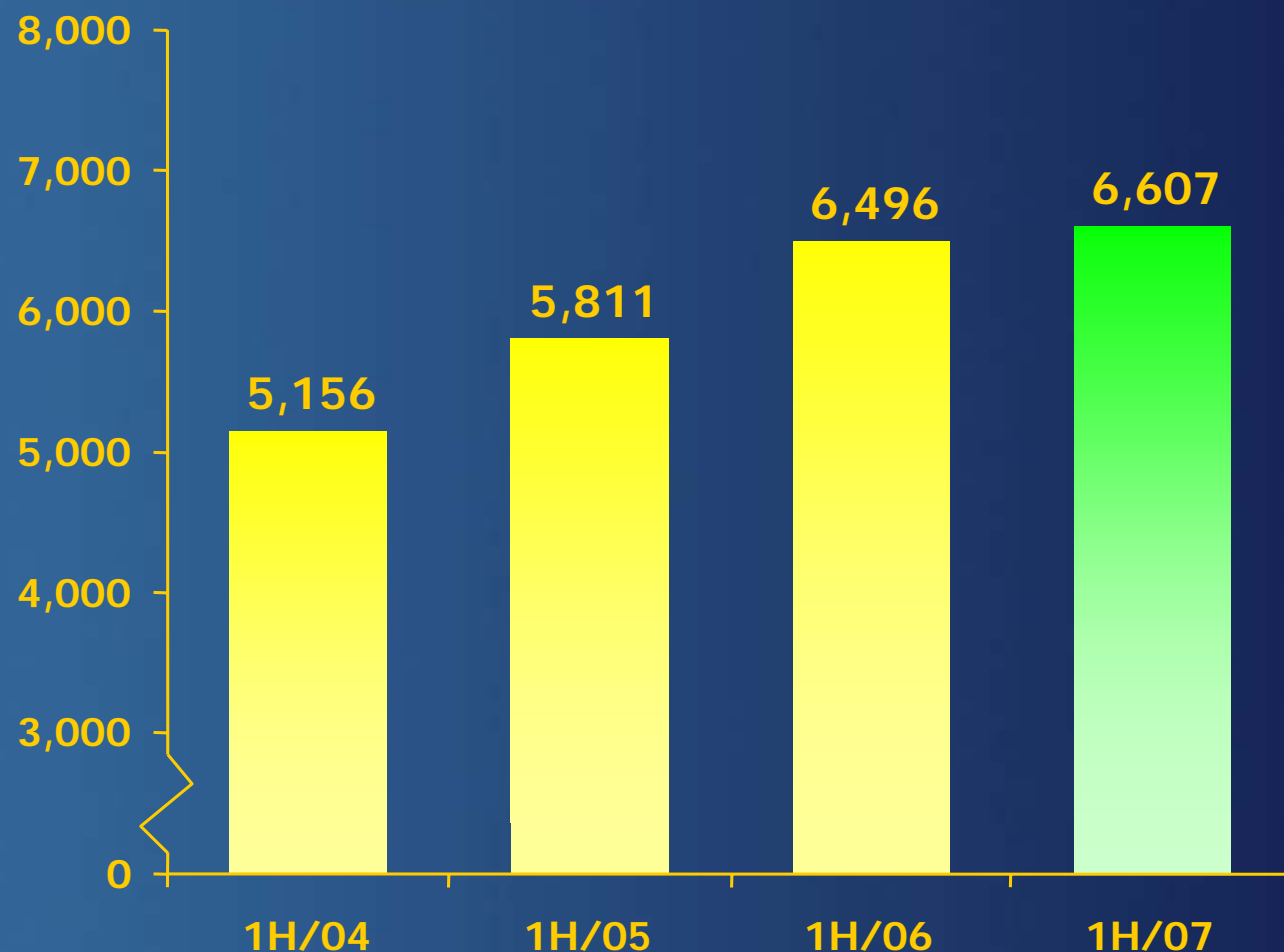
**4-Year CAGR**  
+ 7.1%



# GROUP EXPENDITURE – 1H FY07/08 (\$ million)



(\$ million)



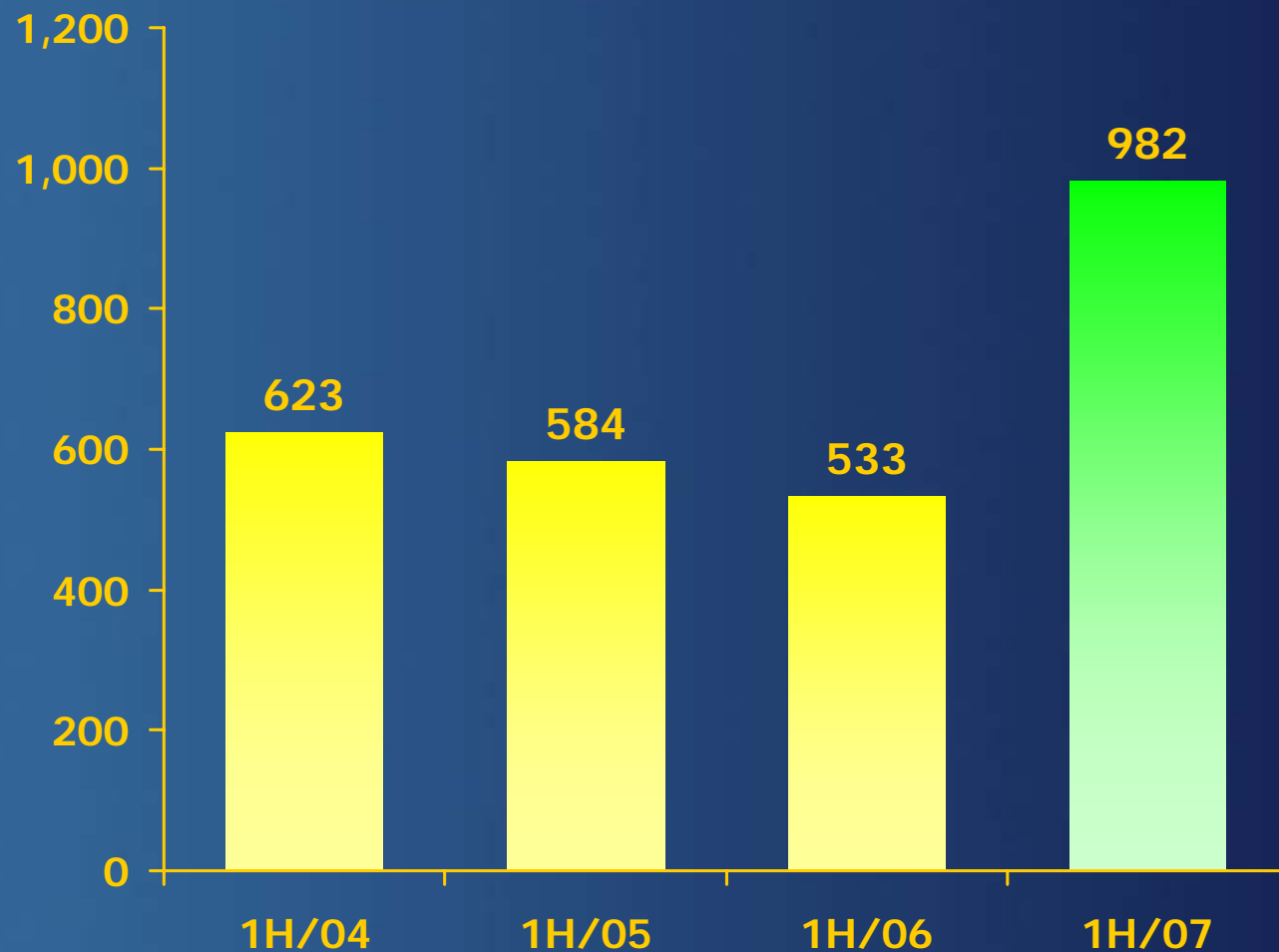
**Group Expenditure**  
↑ 1.7%

**4-Year CAGR**  
+ 6.4%

# GROUP OPERATING PROFIT – 1H FY07/08 (\$ million)

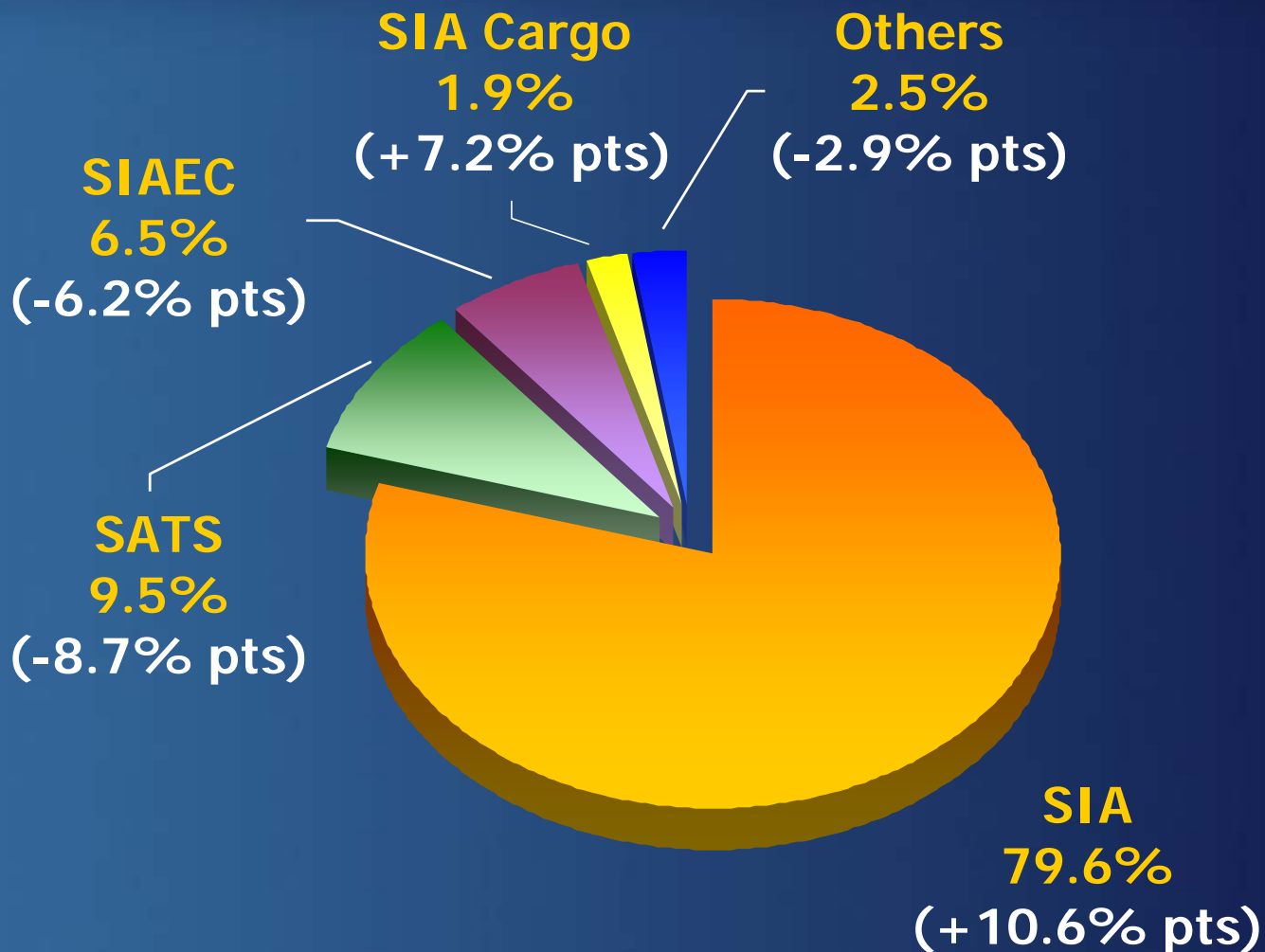


(\$ million)



Operating Profit  
↑ 84.1%

# CONTRIBUTION TO GROUP OPERATING PROFIT – 1H FY07/08



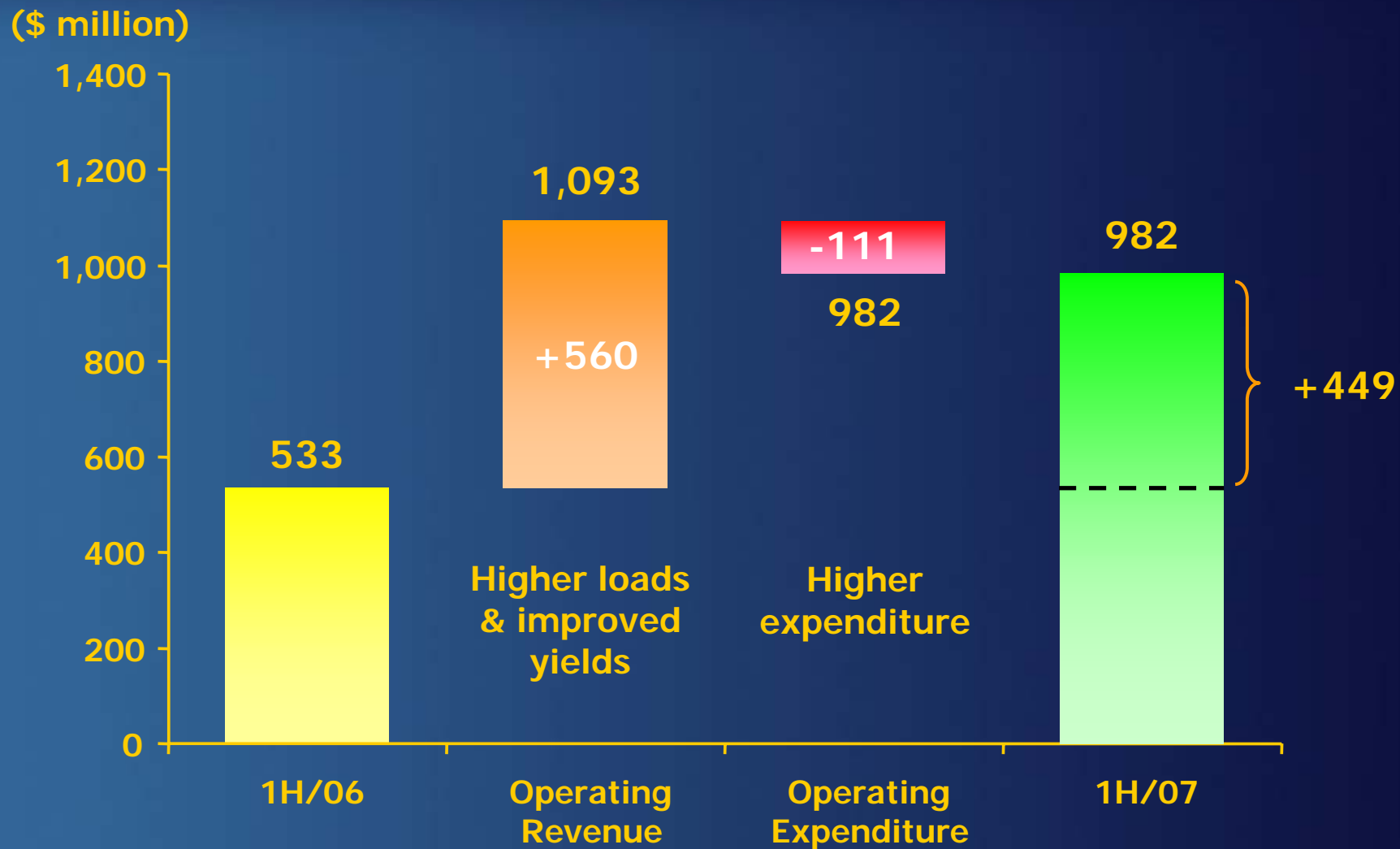
**SIA**  
↑ \$413.0 M

**SATS Group**  
↓ \$3.7 M

**SIAEC**  
↓ \$4.5 M

**SIA Cargo**  
↑ \$47.3 M

# GROUP OPERATING PROFIT – 1H FY07/08 (\$ million)



# GROUP NET PROFIT – 1H FY07/08 (\$ million)



# GROUP RESULTS

## – 1H FY07/08



	<u>1H/07</u>	<u>1H/06</u>
EBITDAR Per Share (\$)	1.75	1.61
Earnings Per Share (¢)	74.7	70.8
Interim Dividend Per Share (¢)	20.0	15.0
	<u>At 30 Sep 07</u>	<u>At 31 Mar 07</u>
Net Asset Value Per Share (\$)	11.65	12.11



# LOOKING AHEAD



# PASSENGER FLEET DEVELOPMENT – FY2007/08



## No. of Aircraft

**Operating Fleet at 1 October 2007** **92**

### **Aircraft Deliveries**

■ **Airbus A380-800** **3**

■ **Boeing B777-300ER** **4**

**Operating Fleet at 31 March 2008** **99**



# GROUP CAPITAL EXPENDITURE FOR NEXT 5 YEARS (\$ million)



	<u>FY08/09</u>	<u>FY09/10</u>	<u>FY10/11</u>	<u>FY11/12</u>	<u>FY12/13</u>
<b>Aircraft</b>	2,400	2,300	3,900	4,300	2,500
<b>Other Assets</b>	300	400	300	300	300
<b>Total</b>	2,700	2,700	4,200	4,600	2,800

# GROUP FUEL HEDGING POSITION – FY2007/08



- Budgeted Uplift Volume (M BBL) 37
- Hedging Target (%) 45 +/- 15
- Percentage Hedged (%) at October 07 47
- Avg Hedged Price (USD/BBL - Jet Fuel) 88

# CHINA EASTERN AIRLINES (CEA)



## Rationale

- Long-term strategic investment
- Good network fit
- Direct participation in China's growth

# CHINA EASTERN AIRLINES (CEA)



## Strategic Partnership

- **Board and Management participation**
  - ◆ Two seats on the Board
  - ◆ Senior SIA staff for key positions
  
- **Commercial Partnership and Cooperation**
  - ◆ Twinning of Singapore and Shanghai hubs
  - ◆ Codeshare on all Singapore and Shanghai services
  - ◆ Joint marketing activities
  - ◆ Explore joint operations beyond hubs

# OUTLOOK FOR 2<sup>nd</sup> HALF



- **Uncertainty in global economy**
- **High fuel prices**
- **Competition**



EXPERIENCE TRAVEL IN A NEW LIGHT WITH SINGAPORE AIRLINES A380 NEW CABIN PRODUCTS