SIA ANALYST/MEDIA BRIEFING

Q2 and 1H FY17/18 Results

8 November 2017

THE PARENT AIRLINE Q2 AND 1H FY17/18 RESULTS

THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE

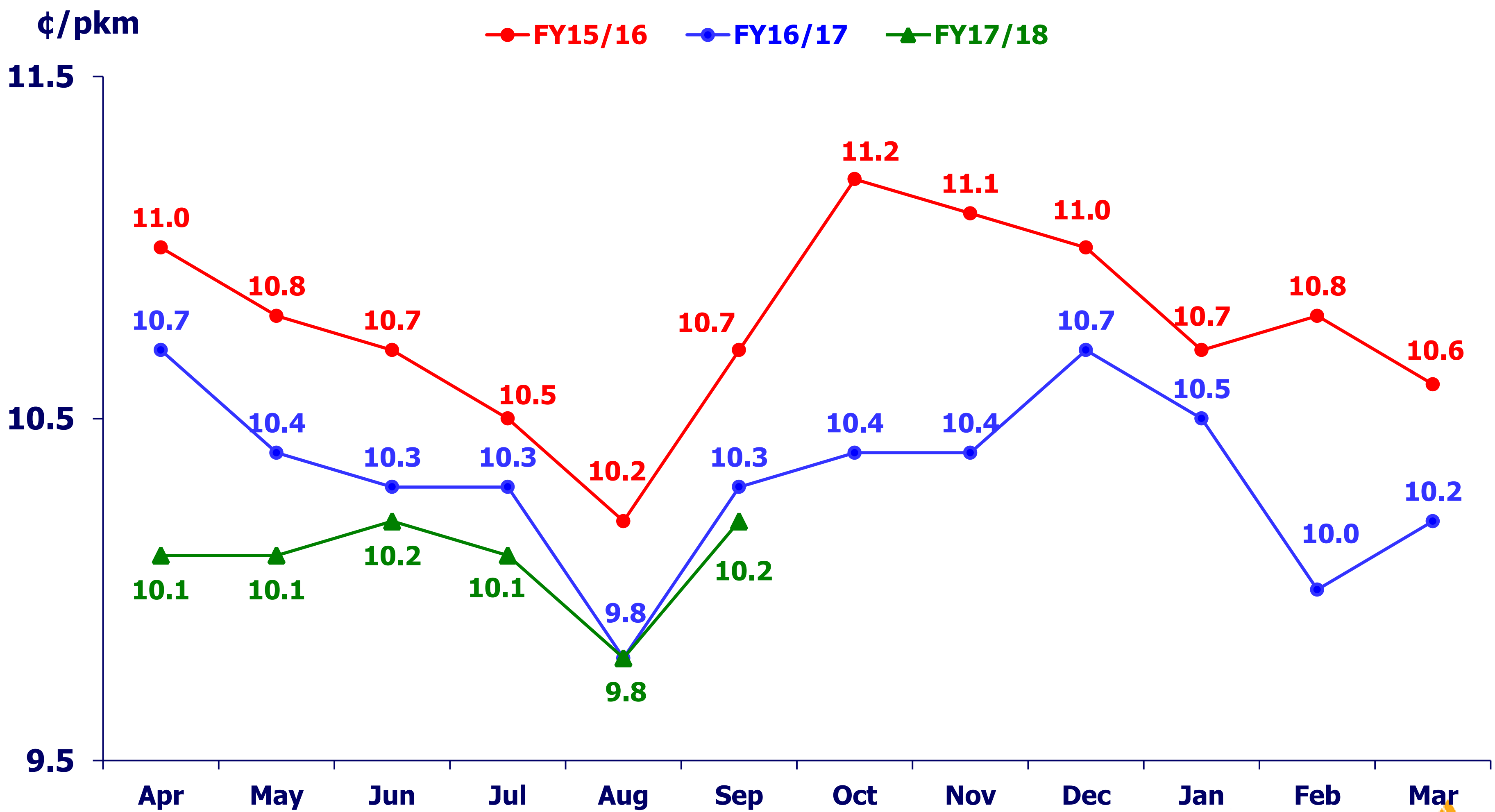
	Q2 FY17/18	% Change	1H FY17/18	% Change
Available Seat-KM (million)	30,047	+0.5	59,010	-0.1
Revenue Pax-KM (million)	24,579	+2.3	47,755	+3.4
Passenger Load Factor (%)	81.8	+1.4 pts	80.9	+2.8 pts

THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE

	Q2 FY17/18	% Change	1H FY17/18	% Change
Passenger Yield (¢/pkm)	10.0	-2.0	10.1	-1.9

THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE

Monthly Pax Yields



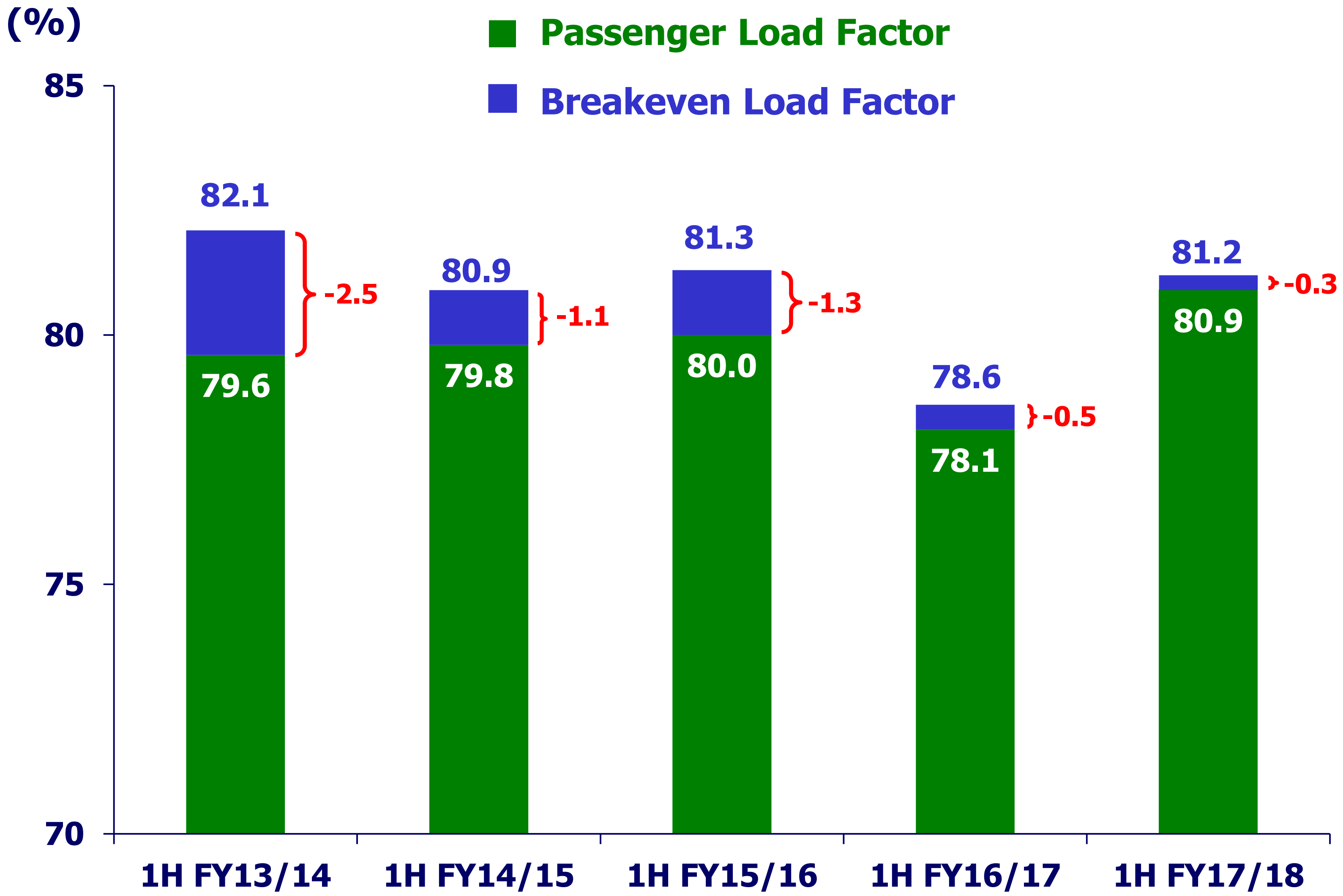
SINGAPORE AIRLINES

THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE

	Q2 FY17/18	% Change	1H FY17/18	% Change
Passenger Yield (¢/pkm)	10.0	-2.0	10.1	-1.9
Revenue per ASK (¢/ask)	8.2	-	8.2	+1.2
Passenger Unit Cost (¢/ask)	8.2	-	8.2	+1.2
Passenger Unit Ex-Fuel Cost (¢/ask)	5.8	-	5.8	+1.8
Passenger Breakeven Load Factor (%)	82.0	+1.6 pts	81.2	+2.6 pts

SINGAPORE AIRLINES

THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE



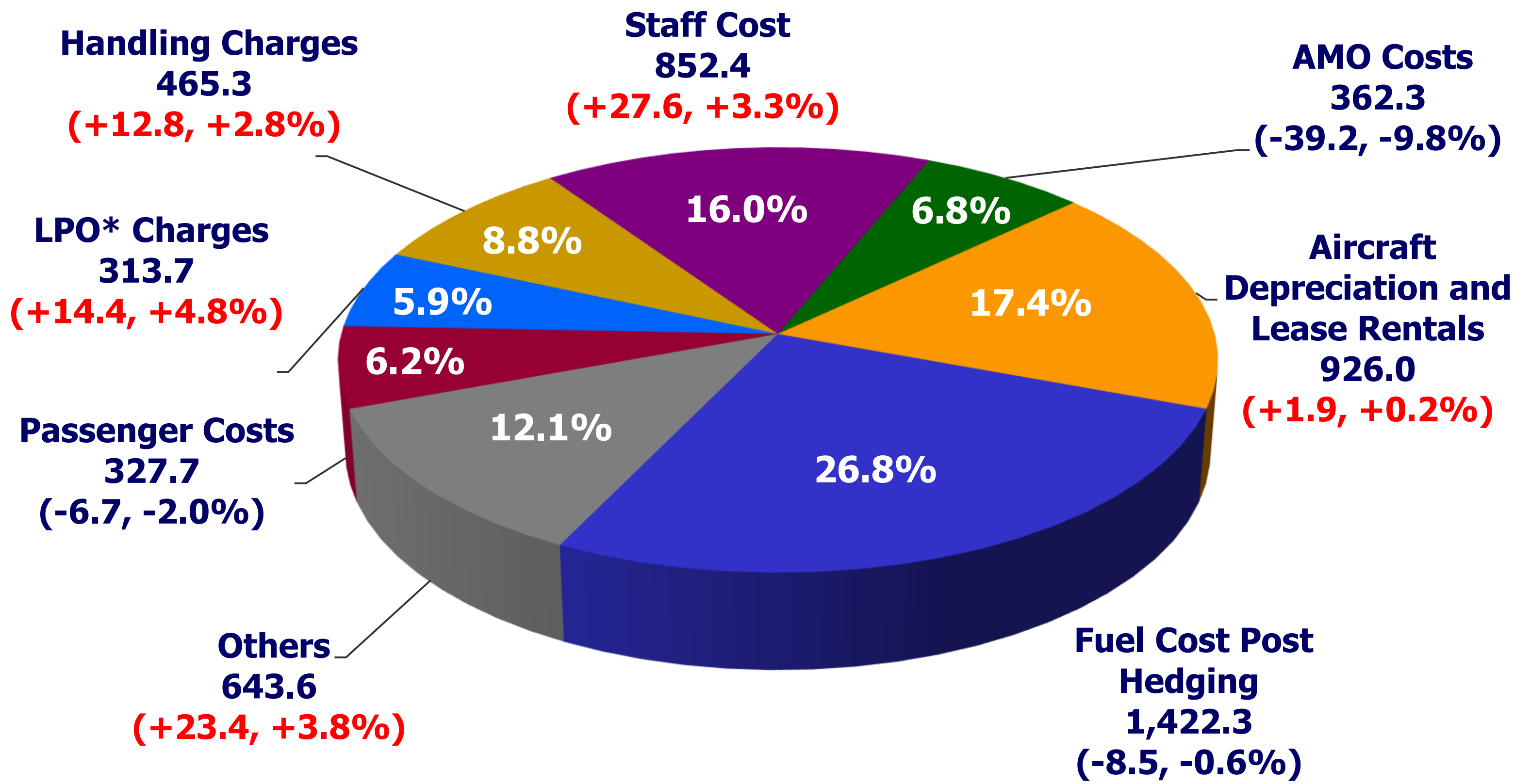
THE PARENT AIRLINE COMPANY RESULTS

	Q2 FY17/18 $million	Better/ (Worse) $million	1H FY17/18 $million	Better/ (Worse) $million
Total Revenue	**2,856**	**90**	**5,724**	**161**
Total Expenditure	**2,686**	**1**	**5,313**	**(26)**
- Net Fuel Cost	*716*	*17*	*1,422*	*9*
Fuel Cost	*713*	*(95)*	*1,398*	*(194)*
Fuel Hedging Loss	*3*	*112*	*24*	*202*
- Ex-fuel Cost	*1,970*	*(16)*	*3,891*	*(35)*
Operating Profit	**170**	**91**	**411**	**135**
Operating Profit Margin (%)	**5.9**	**3.0 pts**	**7.2**	**2.2 pts**

SINGAPORE AIRLINES

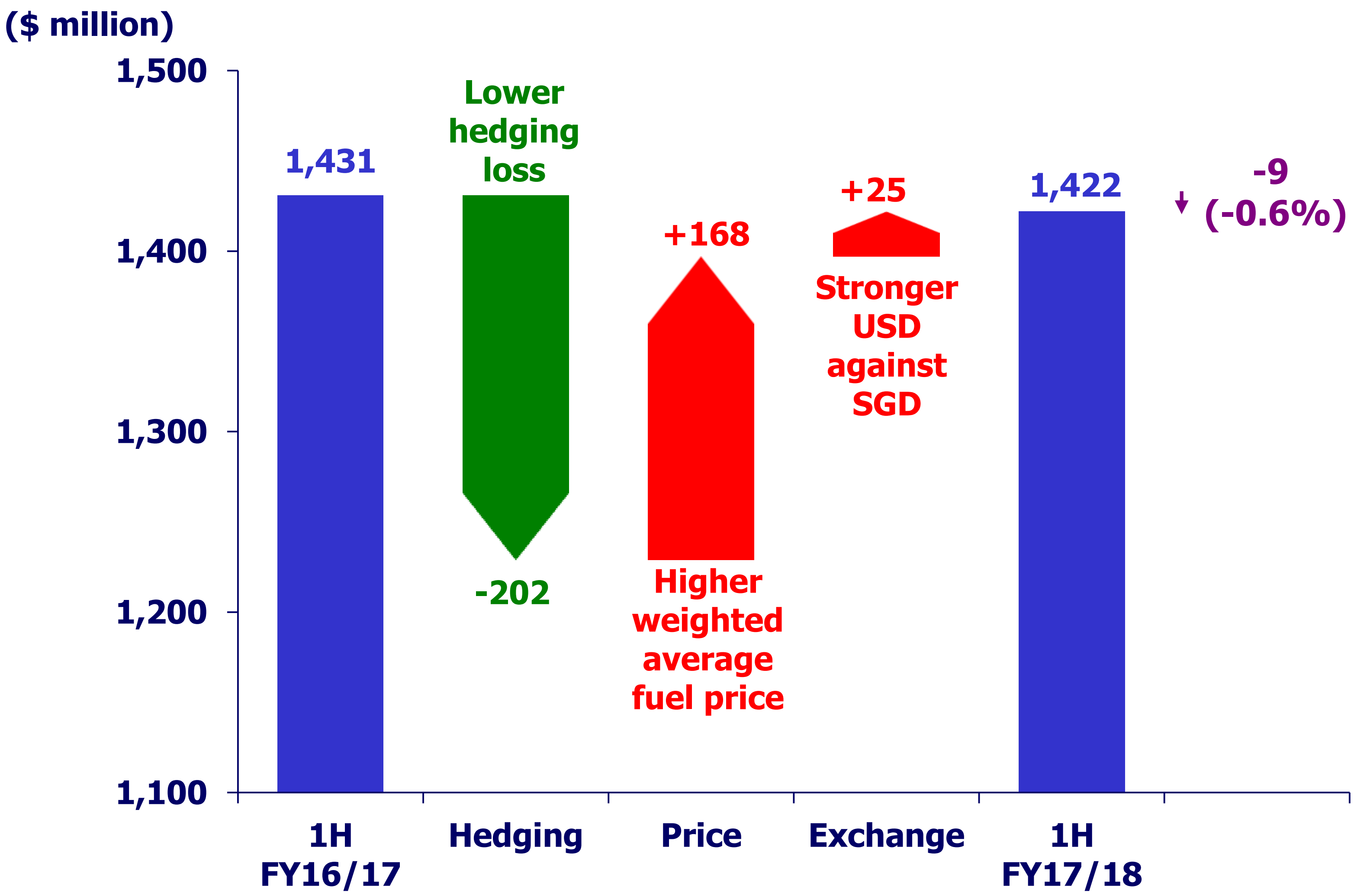
THE PARENT AIRLINE COMPANY COST COMPOSITION

1H FY17/18 ($'M)



**Landing, Parking and Overflying*

THE PARENT AIRLINE COMPANY FUEL EXPENDITURE



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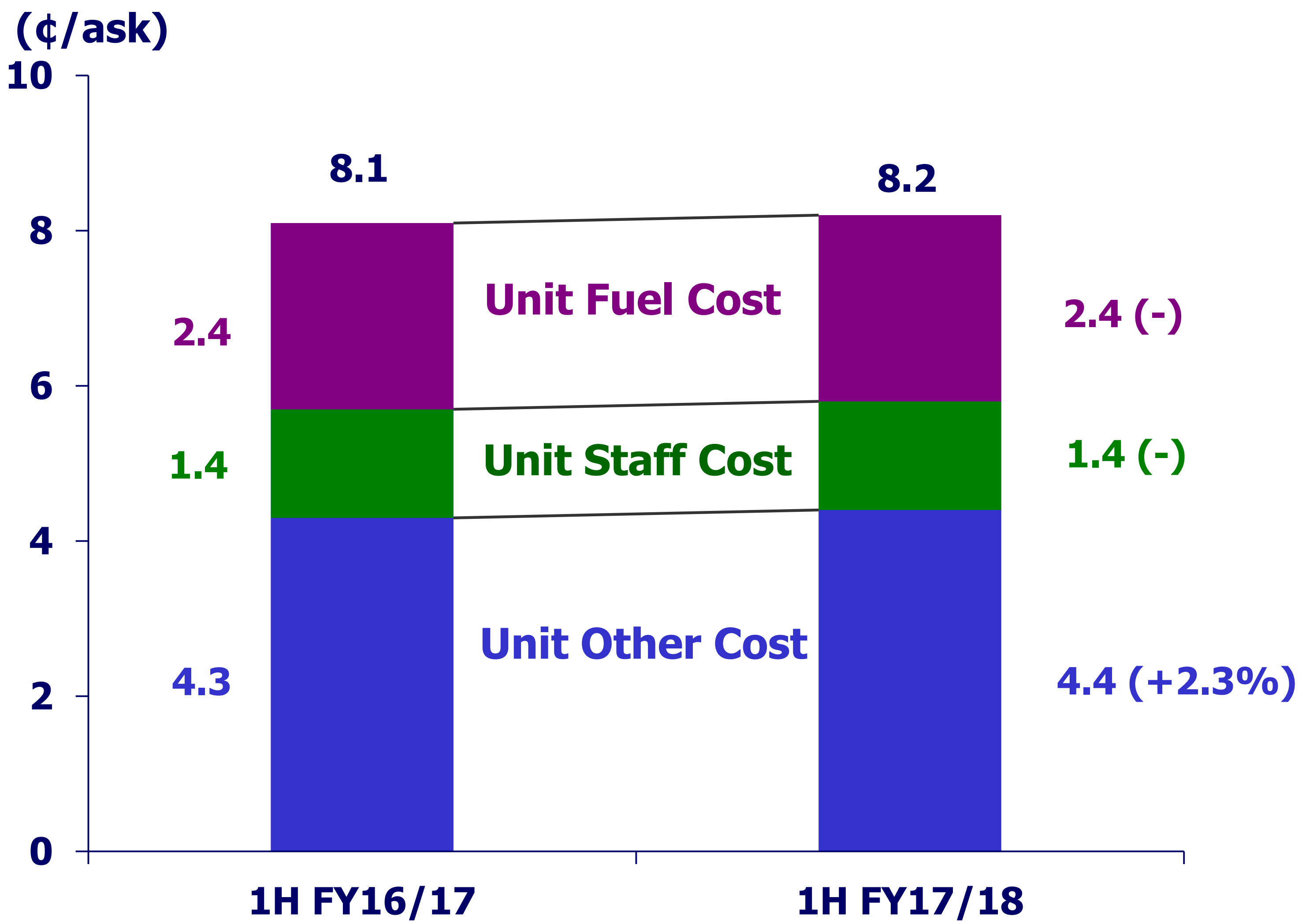
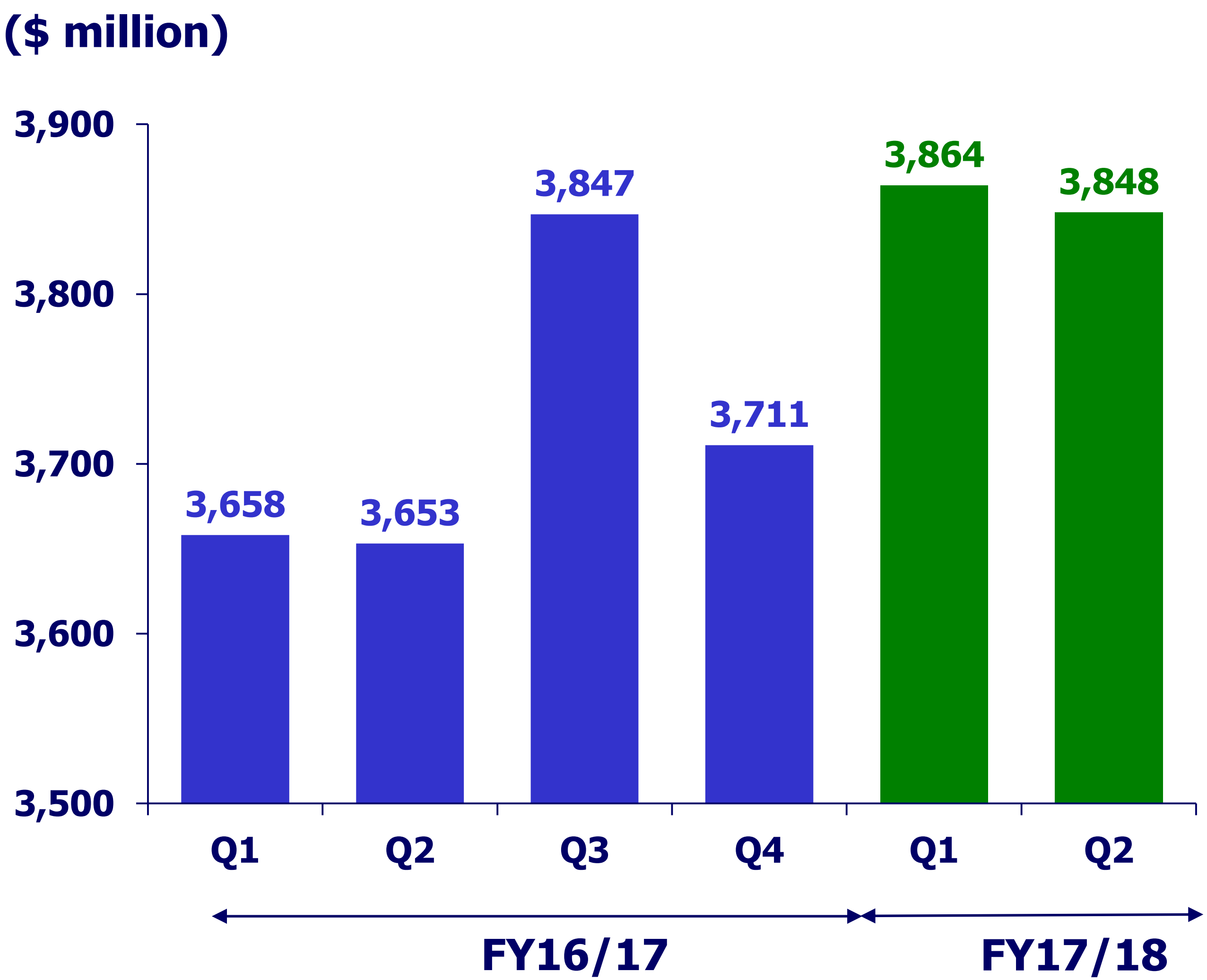
THE PARENT AIRLINE COMPANY
UNIT COST ANALYSIS



SIA GROUP
Q2 AND 1H FY17/18
RESULTS

SINGAPORE AIRLINES

GROUP REVENUE



1H 17/18 Revenue

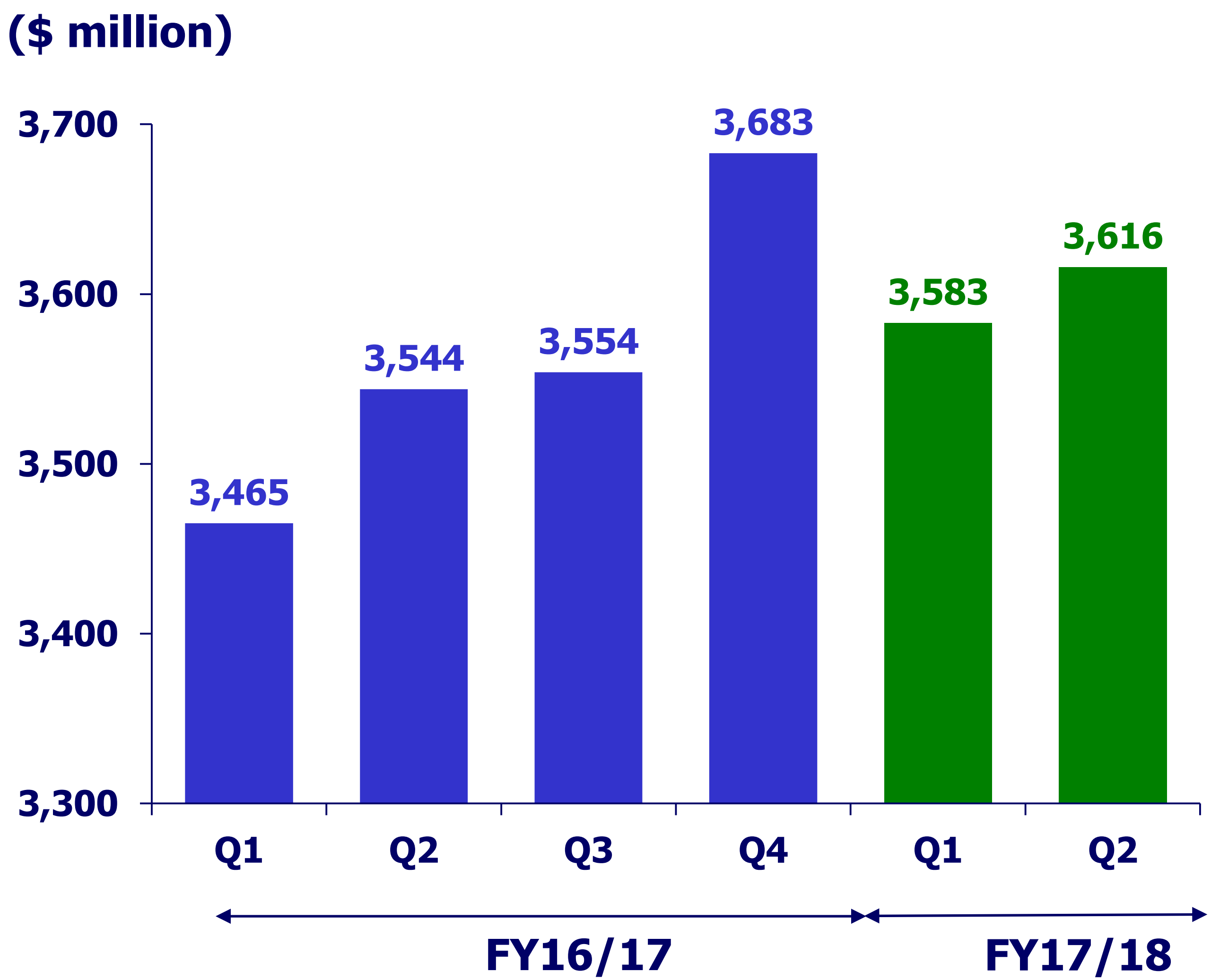
$7,712M

Year-on-Year

$401M
+5.5%

SINGAPORE AIRLINES

GROUP EXPENDITURE



1H 17/18 Expenditure

$7,199M

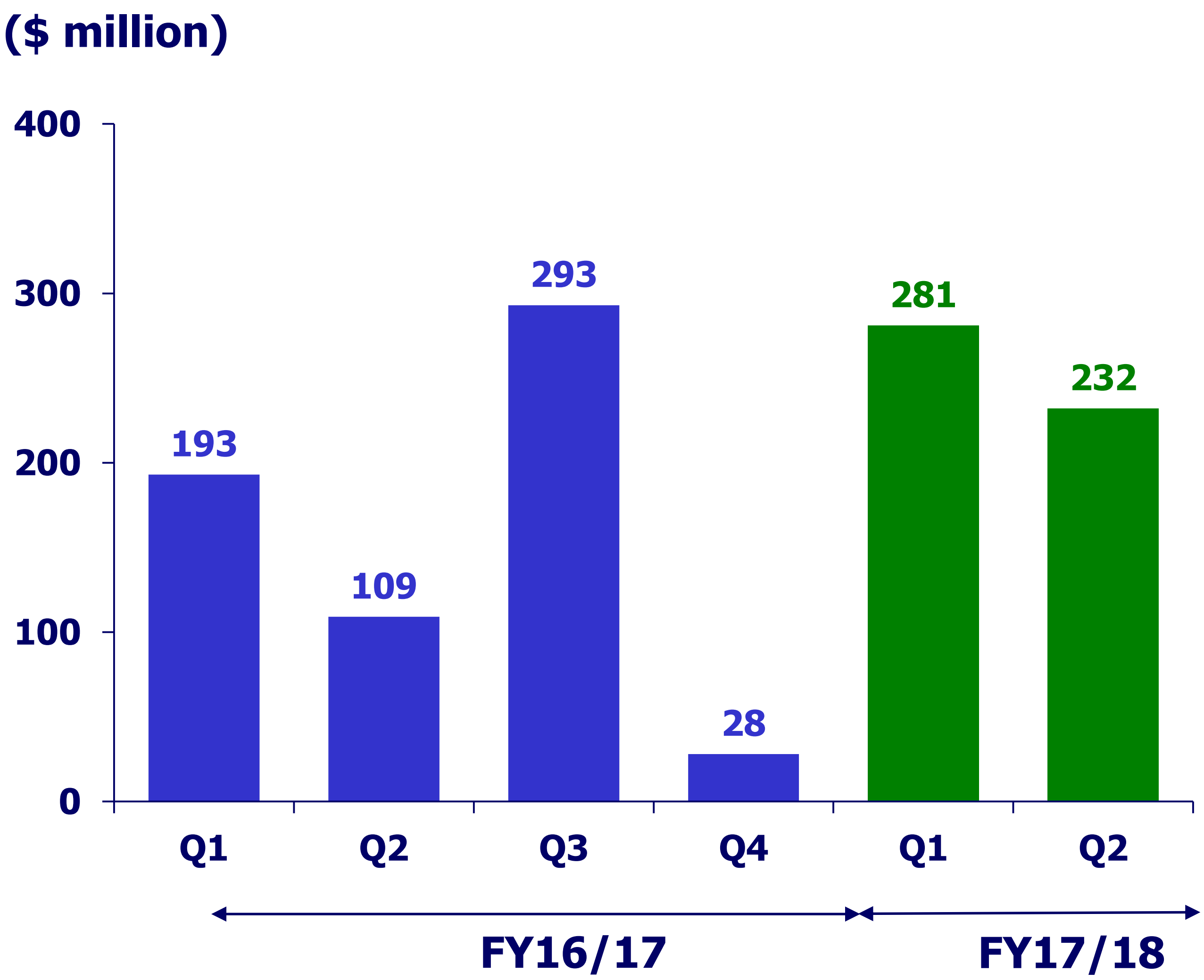
Year-on-Year

$190M

+2.7%

SINGAPORE AIRLINES

GROUP OPERATING PROFIT



1H 17/18
Op Profit
$513M

Year-on-Year
$211M
+69.9%

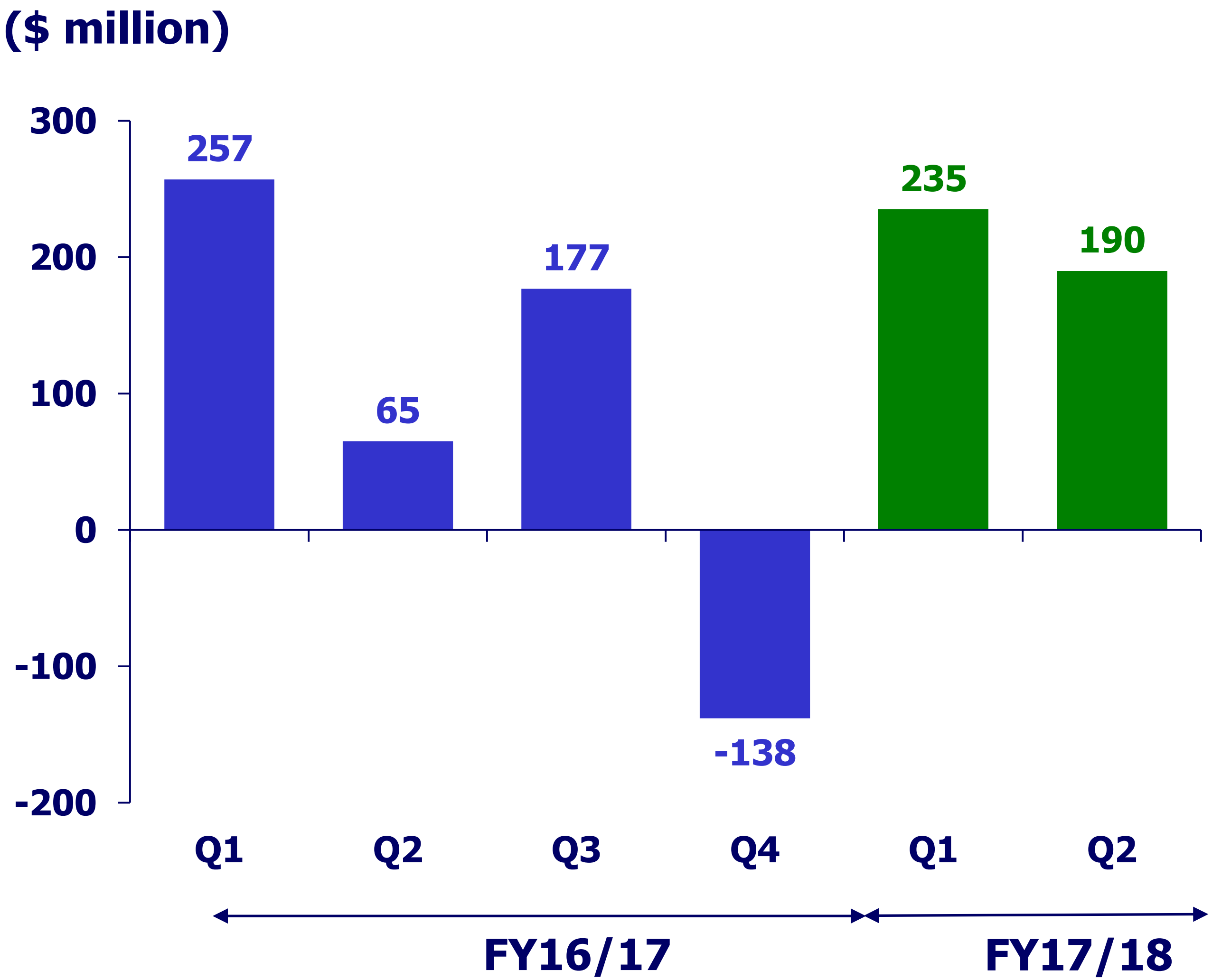
SINGAPORE AIRLINES

CONTRIBUTION TO GROUP OPERATING PROFIT

($ million)	1H FY17/18	1H FY16/17	Change	% Change
Singapore Airlines	411	276	135	48.9
SilkAir	21	44	(23)	- 52.3
Scoot	5	17	(12)	- 70.6
SIA Cargo	32	(45)	77	n.m.
SIAEC	38	23	15	65.2

SINGAPORE AIRLINES

GROUP PROFIT ATTRIBUTABLE TO OWNERS OF PARENT

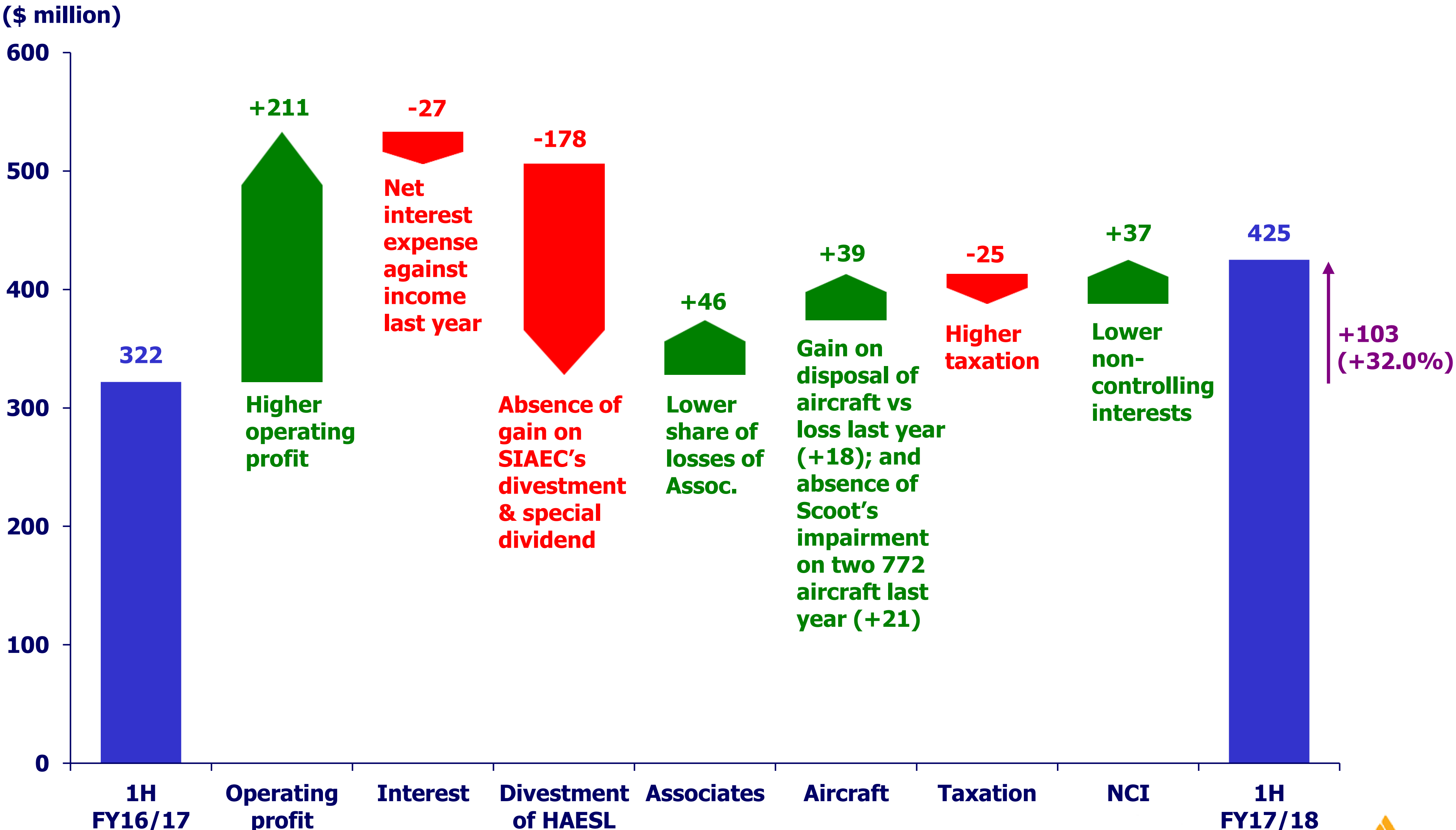


1H 17/18
Net Profit
$425M

Year-on-Year
$103M
+32.0%

SINGAPORE AIRLINES

GROUP PROFIT ATTRIBUTABLE TO OWNERS OF PARENT



PER SHARE DATA

	1H FY17/18	1H FY16/17
EBITDAR Per Share ($)	1.53	1.43
Earnings Per Share (¢)	36.0	27.2
Interim Dividend Per Share (¢)	10.0	9.0

	At 30 Sep'17	At 31 Mar'17
Net Asset Value Per Share ($)	11.39	11.07

SINGAPORE AIRLINES

FLEET DEVELOPMENT

	SIA	SilkAir	Scoot	SIA Cargo
Operating Fleet as at 30 September 2017	108	30	38	7
IN:				
A380-800	+2			
A350-900	+4			
737 MAX 8		+3		
787-8			+1	
A320			+3^	
OUT:				
A380-800	-3			
A330-300	-1			
777-200	-1			
777-200ER	-1			
A320			-1	
Operating Fleet as at 31 March 2018	108	33	41	7

^ These were A320s subleased to IndiGo that will be returned to the operating fleet

GROUP CAPITAL EXPENDITURE

($'million)	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
Aircraft	5,600	5,900	5,800	5,200	4,400
Other Assets	400	300	300	300	300
Total	6,000	6,200	6,100	5,500	4,700

SINGAPORE AIRLINES

GROUP FUEL HEDGING POSITION

2H FY17/18	Jet Fuel	Brent
Percentage hedged (%) Average hedged price (USD/BBL)	29.5 65	11.7 53

Maturities Up To FY22/23	Jet Fuel	Brent
Percentage hedged (%) Average hedged price (USD/BBL)	- -	Up to 47% 53-59

STRATEGIC DEVELOPMENTS

KEY STRATEGIES

- Strengthening Premium Positioning
- Portfolio
- Multi-Hub
- New Business Opportunities

SINGAPORE AIRLINES

STRENGTHENING PREMIUM POSITIONING

New A380 Cabin Products

- Launched 2 Nov 2017 with debut service to Sydney on 18 Dec 2017
- New industry leading cabin products, with enhanced KrisWorld experience

STRENGTHENING PREMIUM POSITIONING

777-9 & 787-10

- US$13.8B order signed with Boeing for 20 777-9s and 19 787-10s
- Caters for additional growth and fleet modernisation through the next decade

A350-900ULR

- 2018 – Expansion of non-stop services to USA, including New York and Los Angeles

New Medium-Haul Cabin Products

- 2018 – New medium-haul cabin on 787-10 & A350-900

PORTFOLIO

Completion of Scoot and Tigerair Integration

- Enhanced synergies with both LCCs under a single brand from 25 July 2017
- Enabled 6 new destinations to be launched or announced in FY17/18, including Honolulu and seasonal Harbin flights

PORTFOLIO
NETWORK OPTIMISATION

PORTFOLIO

The SIA Group serves 137 destinations in 37 countries

SINGAPORE AIRLINES

MULTI-HUB

- Investments in strategic markets
- Complements and strengthens Singapore hub through synergies

vistara

- 21 destinations and 16 A320s (6 A320s on order)
- Strategically placed to tap into the large and growing Indian market
- Preparing to launch international operations from 2H 2018

nokscoot

- 7 destinations and 4 B777-200s
- Positioned to leverage on strong leisure travel market
- Network to expand following recent ICAO safety upgrade of Thai aviation sector

NEW REVENUE & BUSINESS OPPORTUNITIES

SIA-CAE Flight Training Centre

- Equally-owned JV for pilot training in Singapore
- Operations expected to commence from end of FY17/18
- Provides full range of initial type rating and recurrent training programmes for Boeing 737 MAX, 747, 777 and 787 aircraft types

TRANSFORMATION

POSITIONING SIA FOR GROWTH

- Grow revenue
- Re-base our cost structure
- Enhance organisational effectiveness

- Three year programme
- SVPs leading and committed to deliver on respective plans
- 12 work stream coordinators
- Over 200 staff involved thus far

POSITIONING SIA FOR GROWTH

- Over 60 initiatives under implementation, cutting across the business:
  - Group-wide network review
  - New revenue management system
  - Leveraging data to optimise fuel uplift
  - Set up of new Customer Experience Division for greater focus on customer journey
  - Upskilling staff through roll-out of new digital training curriculum
  - New crew apps to enhance efficiency
  - Engaging strategic partners differently

  …and many more!

SINGAPORE AIRLINES

THANK YOU