



**SIA ANALYST/MEDIA BRIEFING**  
FY2014/15 Results  
15 May 2015

# **THE PARENT AIRLINE FY2014/15 RESULTS**



## THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE – FY2014/15

	4Q/14	% Change	14/15	% Change
Available Seat-KM (million)	29,091	-0.9	120,001	-0.4
Revenue Pax-KM (million)	22,144	-2.0	94,209	-0.9
Passenger Load Factor (%)	76.1	-0.9 pt	78.5	-0.4 pt

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## THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE – FY2014/15

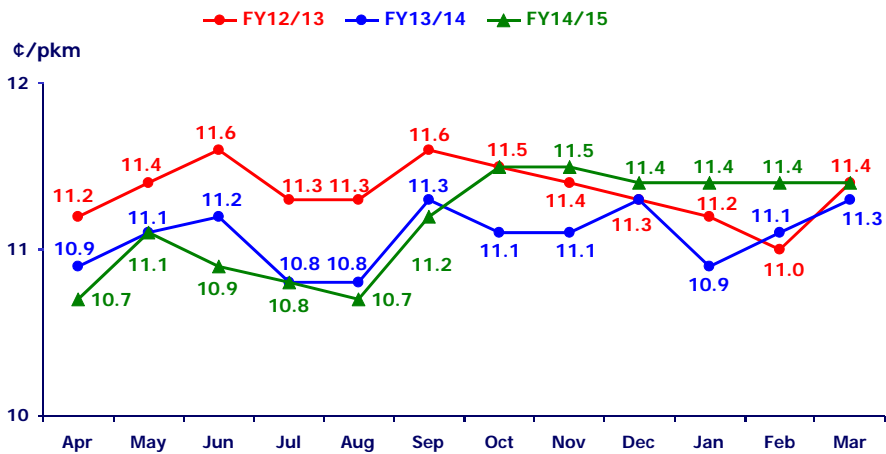
	4Q/14	% Change	14/15	% Change
Passenger Yield (¢/pkm)	11.4	+2.7	11.2	+0.9

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## THE PARENT AIRLINE COMPANY RESULTS – FY2014/15

### Monthly Pax Yields (Including Fuel Surcharge)



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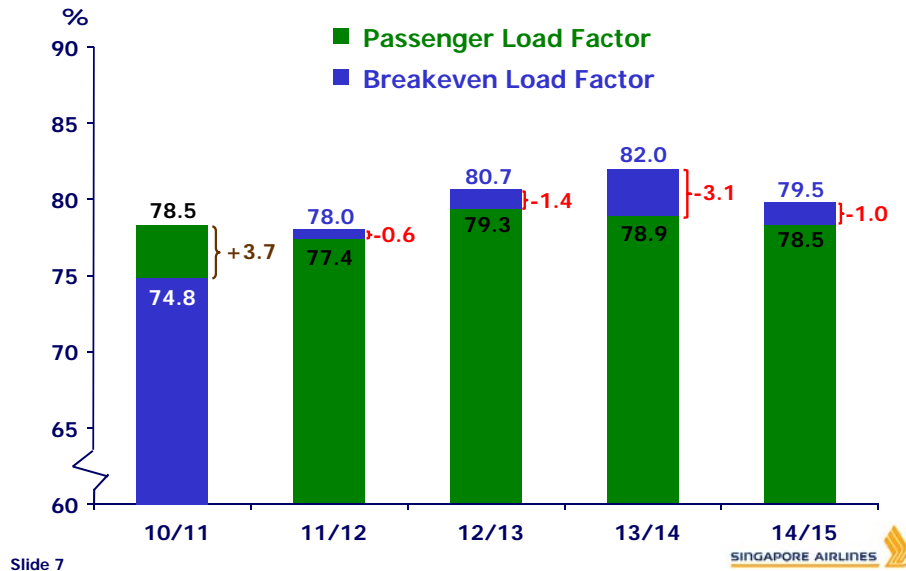
## THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE – FY2014/15

	4Q/14	% Change	14/15	% Change
Passenger Yield (€/pkm)	11.4	+2.7	11.2	+0.9
Passenger Unit Cost (€/ask)	9.0	- 2.2	8.9	-2.2
Passenger Unit Ex- Fuel Cost (€/ask)	5.5	+3.8	5.2	+2.0
Passenger Breakeven Load Factor (%)	78.9	-4.0 pts	79.5	-2.5 pts

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## THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE



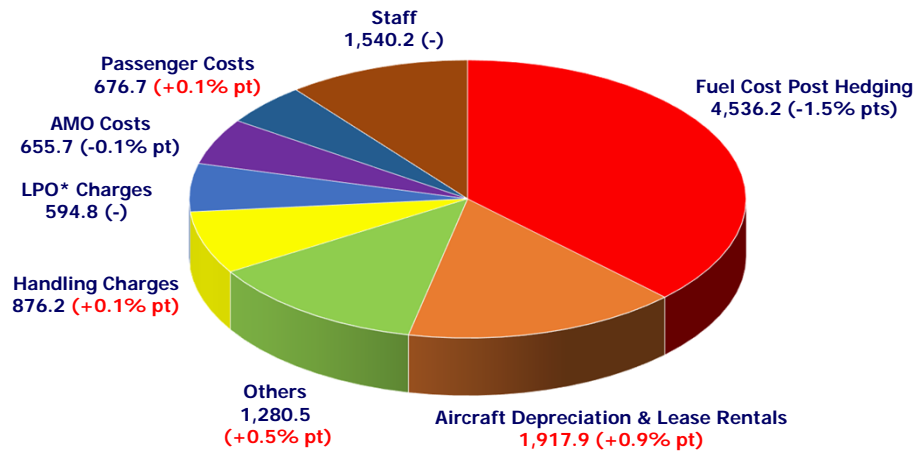
## THE PARENT AIRLINE COMPANY RESULTS – FY2014/15

	4Q/14 \$million	Better/ (Worse) \$million	14/15 \$million	Better/ (Worse) \$million
<b>Total Revenue</b>	<b>3,002</b>	<b>54</b>	<b>12,418</b>	<b>(61)</b>
<b>Total Expenditure</b>	<b>2,932</b>	<b>76</b>	<b>12,078</b>	<b>146</b>
- Fuel Cost	724	456	4,079	764
- Fuel Hedging Loss	287	(311)	457	(528)
- Ex-fuel Cost	1,921	(69)	7,542	(90)
<b>Operating Profit</b>	<b>70</b>	<b>130</b>	<b>340</b>	<b>85</b>
<b>Operating Profit Margin (%)</b>	<b>2.3</b>	<b>4.3 pts</b>	<b>2.7</b>	<b>0.7 pt</b>

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## THE PARENT AIRLINE COMPANY COST COMPOSITION – FY2014/15



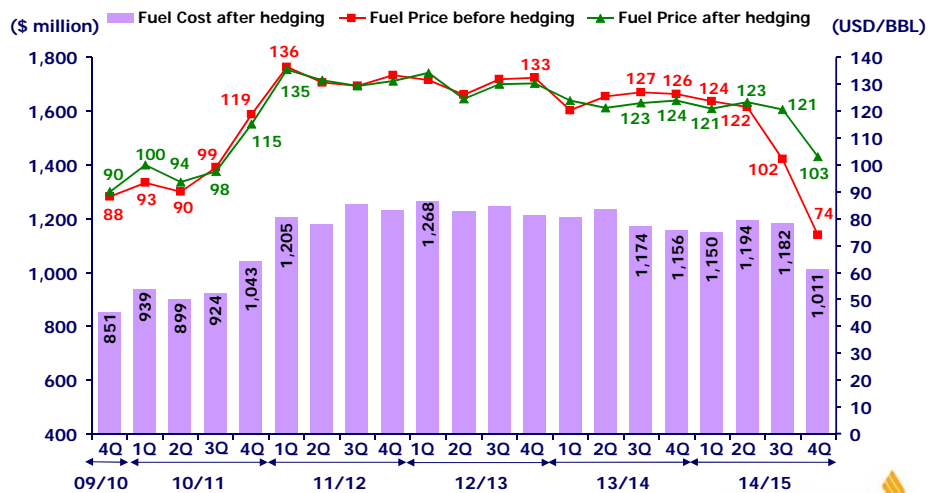
\*Landing, Parking and Overflying

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## THE PARENT AIRLINE COMPANY FUEL PRICE AND EXPENDITURE - TREND

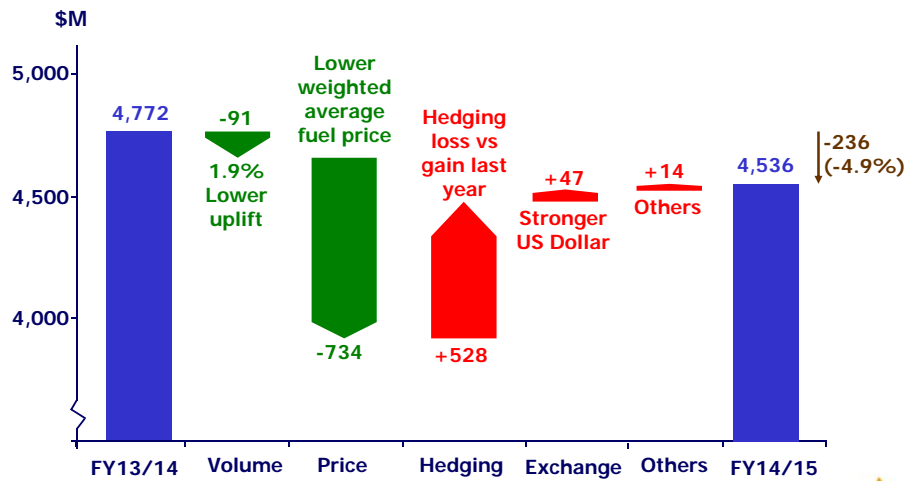
### Fuel Price After Hedging



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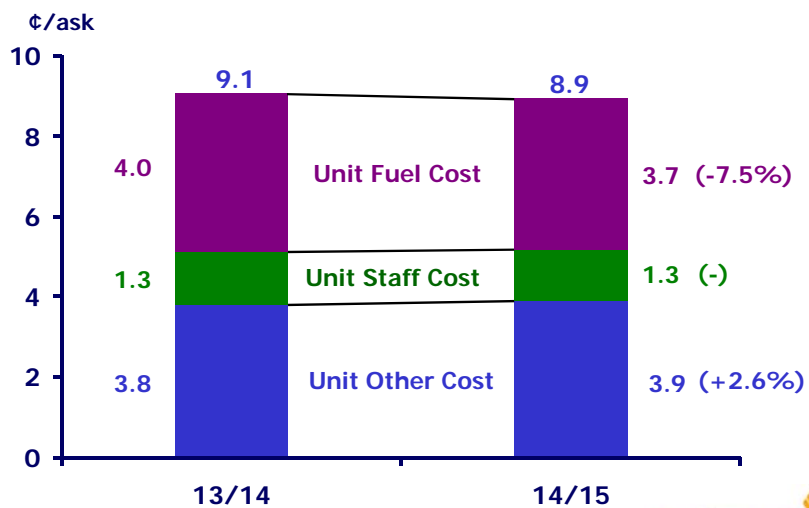
## THE PARENT AIRLINE COMPANY FUEL EXPENDITURE – FY2014/15



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## THE PARENT AIRLINE COMPANY UNIT COST ANALYSIS – FY2014/15



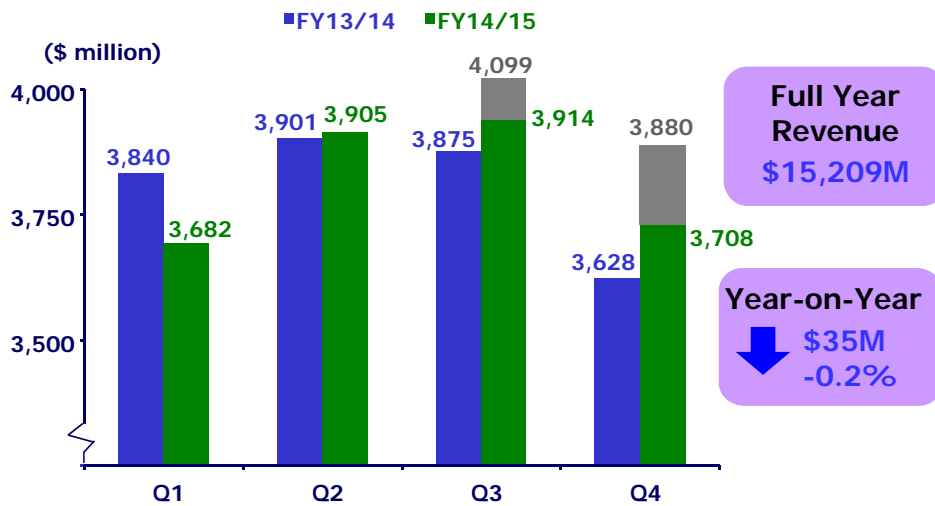
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# SIA GROUP FY2014/15 RESULTS



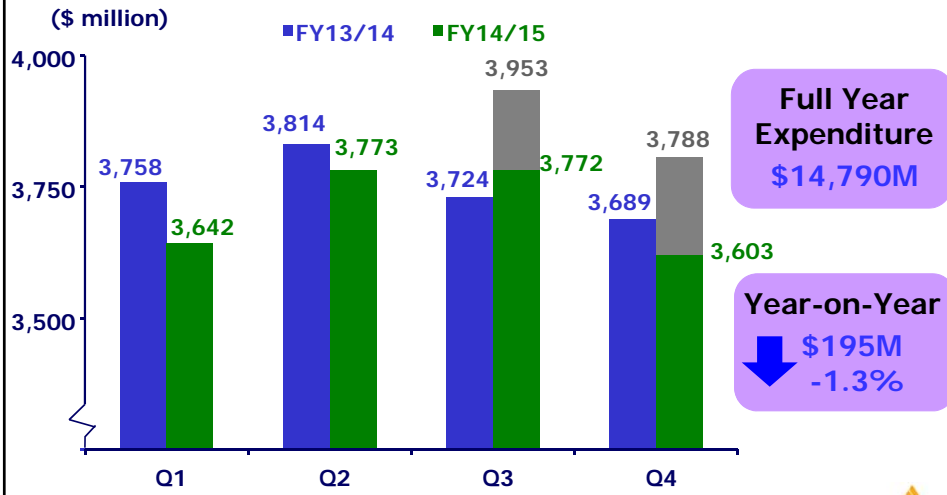
## GROUP REVENUE – FY2014/15



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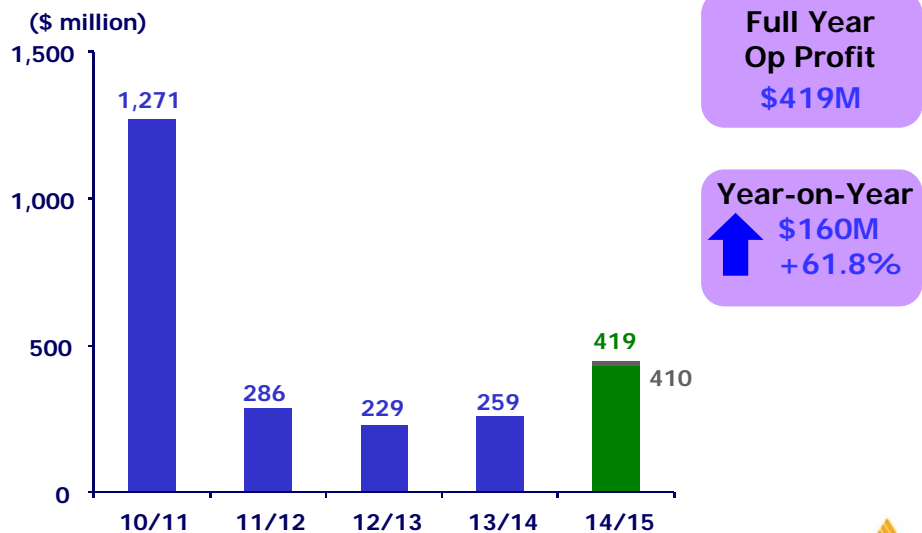
## GROUP EXPENDITURE – FY2014/15



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## GROUP OPERATING PROFIT – FY2014/15



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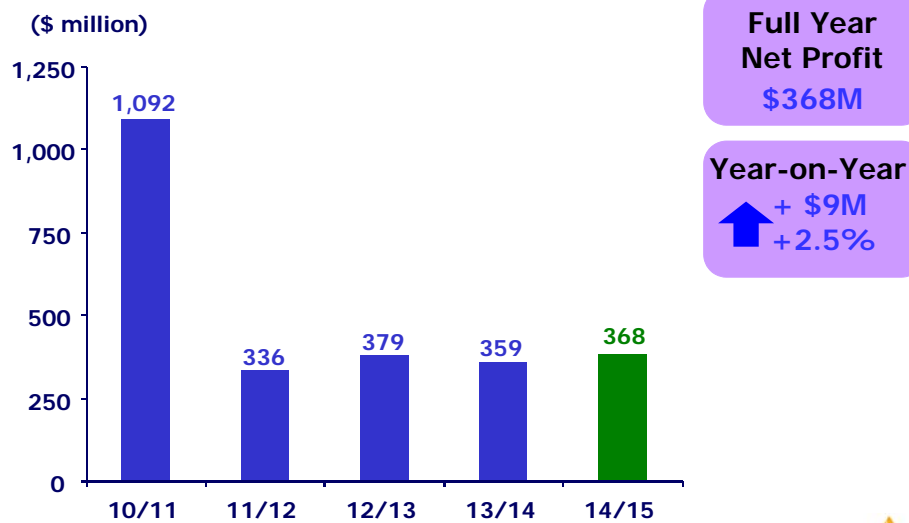
## CONTRIBUTION TO GROUP OPERATING PROFIT – FY2014/15 (\$ million)

	<u>14/15</u>	<u>13/14</u>	<u>Change</u>	<u>% Change</u>
Singapore Airlines	340	256	+ 84	+ 32.8
SIA Engineering	84	116	- 32	- 27.6
SilkAir	41	35	+ 6	+ 17.1
SIA Cargo	(22)	(100)	+ 78	+ 78.0

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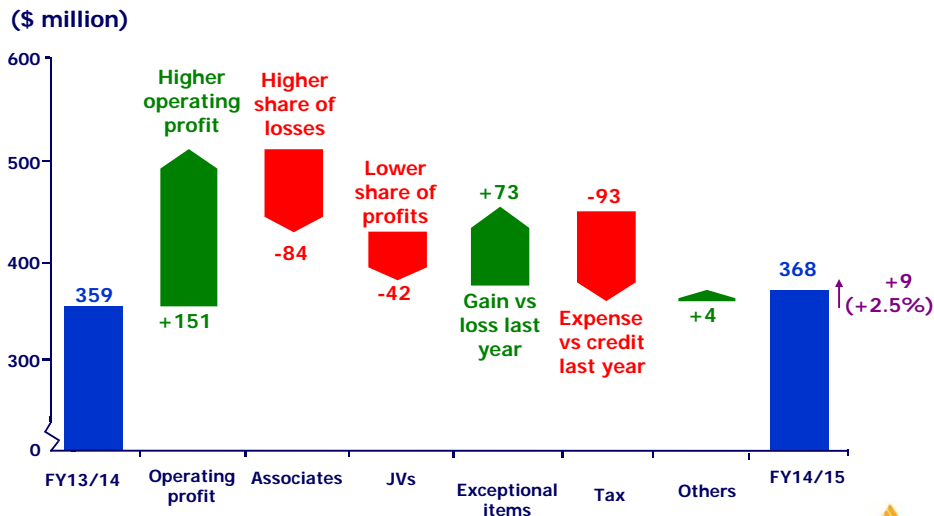
## GROUP NET PROFIT – FY2014/15



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## GROUP PROFIT ATTRIBUTABLE TO OWNERS OF PARENT – FY2014/15



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## FLEET DEVELOPMENT – SIA

	<u>No. of Aircraft</u>
Operating Fleet at 31 March 15	105
IN: Delivery of A350-900	+ 3
Delivery of A330-300	+ 3
Entry of A330-300 into service	+ 1
Delivery of B777-300ER	+ 2
OUT: Decommissioned A330-300	- 4
Decommissioned B777-300	- 1
Decommissioned B777-200	- 2
Decommissioned B777-200ER	- 1
<b>Operating Fleet at 31 March 16</b>	<b>106</b>

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## FLEET DEVELOPMENT – SLK

	<u>No. of Aircraft</u>
Operating Fleet at 31 March 15	27
IN: Delivery of B737-800	+ 5
OUT: Decommissioned A320-200	- 2
Decommissioned A319-100	- 1
Operating Fleet at 31 March 16	<u>29</u>

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## FLEET DEVELOPMENT – SCOOT

	<u>No. of Aircraft</u>
Operating Fleet at 31 March 15	6
IN: Delivery of B787-8	+ 5
Delivery of B787-9	+ 4
OUT: Decommissioned B777-200	- 4
Operating Fleet at 31 March 16	<u>11</u>

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## FLEET DEVELOPMENT – TIGER

	<u>No. of Aircraft</u>
Operating Fleet at 31 March 15	24
OUT: Decommissioned A320	- 1
Operating Fleet at 31 March 16	<u>23</u>

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## GROUP CAPITAL EXPENDITURE

	<u>FY15/16</u>	<u>FY16/17</u>	<u>FY17/18</u>	<u>FY18/19</u>	<u>FY19/20</u>
Aircraft	2,700	3,000	4,400	4,800	4,700
Other Assets	200	150	150	150	150
Total	<u>2,900</u>	<u>3,150</u>	<u>4,550</u>	<u>4,950</u>	<u>4,850</u>

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## GROUP FUEL HEDGING POSITION

<u>For the period Apr 15 to Mar 16</u>	Jet Fuel	Brent
Percentage hedged (%)	40.9	4.0
Average hedged price (USD/BBL - Jet Fuel)	106	102

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## DIVIDENDS – FY2014/15

	<u>14/15</u>	<u>13/14</u>
Earnings Per Share (¢)	31.4	30.6
Interim Dividend Per Share (¢)	5.0	10.0
Proposed Final Dividend Per Share (¢)	17.0	11.0
Proposed Special Dividend Per Share (¢)	-	25.0
Total Dividend Per Share (¢)	22.0	46.0

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# OUTLOOK FY2015/16



## CHALLENGES

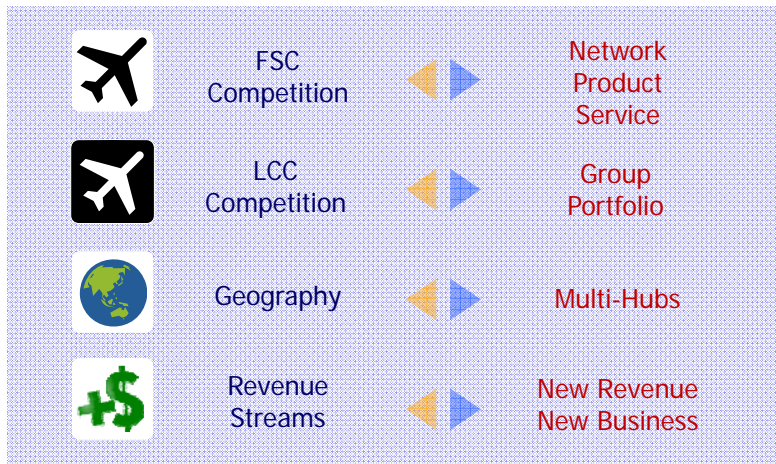
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- 1 Intense Competition**
- 2 Economic Uncertainty**
- 3 Currency Fluctuations**

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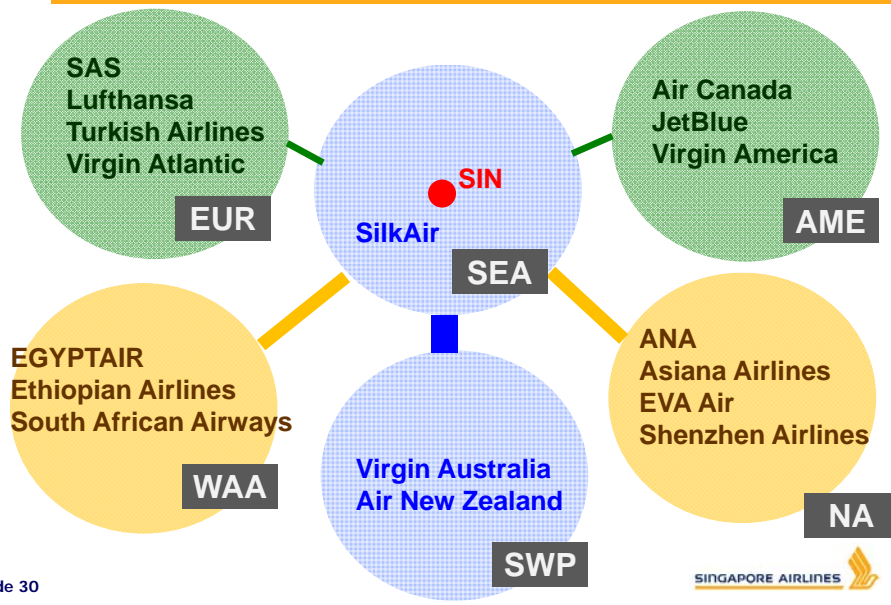
# STRATEGY



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# NETWORK



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## NETWORK

FY14/15	SQ	SQ+MI	Codeshare Partners
Destinations	60	100	180 <b>(+45%)</b>
Weekly Frequencies	(ex-SIN) 741	(ex-SIN) 1,097	8,081 <b>(+59%)</b>

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## PRODUCT

### Next Generation Seat Products

- 8 new B777-300ERs
- USD325M retrofit of 19 existing B777-300ERs

#### First Class



Added privacy  
Ergonomic Seat  
35" width  
Increased length of 82"

#### Business Class



Industry's widest full-flat bed  
28" width  
78" length  
More stowage and greater incline

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## PRODUCT

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### Premium Economy Class

- Entry Into Service: 9 August 2015
- Product to be introduced on A380s, 777-300ERs and A350s
- Total investment estimated at USD80M



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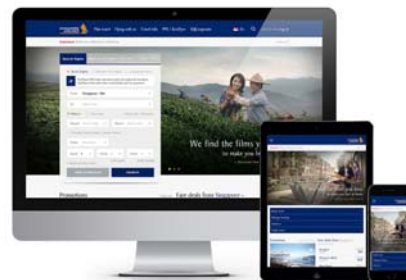
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## PRODUCT

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### New website progressively delivered via beta site

- Roll-out began Mar 2015 and will take place across this and next year
- Improved user-experience through improved aesthetic design, intuitive flows, mobile-optimised pages
- Launched:
  - Internet Check-in (ICE) flow
  - Promotions section
  - Flight Status, Flight Schedules, Seat Selection
- Upcoming:
  - Improved commercial and redemption booking (3Q FY15/16)



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## PRODUCT

### New mobile and tablet apps as part of overall delivery of enhanced digital experience

- First phase mobile app launch: 23 Apr 2015
- First phase tablet app launch: 1Q FY15/16
- Launched:
  - Contextual Homescreen
  - Mobile Boarding Pass / iOS Passbook
  - Apple Watch
- Upcoming:
  - Deals and Offers
  - Day of Travel
  - Tablet



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## PRODUCT

### SilverKris Lounge (SKL) Development

- New SKL in Hong Kong and London started operations
  - General increase in Hong Kong SKL SPS scores post-renovation
- Upcoming SKL development: Manila, Brisbane, Bangkok



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## PRODUCT

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### New A350 Long Haul Aircraft

- 3-Class Configuration (J/PY/Y)
- Latest Airbus aircraft technology
- To be launched in early 2016



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## SERVICE

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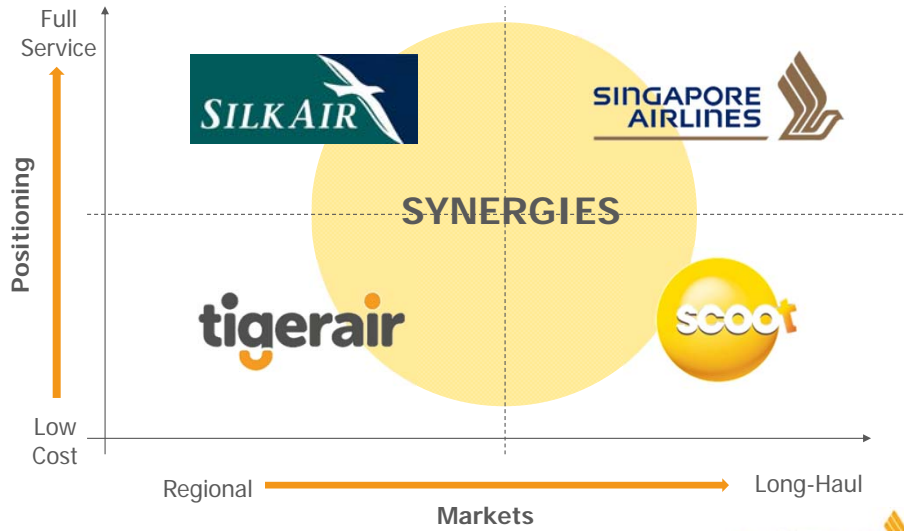
### Customer Experience Management (CEM)

- CEM Release 1 fully implemented as of Jan 2015
  - Integrated database
  - Ease of information access
- Tablet-based mobile application used by cabin crew:
  - Ease of access to customer information
  - Available on all flights from mid Dec 2014 onwards
- CEM Release 2 to be delivered in FY15/16
  - Workflows/alerts
  - More personalised, proactive and integrated servicing by service touch points

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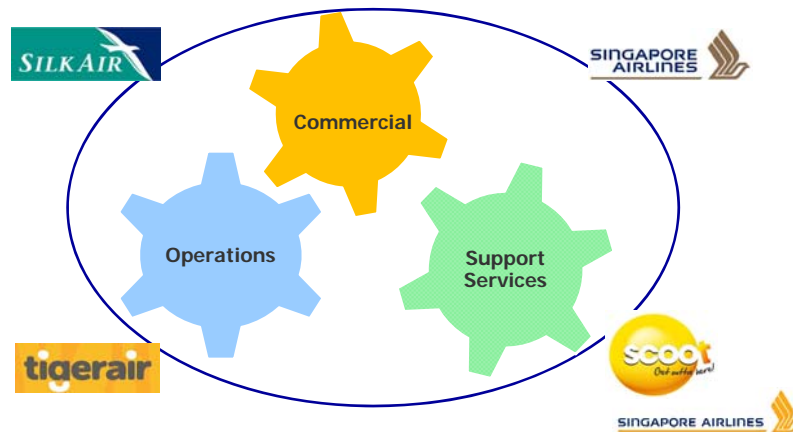
## GROUP PORTFOLIO



## GROUP PORTFOLIO

### Synergies for SIA Group

- More efficient use of resources
- Economies of scale



## GROUP PORTFOLIO

### Collaboration between Tigerair and Scoot

- CCS granted both carriers ATI in Aug 2014
  - Allow for closer cooperation between both carriers
- Jan 2015: Doubling of passengers connecting between both carriers
- Jan 2015: Both carriers operating SIN-BKK/HKG vv as JV services
- Feb 2015: TZ increased PER frequency to daily as TR redeploys aircraft



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## MULTI-HUBS

### Vistara

- Currently has six Airbus A320s
- 8 cities and 197 weekly flights
- 2 new destinations in May and June with 56 additional weekly flights (Lucknow and Bangalore)



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## MULTI-HUBS

### NokScoot

- Low cost carrier based in Don Mueang International Airport, Bangkok
- AOC awarded in October 2014
- Current initial fleet of three 415-seat 777-200s with 24 seats in ScootBiz cabin and 391 seats in Economy Class cabin
- Operated charter services to Seoul, Tokyo and Osaka
- Starts scheduled operations in May 2015



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## NEW REVENUE/NEW BUSINESS

- **Growth of existing travel-related products**
  - Expanded Travel Insurance and Multi-Currency Pricing to more markets
- **Introduction of complementary products and services on SAA**
  - Launched Destination Activities
  - Contracted partner for Visa Facilitation Service
- **Development of SIA-branded merchandise**
  - Inflight sales
  - Leveraging major events (e.g. SG50, F1)
- **Sale of advertising assets**
  - Expanded advertising assets across customer touch-points



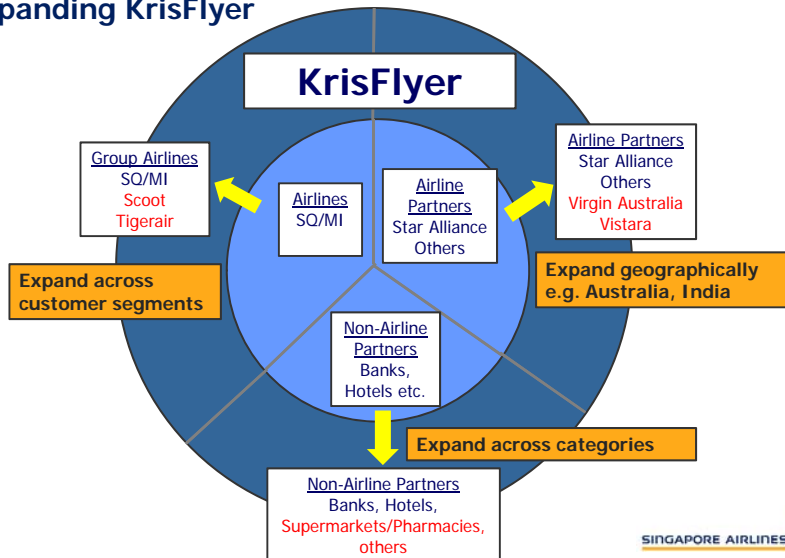
▶ Taking You Further Faster  
 Since now we have just two free  
 Visas and only 15000 CNY  
 of our island can't be the  
 most for emergency travel for  
 purchase made of Singapore  
 Airlines. Which means, it will be our  
 dream vacation come with our 50% +  
 50% deal for some more  
 programs.

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## NEW REVENUE/NEW BUSINESS

### Expanding KrisFlyer



## NEW REVENUE/NEW BUSINESS

### Airbus Asia Training Centre

- Leverage strengths of SIA and Airbus to provide pilot simulator training to the region
- Capitalise on strong delivery streams of Airbus aircraft to the region
- Recent Milestones:
  - Received regulatory and ATI approvals
  - Launched operations at SIA Training Centre in April 2015
  - New facility at Seletar Aerospace Park under construction and due to open in first quarter 2016



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