

SIA ANALYST/MEDIA BRIEFING

FY2015-16 Results

13 May 2016

THE PARENT AIRLINE FY2015/16 RESULTS



THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE – FY2015/16

	4Q/15	% Change	15/16	% Change
Available Seat-KM (million)	29,026	-0.2	118,367	-1.4
Revenue Pax-KM (million)	22,788	+2.9	94,267	+0.1
Passenger Load Factor (%)	78.5	+2.4 pts	79.6	+1.1 pts

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THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE – FY2015/16

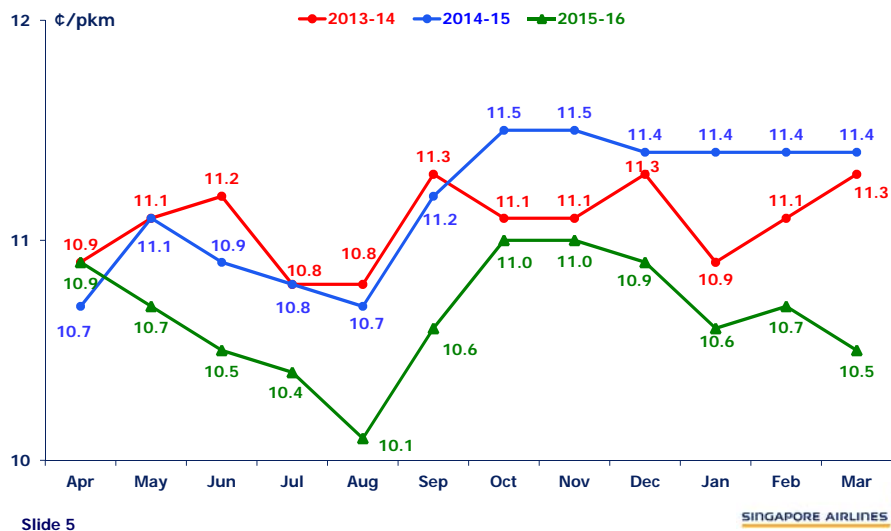
	4Q/15	% Change	15/16	% Change
Passenger Yield (¢/pkm)	10.6	-7.0	10.6	-5.4

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THE PARENT AIRLINE COMPANY RESULTS – FY2015/16

Monthly Pax Yields (Including Fuel Surcharge)



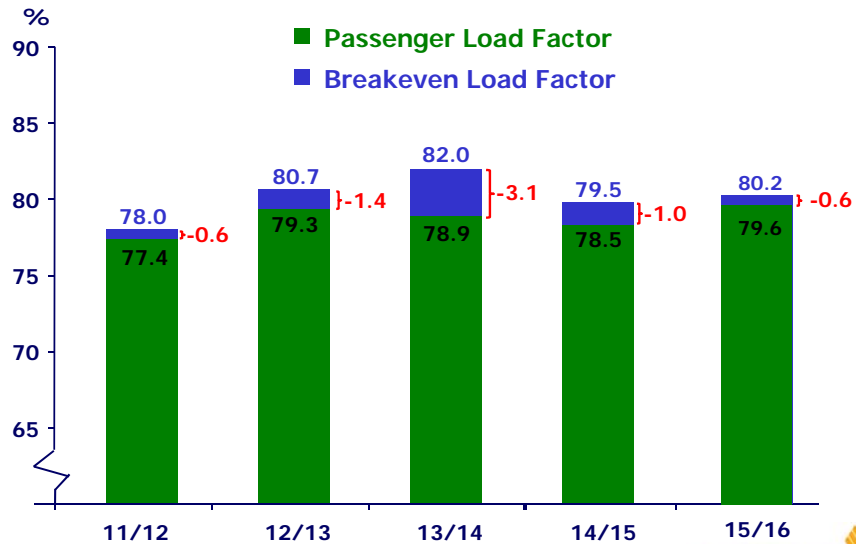
THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE – FY2015/16

	4Q/15	% Change	15/16	% Change
Passenger Yield (¢/pkm)	10.6	-7.0	10.6	-5.4
Passenger Unit Cost (¢/ask)	8.3	-7.8	8.5	-4.5
Passenger Unit Ex-Fuel Cost (¢/ask)	5.8	+5.5	5.5	+5.8
Passenger Breakeven Load Factor (%)	78.3	-0.6 pt	80.2	+0.7 pt

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SINGAPORE AIRLINES 

THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE



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THE PARENT AIRLINE COMPANY RESULTS – FY2015/16

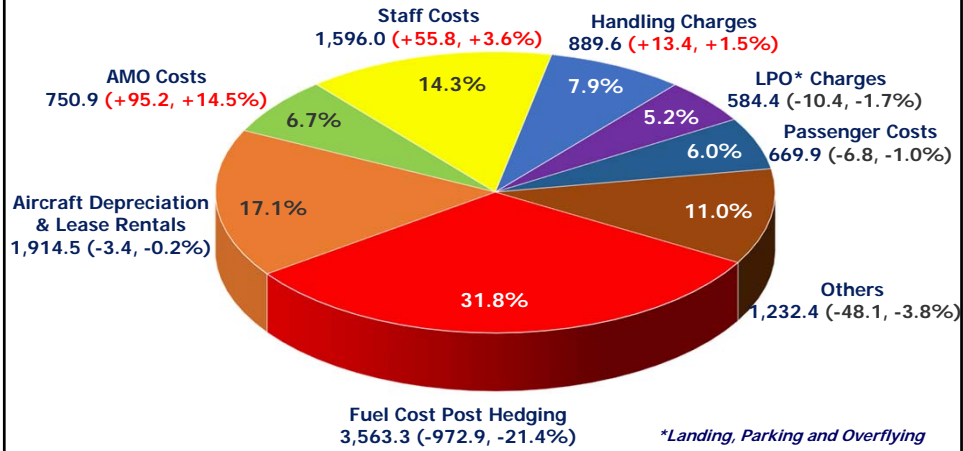
	4Q/15 \$million	Better/ (Worse) \$million	15/16 \$million	Better/ (Worse) \$million
Total Revenue	2,789	(213)	11,686	(732)
Total Expenditure	2,691	241	11,201	877
- Fuel Cost	486	238	2,637	1,442
- Fuel Hedging Loss	235	52	926	(469)
- Ex-fuel Cost	1,970	(49)	7,638	(96)
Operating Profit	98	28	485	145
Operating Profit Margin (%)	3.5	1.2 pts	4.2	1.5 pts

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THE PARENT AIRLINE COMPANY COST COMPOSITION – FY2015/16

Cost Composition (\$M)

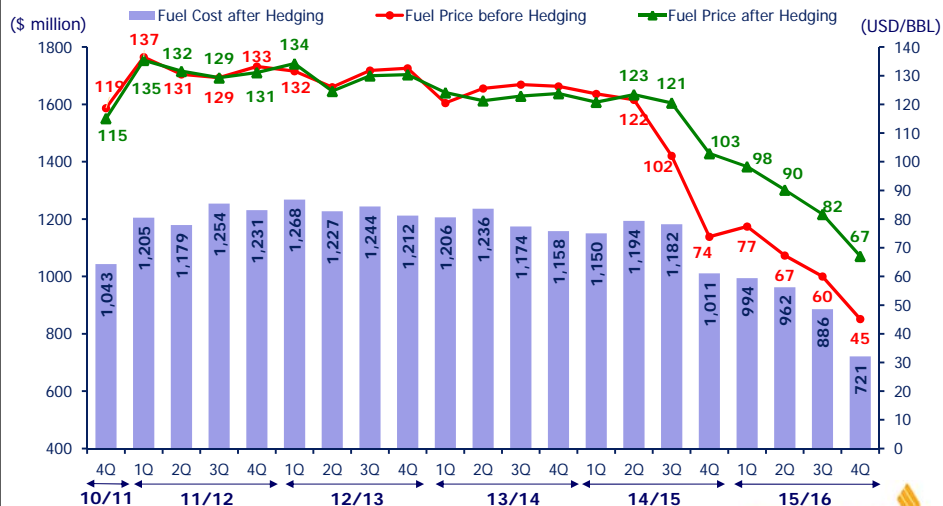


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THE PARENT AIRLINE COMPANY FUEL PRICE AND EXPENDITURE - TREND

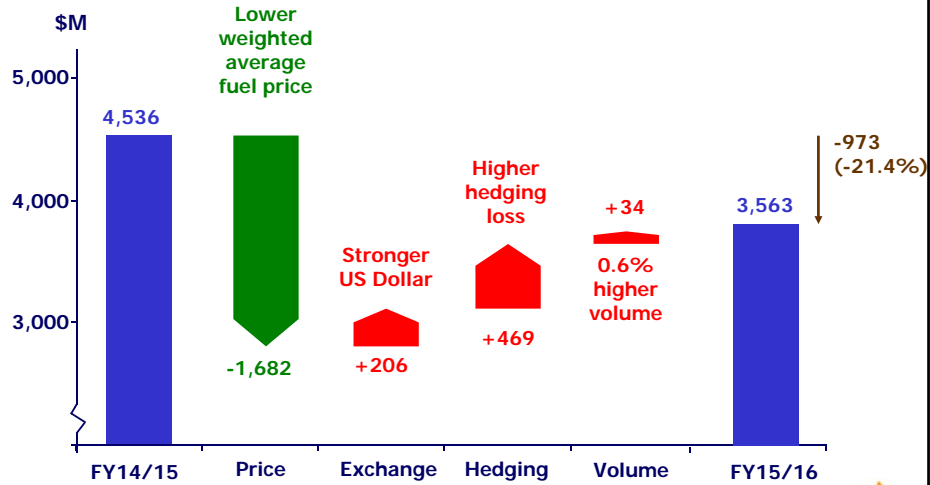
Fuel Price After Hedging



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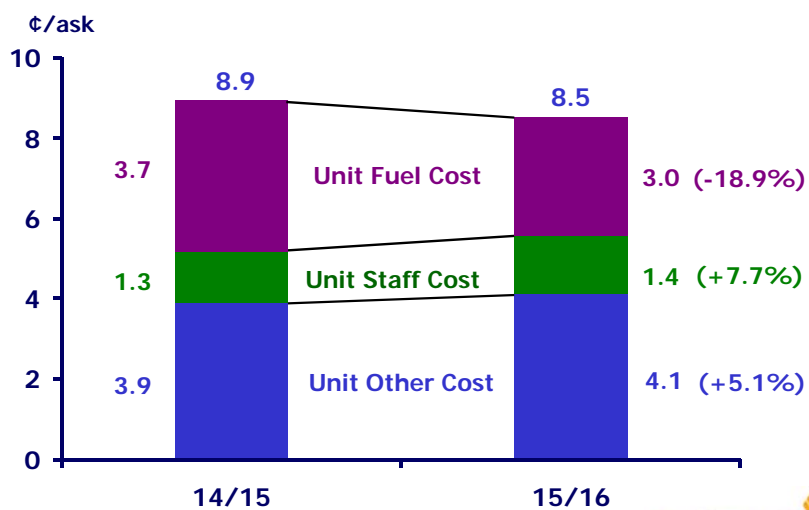
THE PARENT AIRLINE COMPANY FUEL EXPENDITURE – FY2015/16



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THE PARENT AIRLINE COMPANY UNIT COST ANALYSIS – FY2015/16



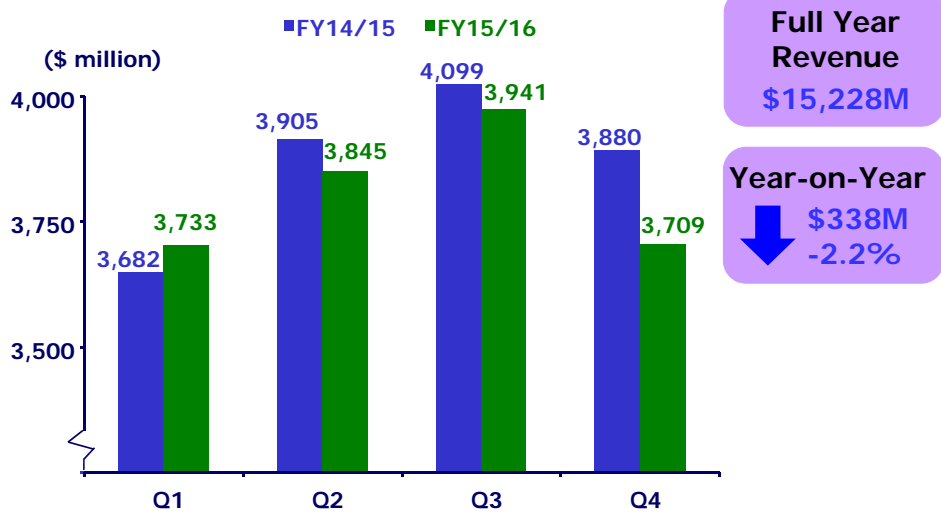
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SIA GROUP FY2015/16 RESULTS



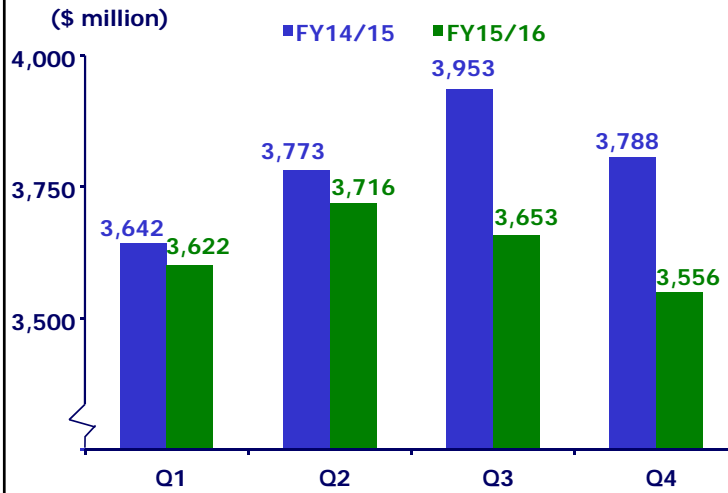
GROUP REVENUE – FY2015/16



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GROUP EXPENDITURE – FY2015/16



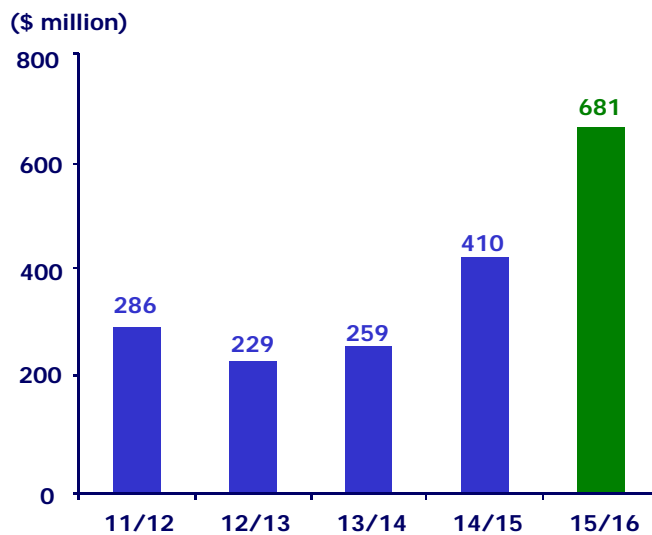
**Full Year
Expenditure**
\$14,547M

Year-on-Year
↓ \$609M
-4.0%

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SINGAPORE AIRLINES 

GROUP OPERATING PROFIT – FY2015/16



**Full Year
Op Profit**
\$681M

Year-on-Year
↑ \$271M
+66.1%

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SINGAPORE AIRLINES 

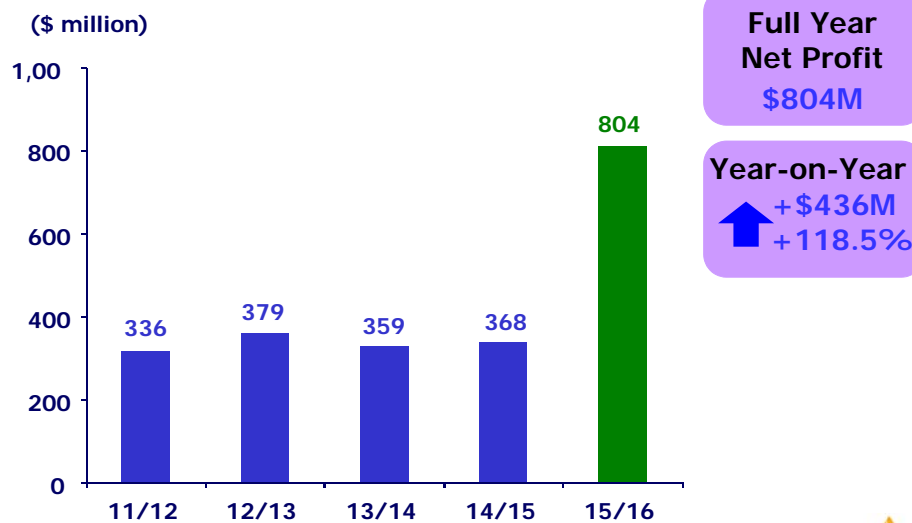
CONTRIBUTION TO GROUP OPERATING PROFIT – FY2015/16 (\$ million)

	<u>15/16</u>	<u>14/15</u>	<u>Change</u>	<u>% Change</u>
Singapore Airlines	485	340	+ 145	+ 42.6
SIA Engineering	104	84	+ 20	+ 23.8
SIA Cargo	(50)	(22)	- 28	- 127.3
SilkAir	91	41	+ 50	+ 122.0
Scoot	28	(67)	+ 95	n.m.
Tiger Airways	14	(9)	+ 23	n.m.

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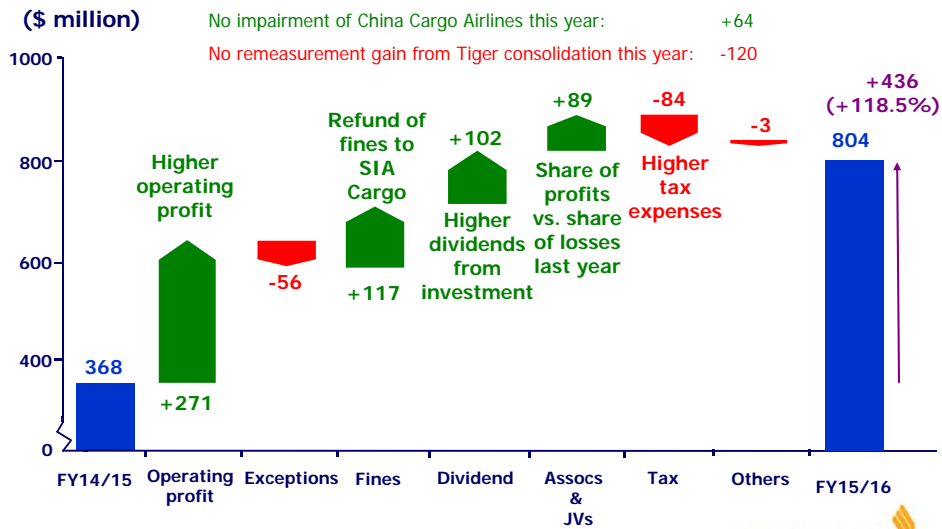
GROUP NET PROFIT – FY2015/16



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GROUP PROFIT ATTRIBUTABLE TO OWNERS OF PARENT – FY2015/16



FLEET DEVELOPMENT – PASSENGER AIRLINE

	SIA	SilkAir	Scoot	Tigerair
Operating Fleet as at 31 Mar 2016	102	29	10	23
IN:				
Entry into service A350-900	+12			
Entry into service 737-800		+3		
Entry into service 787-8			+2	
OUT:				
Decommissioned 777-300	-1			
Decommissioned A330-300	-4			
Operating Fleet as at 31 Mar 2017	109	32	12	23

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FLEET DEVELOPMENT – SIA CARGO

	<u>No. of Aircraft</u>
Operating Fleet as at 31 March 2016	9
OUT: Decommissioned 747-400F	-2
Operating Fleet as at 31 March 2017	<u>7</u>

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GROUP CAPITAL EXPENDITURE

	<u>FY16/17</u>	<u>FY17/18</u>	<u>FY18/19</u>	<u>FY19/20</u>	<u>FY20/21</u>
Aircraft	3,200	4,500	4,900	4,800	3,600
Other Assets	150	150	150	100	150
Total	<u>3,350</u>	<u>4,650</u>	<u>5,050</u>	<u>4,900</u>	<u>3,750</u>

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GROUP FUEL HEDGING POSITION

Apr'16 to Mar'17 (FY2016-17)	Jet Fuel	Brent
Percentage hedged (%)	25	6
Average hedged price (USD/BBL)	83	64

Apr'16 to Jun'16 (Q1 FY2016-17)	Jet Fuel	Brent
Percentage hedged (%)	42	-
Average hedged price (USD/BBL)	87	-

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DIVIDENDS – FY2015/16

	<u>15/16</u>	<u>14/15</u>
Earnings Per Share (¢)	69.0	31.4
Interim Dividend Per Share (¢)	10.0	5.0
Proposed Final Dividend Per Share (¢)	35.0	17.0
Total Dividend Per Share (¢)	45.0	22.0

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STRATEGIC DEVELOPMENTS

CHALLENGES

- 1 Global Economic Uncertainty**
- 2 Oil Price Volatility**
- 3 Intense Competition**

KEY STRATEGIES



Strengthening our Premium Positioning



Portfolio



Multi-Hub



New Business Opportunities

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SINGAPORE AIRLINES 

STRENGTHENING OUR PREMIUM POSITIONING

PRODUCTS & SERVICES



- Premium Economy Class
 - Currently flying to 18 destinations
 - Available on A350-900, A380 & B777-300ER



- IFE Companion App
 - Preview KrisWorld content and create favourites list pre-flight
 - Control seat-back IFE system
 - Available on A350-900, and progressively on B777-300ER

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SINGAPORE AIRLINES 

STRENGTHENING OUR PREMIUM POSITIONING

PRODUCTS & SERVICES



- SilverKris Lounges
 - New lounge concept introduced in Hong Kong, London, Manila and Sydney
 - Upcoming openings scheduled in Brisbane (May '16) and Bangkok (Oct '16)



- 'Deliciously Wholesome' Meals
 - Served on selected flights departing from Singapore in all classes
 - Available for pre-order through *Book the Cook* by Suites, First Class and Business Class customers

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STRENGTHENING OUR PREMIUM POSITIONING

PRODUCTS & SERVICES



- Modern Fleet
 - 2016 – Launch of A350-900
 - 2017 – New ground-up cabin products (A380)
 - 2018 – Re-launch of ultra long-range flights with A350-900ULR
 - 2018 – New medium-haul cabin products on A350 & B787-10



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STRENGTHENING OUR PREMIUM POSITIONING

NETWORK

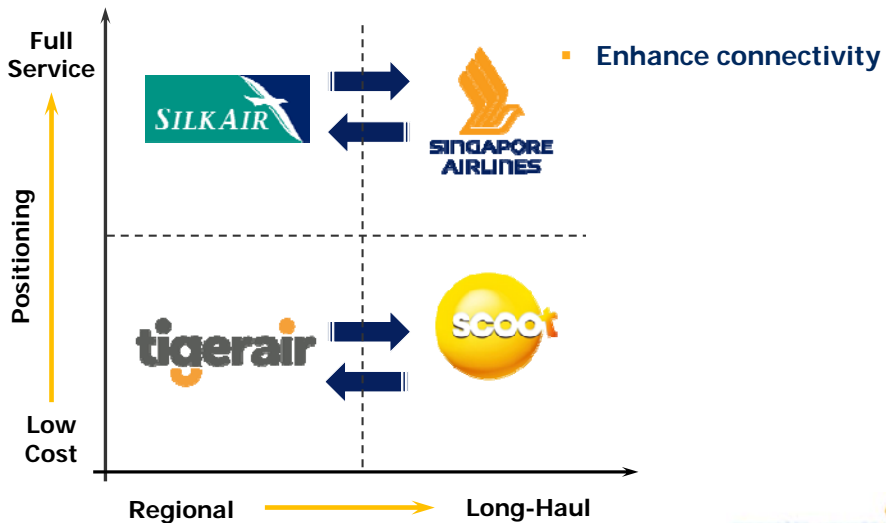


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- Strengthening our key markets
- New opportunities to grow European and US footprint
- New Destinations
 - Dusseldorf (21 July '16)
 - Canberra & Wellington (20 Sept '16)
- Expanding network and connectivity through partnerships
 - New Codeshare Agreements – Air China, Croatia Airlines, Lufthansa



PORTFOLIO

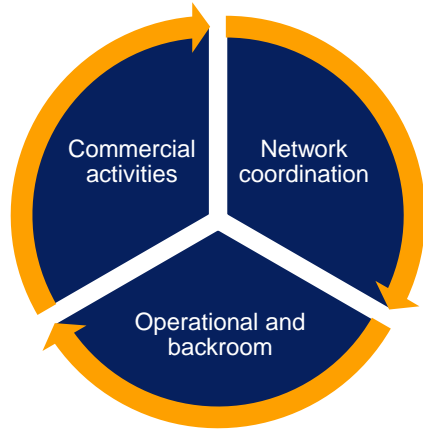


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PRIVATISATION OF TIGER AIRWAYS

DELISTING COMPLETED ON 11 MAY 2016



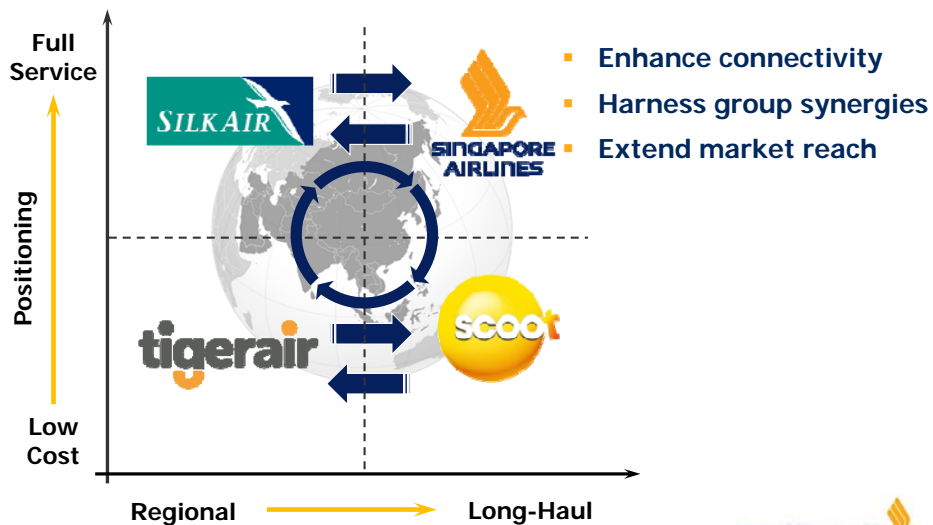
Enables:

- Seamless cooperation in all aspects of the business
- Full synergies within the SIA Group
- Strengthening of benefits to SIA Group Portfolio Strategy
- New profit generation opportunities

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PORTFOLIO



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SIA and SilkAir serve 98 destinations



The SIA Group serves 122 destinations



MULTI-HUB

- New growth engines in large and expanding markets
- Synergies with Singapore hub



vistara

- Large and growing market
- 16 destinations and 10 A320s (10 A320s on order)



nokscoot

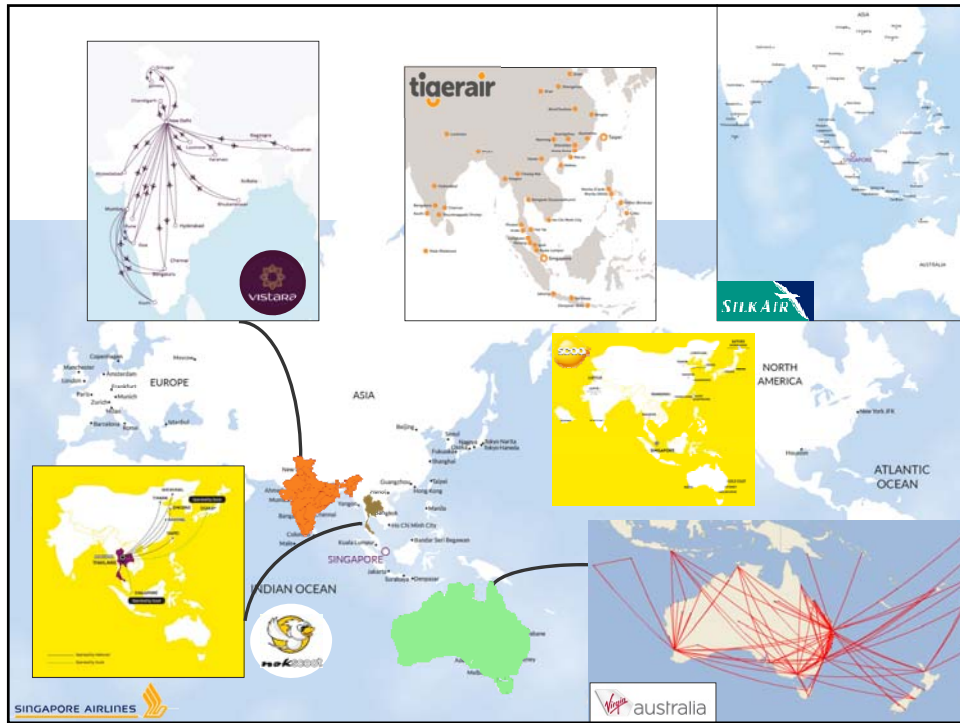
- Strong budget travel market
- 5 destinations and 3 B777-200s

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SINGAPORE AIRLINES 

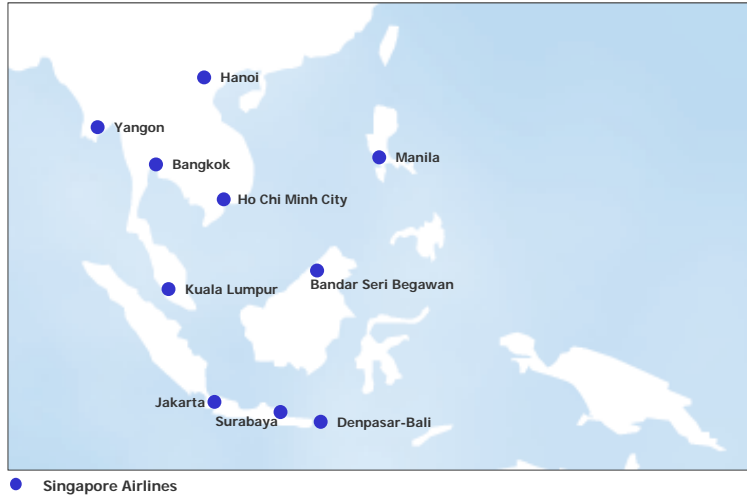
The SIA Group serves 122 destinations





SOUTHEAST ASIA

SIA serves 10 destinations

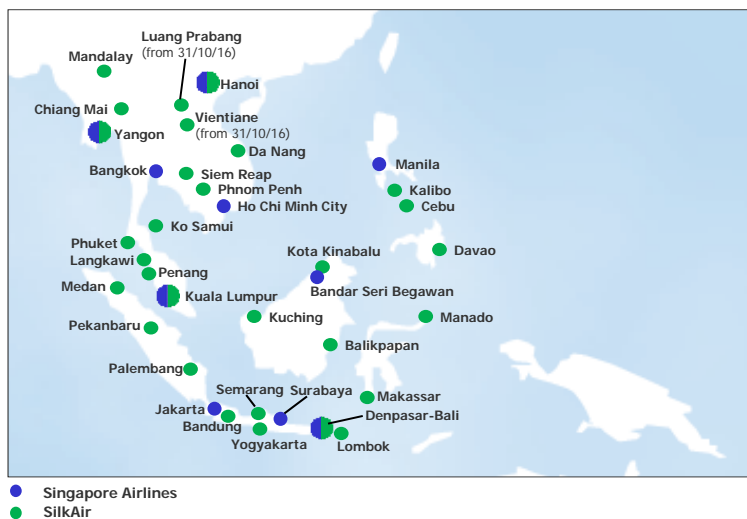


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SOUTHEAST ASIA

SIA and SilkAir serve 36 destinations

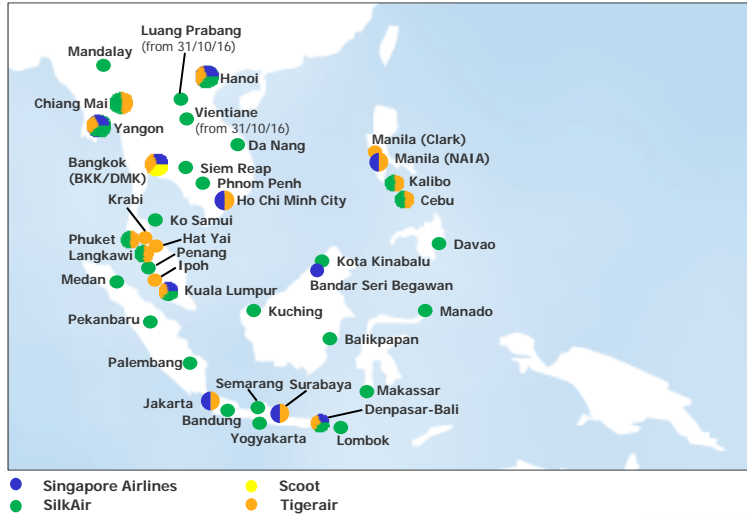


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SOUTHEAST ASIA

The SIA Group serves 41 destinations

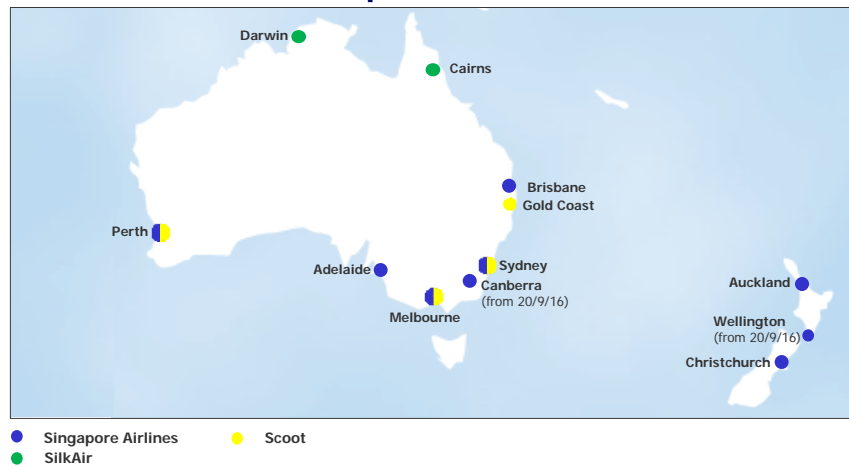


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SOUTHWEST PACIFIC

The SIA Group serves 12 destinations

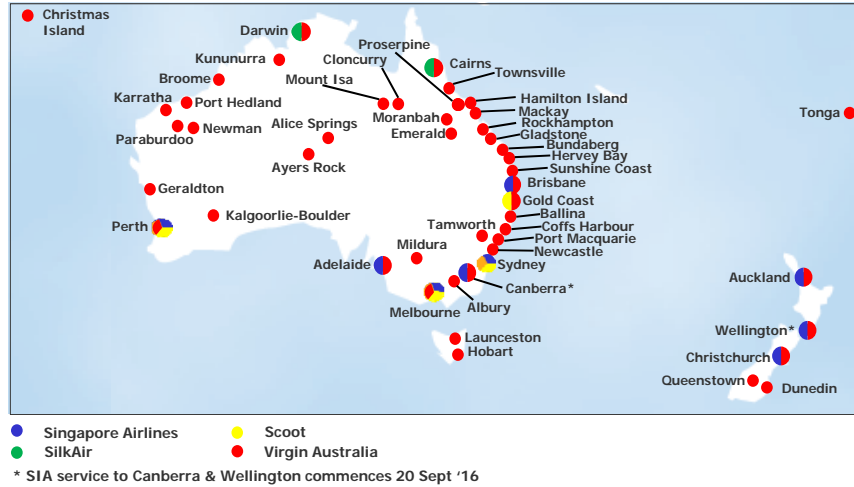


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SOUTHWEST PACIFIC

The SIA Group and Virgin Australia serve 48 destinations



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CHINA

SIA and SilkAir serve 10 destinations



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CHINA

The SIA Group serves 23 destinations



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● Singapore Airlines
● SilkAir

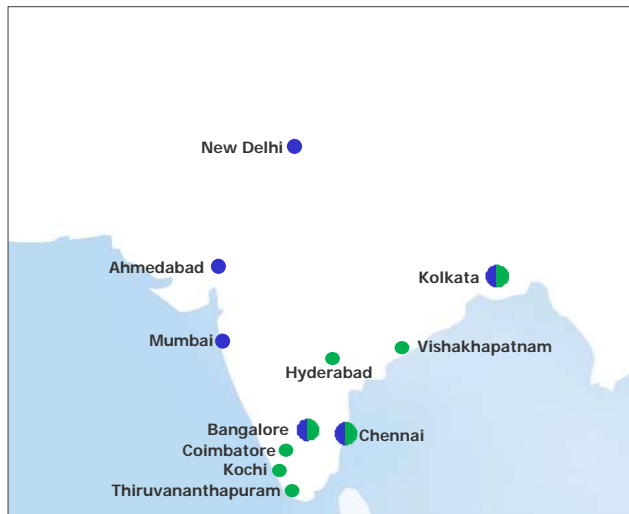
● Scoot
● Tigerair

● NokScoot



INDIA

SIA and SilkAir serve 11 Destinations



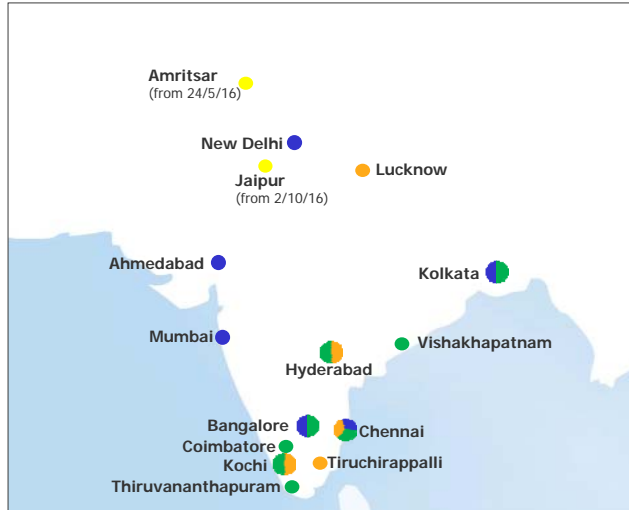
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● Singapore Airlines
● SilkAir



INDIA

The SIA Group serves 15 destinations



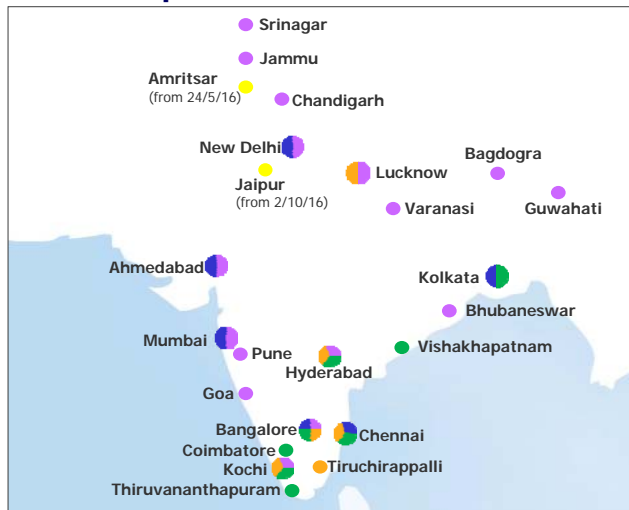
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- Singapore Airlines
- SilkAir
- Scoot
- Tigerair



INDIA

The SIA Group and Vistara serve 24 destinations



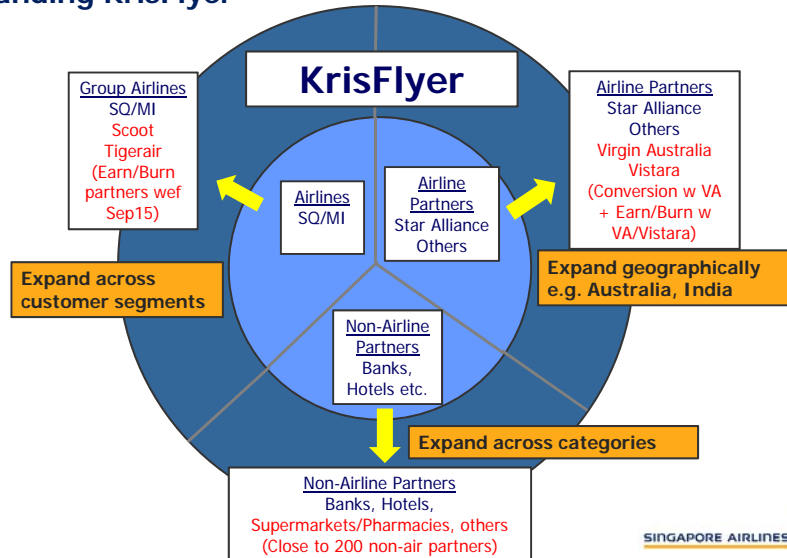
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- Singapore Airlines
- SilkAir
- Scoot
- Tigerair
- Vistara



NEW REVENUE & BUSINESS OPPORTUNITIES

Expanding KrisFlyer



NEW REVENUE & BUSINESS OPPORTUNITIES

Airbus Asia Training Centre

- Inaugurated on 18 Apr 2016 at the Seletar Aerospace Park
- Seventeen airlines have signed up for training courses
- AATC has five full flight simulators for the A320, A330, A350 and A380 currently
- Once fully functional, AATC will be able to accommodate more than 10,000 trainees a year



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THANK YOU