SIA GROUP
FINANCIAL RESULTS

For Q1 FY2018-19
Ended 30 June 2018
## Operating Result

<table>
<thead>
<tr>
<th></th>
<th>Q1 FY18/19 ($M)</th>
<th>Q1 FY17/18 R1 ($M)</th>
<th>Better/Worse (%)</th>
<th>Q1 FY17/18 R2 ($M)</th>
<th>Better/Worse (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>3,844</td>
<td>3,864</td>
<td>(0.5)</td>
<td>3,689</td>
<td>4.2</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>3,651</td>
<td>3,459</td>
<td>(5.6)</td>
<td>3,459</td>
<td>(5.6)</td>
</tr>
<tr>
<td>-- Net fuel cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel cost</td>
<td>1,212</td>
<td>900</td>
<td>(34.7)</td>
<td>900</td>
<td>(34.7)</td>
</tr>
<tr>
<td>Fuel hedging (gain)/loss</td>
<td>(132)</td>
<td>26</td>
<td>n.m.</td>
<td>26</td>
<td>n.m.</td>
</tr>
<tr>
<td>-- Non-fuel expenditure</td>
<td>2,571</td>
<td>2,533</td>
<td>(1.5)</td>
<td>2,533</td>
<td>(1.5)</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>193</td>
<td>405</td>
<td>(52.3)</td>
<td>230</td>
<td>(16.1)</td>
</tr>
<tr>
<td>Operating Profit Margin (%)</td>
<td>5.0</td>
<td>10.5</td>
<td>(5.5) pts</td>
<td>6.2</td>
<td>(1.2) pts</td>
</tr>
</tbody>
</table>

R1 Restated due to the adoption of IFRS, reducing prior year’s depreciation by $124M
R2 Adjusted for revenue one-offs from KrisFlyer breakage rate and compensation for changes in aircraft delivery slots ($175M)

Slide 2
SIA GROUP
Q1 FY2018-19

Group Revenue

Q1 FY17/18
$M
3,864

Q1 FY18/19
$M
3,844

Year-on-Year
$20M
(-0.5%)

Q1 FY18/19
$3,844M
SIA GROUP
Q1 FY2018-19

Group Revenue
(ex Q1 FY17/18 One-Offs)

Year-on-Year
$155M (+4.2%)

Q1 FY18/19
$3,844M

Adjusted for one-offs from KrisFlyer breakage rate and compensation for changes in aircraft delivery slots in Q1 FY17/18.
Revenue Breakdown ($M)

- **Passenger Flown Revenue**: 3,061.1 (+148.2, +5.1%)
- **Cargo and Mail**: 533.5 (+30.1, +6.0%)
- **Passenger Other Revenue**: 105.9 (-108.2, -50.5%)
- **Engineering Services**: 109.3 (-19.2, -14.9%)
- **Others**: 34.7 (-70.6, -67.0%)
Restatement for Q1 FY17/18 due to adoption of IFRS

Q1 FY17/18: $3,459M
Q1 FY18/19: $3,651M

Year-on-Year: $192M (+5.6%)
Cost Composition ($M)

- **AMO Costs**: $254.7M (+17.1%, +7.2%)
- **Depreciation and Lease Rentals**: $492.5M (+4.4%, +0.9%)
- **Staff Cost**: $657.6M (+7.6%, +1.2%)
- **Fuel Cost Post Hedging**: $1,079.4M (+153.7%, +16.6%)
- **LPO* Charges**: $215.9M (+5.2%, +2.5%)
- **Handling Charges**: $328.9M (-2.0%, -0.6%)
- **Passenger Costs**: $176.7M (-4.3%, -2.4%)
- **Others**: $445.7M (+10.1%, +2.3%)

*Landing, Parking and Overflying

Note: Restated due to the adoption of IFRS, reducing prior year’s depreciation by $124M
Composition of Increase in Fuel Cost (After Hedging)

- Higher weighted average fuel price: $359
- Hedging gain versus loss: -$158
- Weaker USD against SGD: -$62
- Higher uplift: +15

Total: $1,080 (+16.6%)
Group Operating Profit

Q1 FY18/19
Op. Profit
$193M
$212M
(-52.3%)
Group Operating Profit (ex Q1 FY17/18 One-Offs)

Q1 FY18/19 Op. Profit $193M
- $37M (-16.1%)

Operating Profit Margin 1.2% pts
Higher pax flown revenue $148
Higher cargo flown revenue $30
Lower engineering revenue $19
Higher net fuel costs $154
Higher ex-fuel costs $175
Depreciation expense ($31)
Aircraft maintenance & overhaul ($17)
Commissions & incentives ($9)
Lower lease rentals ($26)
KrisFlyer breakage revenue ($115)
Compensation for changes in delivery slots ($60)

Absence of one-offs from:

Note: Restated due to the adoption of IFRS, reducing prior year’s depreciation by $124M
## Group Operating Profit

<table>
<thead>
<tr>
<th></th>
<th>Q1 FY18/19 ($M)</th>
<th>Q1 FY17/18R1 ($M)</th>
<th>Better/ Worse ($M)</th>
<th>Better/Worse (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SIA</td>
<td>181</td>
<td>370</td>
<td>(189)</td>
<td>(51.1)</td>
</tr>
<tr>
<td>SIA Engineering</td>
<td>10</td>
<td>19</td>
<td>(9)</td>
<td>(47.4)</td>
</tr>
<tr>
<td>SilkAir</td>
<td>-</td>
<td>8</td>
<td>(8)</td>
<td>(100)</td>
</tr>
<tr>
<td>Scoot</td>
<td>1</td>
<td>3</td>
<td>(2)</td>
<td>(66.7)</td>
</tr>
</tbody>
</table>

R1 Restated due to the adoption of IFRS

R2 Adjusted prior year comparatives to take into account of SIA Cargo integration within the Parent Airline Company
Group Net Profit

Q1 FY18/19
Net Profit $140M
$198M (-58.6%)
Group Net Profit (ex Q1 FY17/18 One-Offs)

Q1 FY18/19 Net Profit $140M

$53M (-27.5%)
SIA GROUP
Q1 FY2018-19

Group Profit Attributable to Owners of the Parent

- $M
- Q1 FY17/18: 338
  - Lower operating profit: -212
  - Higher net finance charges: -14
  - Lower taxation: -35
  - Others: -7
  - Q1 FY18/19: 140
- Change: -198 (-58.6%)
PARENT AIRLINE COMPANY
Q1 FY2018-19
## PARENT AIRLINE COMPANY (PAX)
### Q1 FY2018-19

<table>
<thead>
<tr>
<th>Metric</th>
<th>Q1 FY18/19</th>
<th>Q1 FY17/18</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available Seat-KM (M)</td>
<td>29,783.9</td>
<td>28,962.9</td>
<td>2.8</td>
</tr>
<tr>
<td>Revenue Passenger-KM (M)</td>
<td>24,429.0</td>
<td>23,176.1</td>
<td>5.4</td>
</tr>
<tr>
<td>Passenger Load Factor (%)</td>
<td>82.0</td>
<td>80.0</td>
<td>2.0 pts</td>
</tr>
<tr>
<td>Pax Yield (¢/pkm)</td>
<td>10.0</td>
<td>10.1</td>
<td>(1.0)</td>
</tr>
<tr>
<td>Revenue per available seat-km (¢/ask)</td>
<td>8.2</td>
<td>8.1</td>
<td>1.2</td>
</tr>
<tr>
<td>Passenger Unit Cost (¢/ask)</td>
<td>8.2</td>
<td>8.0</td>
<td>2.5</td>
</tr>
<tr>
<td>Passenger Unit Ex-fuel Cost (¢/ask)</td>
<td>5.4</td>
<td>5.6</td>
<td>(3.6)</td>
</tr>
<tr>
<td>Passenger Breakeven Load Factor (%)</td>
<td>82.0</td>
<td>79.2</td>
<td>2.8 pts</td>
</tr>
</tbody>
</table>
Monthly Pax Yields

- 2016/17
- 2017/18
- 2018/19

PARENT AIRLINE COMPANY (PAX) Q1 FY2018-19

¢/pkm

Apr: 10.1
May: 10.1
Jun: 10.2
Jul: 10.3
Aug: 10.3
Sep: 10.3
Oct: 10.4
Nov: 10.4
Dec: 10.6
Jan: 10.3
Feb: 10.2
Mar: 10.2
<table>
<thead>
<tr>
<th></th>
<th>Q1 FY18/19</th>
<th>Q1 FY17/18</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cargo Capacity Tonne-KM (M)</td>
<td>2,801.7</td>
<td>2,713.9</td>
<td>3.2</td>
</tr>
<tr>
<td>Cargo Load Tonne-KM (M)</td>
<td>1,721.3</td>
<td>1,783.2</td>
<td>(3.5)</td>
</tr>
<tr>
<td>Cargo Load Factor (%)</td>
<td>61.4</td>
<td>65.7</td>
<td>(4.3) pts</td>
</tr>
<tr>
<td>Cargo Yield (¢/ltk)</td>
<td>31.0</td>
<td>28.2</td>
<td>9.9</td>
</tr>
<tr>
<td>Cargo Unit Cost (¢/ctk)</td>
<td>16.1</td>
<td>16.7</td>
<td>(3.6)</td>
</tr>
<tr>
<td>Cargo Unit Ex-fuel Cost (¢/ctk)</td>
<td>10.2</td>
<td>11.2</td>
<td>(8.9)</td>
</tr>
<tr>
<td>Cargo Breakeven Load Factor (%)</td>
<td>51.9</td>
<td>59.2</td>
<td>(7.3) pts</td>
</tr>
</tbody>
</table>
PARENT AIRLINE COMPANY (CARGO)
Q1 FY2018-19

Monthly Cargo Yields

2016/17 2017/18 2018/19

Apr 26.7 26.5 26.9
May 26.5 26.6 27.0
Jun 26.9 27.0 27.5
Jul 26.7 26.6 27.0
Aug 28.1 28.1 28.1
Sep 29.9 30.2 32.3
Oct 30.2 34.1
Nov 29.8
Dec 29.6 29.9 30.2
Jan 27.6
Feb 27.7
Mar 28.1

¢/ltk
## Operating Result

<table>
<thead>
<tr>
<th></th>
<th>Q1 FY18/19 ($M)</th>
<th>Q1 FY17/18&lt;sup&gt;R1&lt;/sup&gt; ($M)</th>
<th>Better/Worse (%)</th>
<th>Q1 FY17/18&lt;sup&gt;R2&lt;/sup&gt; ($M)</th>
<th>Better/Worse (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenue</strong></td>
<td>3,093</td>
<td>3,149</td>
<td>(1.8)</td>
<td>2,974</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>2,912</td>
<td>2,779</td>
<td>(4.8)</td>
<td>2,779</td>
<td>(4.8)</td>
</tr>
<tr>
<td>-- Net fuel cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel cost</td>
<td>991</td>
<td>749</td>
<td>(32.3)</td>
<td>749</td>
<td>(32.3)</td>
</tr>
<tr>
<td>Fuel hedging (gain)/loss</td>
<td>(107)</td>
<td>23</td>
<td>n.m.</td>
<td>23</td>
<td>n.m.</td>
</tr>
<tr>
<td>-- Non-fuel expenditure</td>
<td>2,028</td>
<td>2,007</td>
<td>(1.0)</td>
<td>2,007</td>
<td>(1.0)</td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td><strong>181</strong></td>
<td>370</td>
<td>(51.1)</td>
<td><strong>195</strong></td>
<td>(7.2)</td>
</tr>
<tr>
<td><strong>Operating Profit Margin (%)</strong></td>
<td><strong>5.8</strong></td>
<td><strong>11.7</strong> (5.9) pts</td>
<td></td>
<td><strong>6.6</strong></td>
<td>(0.8) pt</td>
</tr>
</tbody>
</table>

<sup>R1</sup> Restated for IFRS, and adjusted prior year’s comparatives to take into account of SIA Cargo integration within the Parent Airline Company

<sup>R2</sup> Adjusted for revenue one-offs from KrisFlyer breakage rate and compensation for changes in aircraft delivery slots ($175M)
**Cost Composition ($M)**

- **Fuel Cost Post Hedging**: 884.0 (+112.4, +14.6%)
- **LPO* Charges**: 168.7 (+0.9, +0.5%)
- **Handling Charges**: 295.4 (-10.9, -3.6%)
- **AMO Costs**: 209.4 (-7.2, -3.3%)
- **Aircraft depreciation and Lease Rentals**: 365.4 (-8.7, -2.3%)
- **Others**: 379.3 (+42.1, +12.5%)
- **Staff Cost**: 449.2 (+10.7, +2.4%)
- **Passenger Costs**: 160.3 (-6.2, -3.7%)  

*Note: Restated depreciation due to the adoption of IFRS*
Passenger Cost Analysis

<table>
<thead>
<tr>
<th>Cost Type</th>
<th>Q1 FY17/18</th>
<th>Q1 FY18/19</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit Fuel Cost</td>
<td>8.0</td>
<td>8.2</td>
<td>-3.4%</td>
</tr>
<tr>
<td>Unit Staff Cost</td>
<td>1.43</td>
<td>1.43</td>
<td>-</td>
</tr>
<tr>
<td>Unit Other Cost</td>
<td>4.11</td>
<td>3.97</td>
<td>+13.1%</td>
</tr>
</tbody>
</table>

Q1 FY2018-19
Cargo Cost Analysis

<table>
<thead>
<tr>
<th></th>
<th>Q1 FY17/18</th>
<th>Q1 FY18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit Fuel Cost</td>
<td>16.7</td>
<td>16.1</td>
</tr>
<tr>
<td>Unit Staff Cost</td>
<td>0.86</td>
<td>0.86</td>
</tr>
<tr>
<td>Unit Other Cost</td>
<td>10.35</td>
<td>9.38</td>
</tr>
</tbody>
</table>

- Unit Fuel Cost: \(16.7\) c/ctk (Q1 FY17/18), \(16.1\) c/ctk (Q1 FY18/19)\(\text{(+5.1\%)}\)
- Unit Staff Cost: \(0.86\) c/ctk (Q1 FY17/18), \(0.86\) c/ctk (Q1 FY18/19)\(-\)
- Unit Other Cost: \(10.35\) c/ctk (Q1 FY17/18), \(9.38\) c/ctk (Q1 FY18/19)\(-9.4\%)
## FUEL HEDGING UPDATE

### Remaining 9 months of FY18/19

<table>
<thead>
<tr>
<th></th>
<th>Jet Fuel</th>
<th>Brent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage hedged (%)</td>
<td>21.8</td>
<td>24.5</td>
</tr>
<tr>
<td>Average hedged price (USD/BBL)</td>
<td>65</td>
<td>54</td>
</tr>
</tbody>
</table>

### Maturities Up To FY22/23

<table>
<thead>
<tr>
<th></th>
<th>Jet Fuel</th>
<th>Brent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage hedged (%)</td>
<td>-</td>
<td>Up to 46%</td>
</tr>
<tr>
<td>Average hedged price (USD/BBL)</td>
<td>-</td>
<td>55-58</td>
</tr>
</tbody>
</table>