SIA Group Financial Results

3rd Quarter of FY 05/06
### SIA Group
#### Q3 (2005-06)

<table>
<thead>
<tr>
<th></th>
<th>Q3 2005-06 ($M)</th>
<th>Q3 2004-05 * ($M)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Profit</td>
<td>374.7</td>
<td>412.3</td>
<td>- 9.1</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>538.7</td>
<td>598.4</td>
<td>- 10.0</td>
</tr>
<tr>
<td>Profit Attributable To Shareholders</td>
<td>396.6</td>
<td>464.6</td>
<td>- 14.6</td>
</tr>
<tr>
<td>Operating Profit Margin (%)</td>
<td>10.5</td>
<td>12.9</td>
<td>- 2.4 pts</td>
</tr>
</tbody>
</table>

* Financial results for Q3 of FY2004-05 have been restated to account for share options to employees of $11.5 million.*
## SIA Group
### Q3 (2005-06)

<table>
<thead>
<tr>
<th>Impact of FRS changes on Profit after tax</th>
<th>Group ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FRS 16: Aircraft maintenance &amp; overhauls</td>
<td>+ 99.0</td>
</tr>
<tr>
<td>FRS 28: Re-alignment of associated companies' financial statements</td>
<td>+ 2.9</td>
</tr>
<tr>
<td>FRS 39: Financial instruments: Recognition &amp; measurement</td>
<td>- 4.7</td>
</tr>
<tr>
<td>FRS 102: Share-based payments to employees</td>
<td>- 12.7</td>
</tr>
<tr>
<td><strong>Overall impact</strong></td>
<td><strong>+ 84.5</strong></td>
</tr>
</tbody>
</table>
**SIA Group**
Q3 (2005-06)

**Contribution To Group Operating Profit**

- **SIA** 51.3% (+1.7 pts)
- **SIA Cargo** 25.8% (-2.5 pts)
- **SIAEC** 6.0% (+3.3 pts)
- **SATS** 12.8% (+0.9 pt)
- **SilkAir** 1.6% (+0.2 pt)
- **Others** 2.5% (-3.6 pts)
### Passenger Airline Company
#### Q3 (2005-06)

<table>
<thead>
<tr>
<th></th>
<th>Q3 2005-06 ($M)</th>
<th>Q3 2004-05 * ($M)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>2,695.4</td>
<td>2,443.0</td>
<td>+ 10.3</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>2,503.3</td>
<td>2,238.5</td>
<td>+ 11.8</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>192.1</td>
<td>204.5</td>
<td>- 6.1</td>
</tr>
<tr>
<td>Operating Profit Margin (%)</td>
<td>7.1</td>
<td>8.4</td>
<td>- 1.3 pts</td>
</tr>
</tbody>
</table>

* Financial results for Q3 of FY2004-05 have been restated to account for share options to employees of $7.6 million.
## Operating Statistics

<table>
<thead>
<tr>
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<th>Q3 2005-06</th>
<th>Q3 2004-05</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available Seat-KM (M)</td>
<td>27,566.3</td>
<td>26,767.8</td>
<td>+ 3.0</td>
</tr>
<tr>
<td>Revenue Passenger-KM (M)</td>
<td>21,121.6</td>
<td>20,274.1</td>
<td>+ 4.2</td>
</tr>
<tr>
<td>Passenger Load Factor (%)</td>
<td>76.6</td>
<td>75.7</td>
<td>+ 0.9 pt</td>
</tr>
</tbody>
</table>
### Passenger Airline Company
#### Q3 (2005-06)

**Operating Statistics**

<table>
<thead>
<tr>
<th></th>
<th>Q3 2005-06</th>
<th>Q3 2004-05</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passenger Yield-Including Fuel Surcharge (¢/pkm)</td>
<td>10.8</td>
<td>10.2</td>
<td>+ 5.9</td>
</tr>
<tr>
<td>Passenger Unit Cost (¢/ask)</td>
<td>7.6</td>
<td>7.1</td>
<td>+ 7.0</td>
</tr>
<tr>
<td>Passenger Breakeven Load Factor (%)</td>
<td>70.4</td>
<td>69.6</td>
<td>+ 0.8 pt</td>
</tr>
<tr>
<td>Passenger Load Factor Spread (%)</td>
<td>6.2 pts</td>
<td>6.1 pts</td>
<td>+ 0.1 pt</td>
</tr>
</tbody>
</table>
Passenger Airline Company
Q3 (2005-06)

Cost Composition

- **Fuel**: 37.1% (+9.1 pts)
- **Staff**: 15.3% (-2.0 pts)
- **Depr., Rental & Carrying Costs**: 11.0% (-1.7 pts)
- **Handling**: 7.5% (-0.6 pt)
- **Sales**: 6.1% (-1.1 pts)
- **Others**: 23.0% (-3.7 pts)

**Passenger Airline Company**

**Q3 (2005-06)**

197200078R
Passenger Airline Company
Q3 (2005-06)

Top 5 Expenditure Breakdown

- Fuel
  - Q3 (2005-06): 929.1 (+48.4%)
  - Q3 (2004-05): 626.2

- Staff
  - Q3 (2005-06): 383.7 (-0.9%)
  - Q3 (2004-05): 387.0

- Depr., Rental & Carrying Costs
  - Q3 (2005-06): 275.1 (-3.6%)

- Handling
  - Q3 (2005-06): 186.3 (+2.6%)
  - Q3 (2004-05): 181.5

- Sales
  - Q3 (2005-06): 153.2 (-4.8%)
  - Q3 (2004-05): 161.0

Q3 (2005-06)
Q3 (2004-05)
Passenger Airline Company
Q3 (2005-06)

Fuel Price Before Hedging

USD/bbl

Q1 (FY04/05)  Q2 (FY04/05)  Q3 (FY04/05)  Q4 (FY04/05)  Q1 (FY05/06)  Q2 (FY05/06)  Q3 (FY05/06)

62.9
79.1 (+25.8%)
Passenger Airline Company
Q3 (2005-06)

Fuel Costs At Current Year’s Price and Exchange Rate
(net of hedging gains)

Q3 (04/05) 626.2
Q3 (05/06) 929.1

+302.9 (+48.4%)
Passenger Airline Company
Q3 (2005-06)

Passenger Unit Cost

cents

Q3 (04/05) 7.1
Q3 (05/06) 7.6 (+7.0%)
Passenger Airline Company
Q3 (2005-06)

Passenger Unit Cost

- **Q3 (04/05)**: 7.1 cents
  - Unit Fuel Cost: 2.3 cents
  - Unit Staff Cost: 1.4 cents
  - Unit Other Costs: 3.4 cents

- **Q3 (05/06)**: 7.6 (7.0%)
  - Unit Fuel Cost: 3.4 (+47.8%)
  - Unit Staff Cost: 1.4
  - Unit Other Costs: 2.8 (-17.6%)
Passenger Airline Company
Q3 (2005-06)

Passenger Unit Cost

<table>
<thead>
<tr>
<th>Costs</th>
<th>Q3 (04/05)</th>
<th>Q3 (05/06)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit Fuel Cost</td>
<td>2.3</td>
<td>3.4</td>
</tr>
<tr>
<td>Unit Staff Cost</td>
<td>1.4</td>
<td>1.4</td>
</tr>
<tr>
<td>Unit Other Costs</td>
<td>3.4</td>
<td>3.2</td>
</tr>
<tr>
<td>FRS 0.4</td>
<td>0.4</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7.1</strong></td>
<td><strong>8.0</strong></td>
</tr>
</tbody>
</table>

8.0 (+12.7%)

3.4 (+47.8%)

3.2 (-5.9%)
Thank You