



# Half Year and 2<sup>nd</sup> Quarter Ended 30 September 2004 Financial Results

# ORDER OF PRESENTATION

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- **THE GROUP**
- **THE AIRLINE COMPANY**
- **THE MAJOR SUBSIDIARIES**
- **DEVELOPMENTS**
- **OUTLOOK**

# GROUP RESULTS – 1H/04 (\$million)

	<u>1H/04</u>	<u>1H/03</u>	<u>04 vs 03</u> <u>% Change</u>	<u>04 vs 02</u> <u>% Change</u>
<b>Total Revenue</b>	<b>5,778.8</b>	<b>4,171.5</b>	<b>+ 38.5</b>	<b>+ 10.5</b>
<b>Total Expenditure</b>	<b>(5,140.6)</b>	<b>(4,234.0)</b>	<b>+ 21.4</b>	<b>+ 8.9</b>
<b>Operating Profit/(Loss)</b>	<b>638.2</b>	<b>(62.5)</b>	<b>n.m.</b>	<b>+ 25.2</b>
<b>Net Profit/(Loss) Attributable to Shareholders</b>	<b>615.9</b>	<b>(6.5)</b>	<b>n.m.</b>	<b>- 20.4*</b>

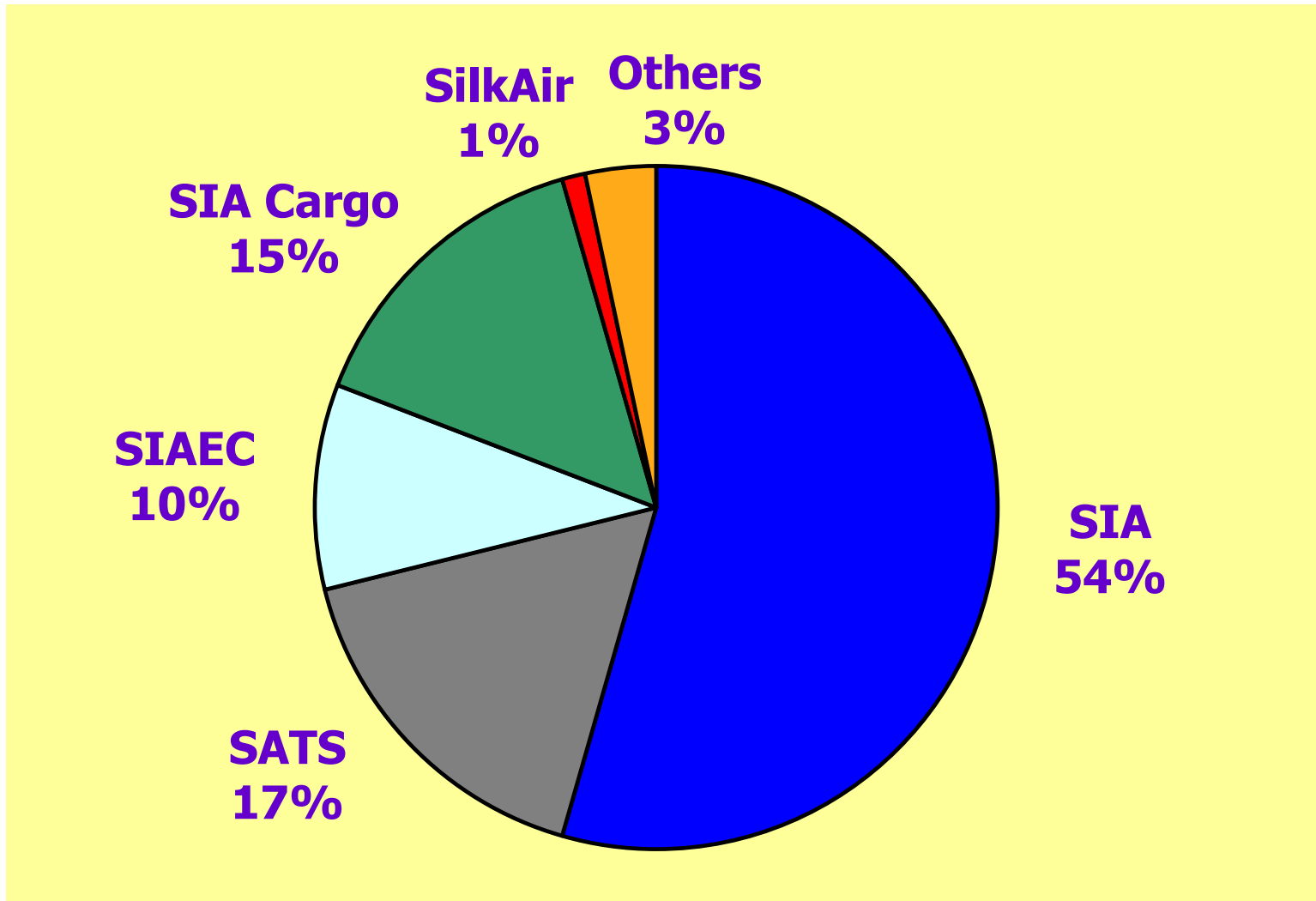
\*FY2002-03 net profit included tax write-back of \$277.8 million.

# GROUP FINANCIAL STATISTICS – 1H/04

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	<u>1H/04</u>	<u>1H/03</u>
Earnings/(Loss) Per Share (¢)	50.6	(0.5)
Interim Dividend Per Share (¢)	10.0 Tax exempt (one-tier)	Nil
	<u>At 30 Sep 04</u>	<u>At 31 Mar 04</u>
Net Asset Value Per Share (\$)	9.67	9.40
Total Debt to Equity Ratio	0.21:1	0.20:1

# CONTRIBUTION TO GROUP OPERATING PROFIT – 1H/04



# THE PASSENGER AIRLINE COMPANY

## RESULTS –1H/04 (\$million)

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	<u>1H/04</u>	<u>1H/03</u>	<u>04 vs 03</u> <u>% Change</u>	<u>04 vs 02</u> <u>% Change</u>
<b>Total Revenue</b>	<b>4,449.0</b>	<b>2,971.4</b>	<b>+ 49.7</b>	<b>+ 10.2</b>
<b>Total Expenditure</b>	<b>(4,102.0)</b>	<b>(3,239.6)</b>	<b>+ 26.6</b>	<b>+ 8.5</b>
<b>Operating Profit/(Loss)</b>	<b>347.0</b>	<b>(268.2)</b>	<b>n.m.</b>	<b>+ 35.7</b>

# THE PASSENGER AIRLINE COMPANY

## OPERATING PERFORMANCE – 1H/04

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	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>
<b>Seat Capacity (Billion ask)</b>	<b>51.6</b>	<b>39.6</b>	<b>+ 30.4</b>
<b>Passenger Carriage (Billion pkm)</b>	<b>38.1</b>	<b>27.7</b>	<b>+ 37.9</b>
<b>Passenger Load Factor (%)</b>	<b>73.9</b>	<b>69.9</b>	<b>+ 4.0 pts</b>

# THE PASSENGER AIRLINE COMPANY

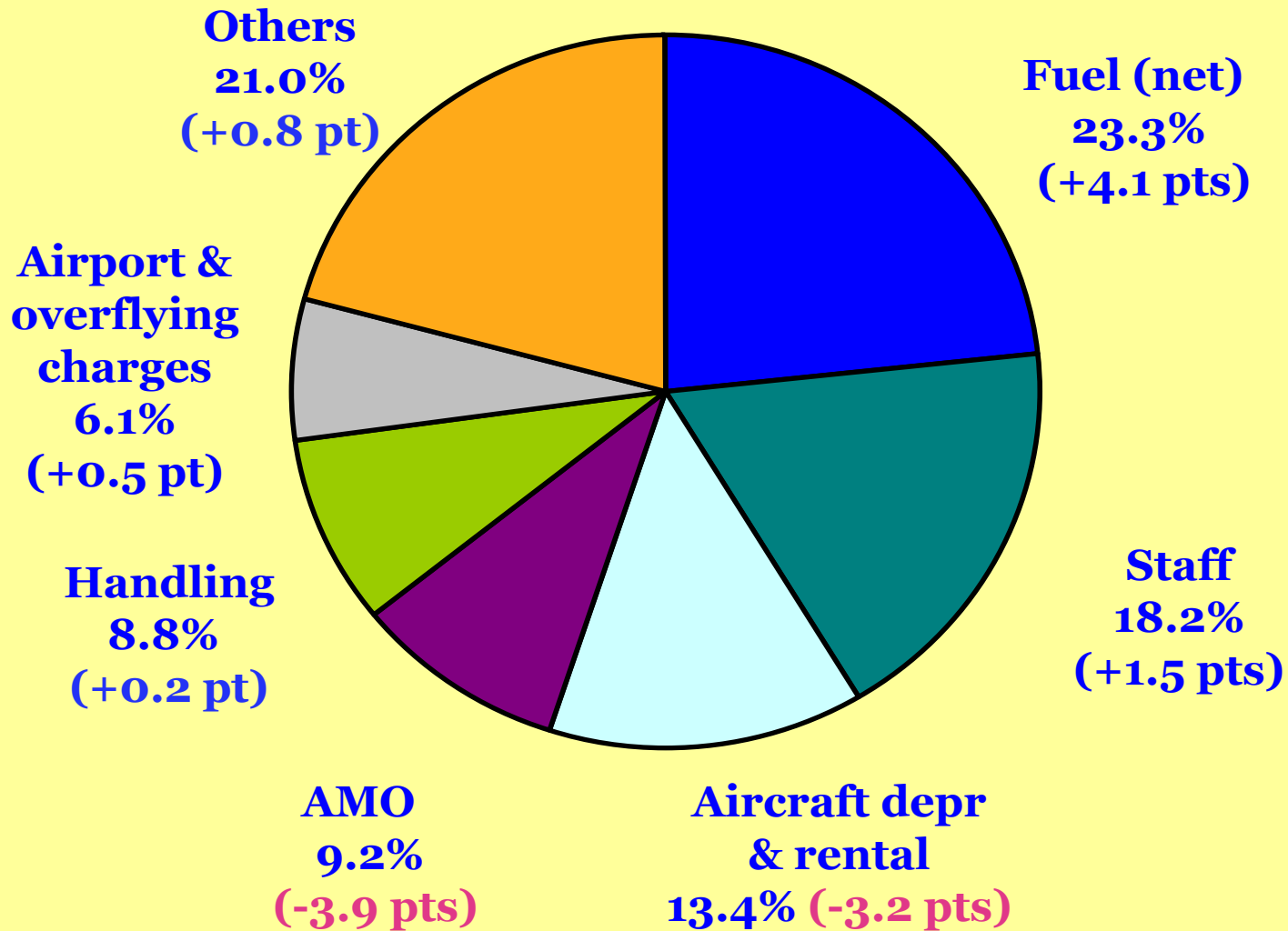
## OPERATING PERFORMANCE – 1H/04

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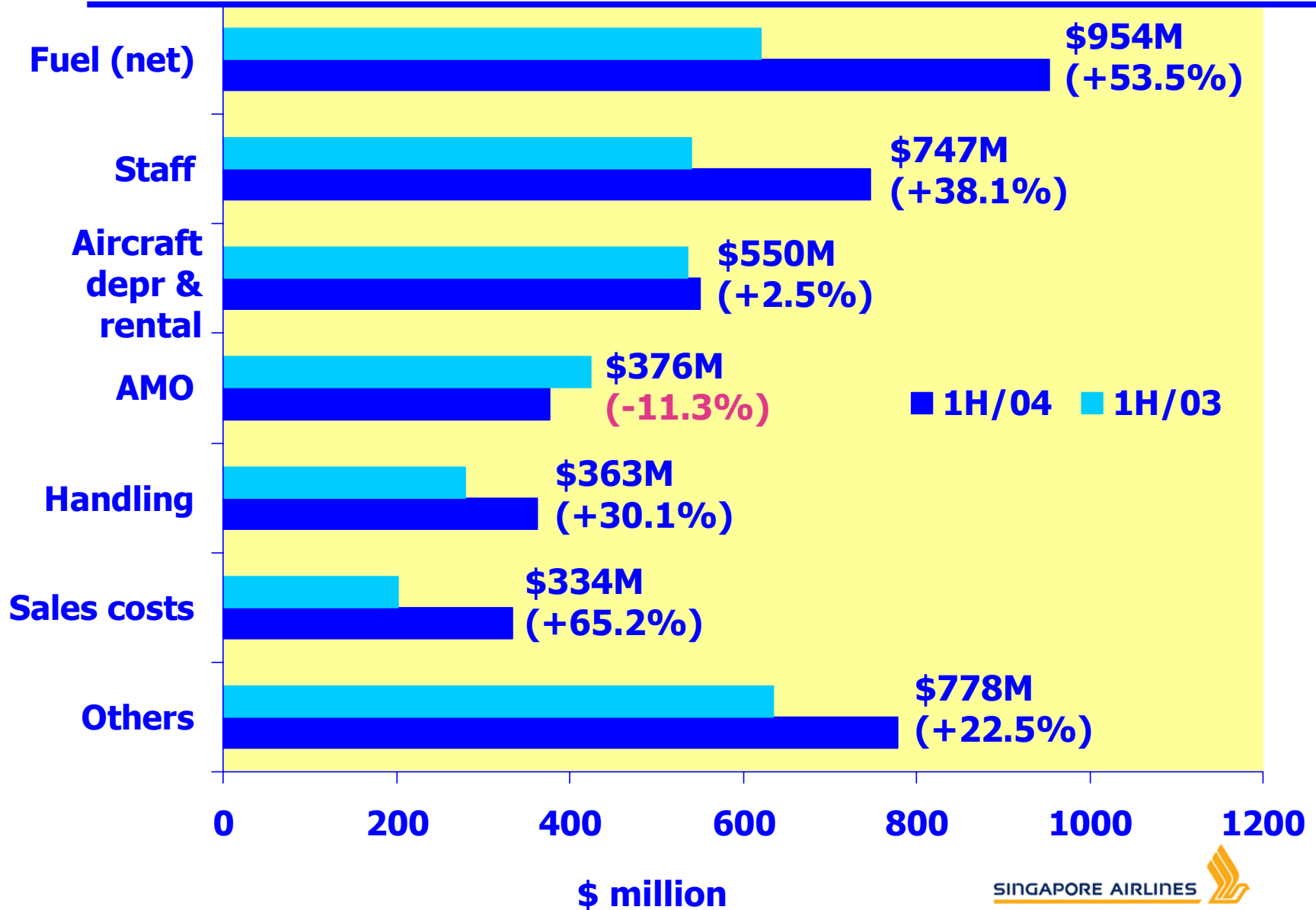
	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>
<b>Revenue Yield (¢/pkm)</b>	<b>9.9</b>	<b>8.7</b>	<b>+ 13.8</b>
<b>Unit Cost (¢/ask)</b>	<b>6.8</b>	<b>6.9</b>	<b>- 1.4</b>
<b>Passenger Breakeven Load Factor (%)</b>	<b>68.7</b>	<b>79.3</b>	<b>- 10.6 pts</b>
<b>Unit Revenue (¢/ask)</b>	<b>7.3</b>	<b>6.1</b>	<b>+ 19.7</b>



# THE PASSENGER AIRLINE COMPANY – 1H/04 COST COMPOSITION



# THE PASSENGER AIRLINE COMPANY – COST ANALYSIS 1H/04



# THE PASSENGER AIRLINE COMPANY

## FUEL COST ANALYSIS – 1H/04

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**\$333 million increase in fuel costs (after hedging) :**

**\$ million**

**32.2% increase in volume uplifted + 199**

**39.7% increase in weighted average fuel price + 325**

**2.8% weakening of USD against SGD - 32**

**Higher hedging gain - 159**

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**+ 333**

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# SUBSIDIARIES OPERATING PROFIT – 1H/04 (\$million)

	<u>1H/04</u>	<u>1H/03</u>		<u>04 vs 03</u>		<u>04 vs 02</u>
				<u>% Change</u>		<u>% Change</u>
<b>SATS Group</b>	<b>106.3</b>	<b>80.7</b>	<b>+</b>	<b>31.7</b>	<b>-</b>	<b>12.8</b>
<b>SIA Cargo</b>	<b>95.3</b>	<b>60.7</b>	<b>+</b>	<b>57.0</b>		<b>n.m.*</b>
<b>SIAEC Group</b>	<b>61.8</b>	<b>47.8</b>	<b>+</b>	<b>29.3</b>	<b>-</b>	<b>14.5</b>
<b>SilkAir</b>	<b>5.9</b>	<b>(4.2)</b>		<b>n.m.</b>	<b>-</b>	<b>28.9</b>
<b>Others</b>	<b>6.7</b>	<b>2.3</b>	<b>+</b>	<b>191.3</b>	<b>-</b>	<b>24.7</b>
<b>Total</b>	<b>276.0</b>	<b>187.3</b>	<b>+</b>	<b>47.4</b>	<b>+</b>	<b>17.0</b>

\*FY2002-03 operating profit at \$24.5 million.

# SIA CARGO RESULTS – 1H/04 (\$million)

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	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>
<b>Total Revenue</b>	<b>1,376.0</b>	<b>1,134.5</b>	<b>+ 21.3</b>
<b>Total Expenditure</b>	<b>(1,280.7)</b>	<b>(1,073.8)</b>	<b>+ 19.3</b>
<b>Operating Profit</b>	<b>95.3</b>	<b>60.7</b>	<b>+ 57.0</b>
<b>Net Profit</b>	<b>69.9</b>	<b>39.4</b>	<b>+ 77.4</b>

# SIA CARGO OPERATING PERFORMANCE – 1H/04

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	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>
<b>Capacity (M ctk)</b>	<b>5,685.2</b>	<b>4,952.4</b>	<b>+ 14.8</b>
<b>Load Carried (M Itk)</b>	<b>3,634.0</b>	<b>3,342.3</b>	<b>+ 8.7</b>
<b>Cargo Load Factor (%)</b>	<b>63.9</b>	<b>67.5</b>	<b>- 3.6 pts</b>

# SIA CARGO OPERATING PERFORMANCE – 1H/04

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	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>	
<b>Cargo Yield (¢/ltk)</b>	<b>34.7</b>	<b>31.8</b>	<b>+</b>	<b>9.1</b>
<b>Unit Cost (¢/ctk)</b>	<b>21.1</b>	<b>20.6</b>	<b>+</b>	<b>2.4</b>
<b>Breakeven Load Factor (%)</b>	<b>60.8</b>	<b>64.8</b>	<b>-</b>	<b>4.0 pts</b>

# SILKAIR RESULTS – 1H/04 (\$million)

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	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>
<b>Total Revenue</b>	<b>132.5</b>	<b>94.6</b>	<b>+ 40.1</b>
<b>Total Expenditure</b>	<b>(126.6)</b>	<b>(98.8)</b>	<b>+ 28.1</b>
<b>Operating Profit</b>	<b>5.9</b>	<b>(4.2)</b>	<b>n.m.</b>
<b>Net Profit</b>	<b>2.8</b>	<b>(3.9)</b>	<b>n.m.</b>



# SILKAIR OPERATING PERFORMANCE – 1H/04

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	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>
<b>Capacity (M ctk)</b>	<b>186.4</b>	<b>139.8</b>	<b>+ 33.3</b>
<b>Load Carried (M ltk)</b>	<b>97.0</b>	<b>67.9</b>	<b>+ 42.9</b>
<b>Overall Load Factor (%)</b>	<b>52.1</b>	<b>48.6</b>	<b>+ 3.5 pts</b>

# SILKAIR OPERATING PERFORMANCE – 1H/04

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	<u>1H/04</u>	<u>1H/03</u>	<u>% Change</u>
<b>Overall Yield (¢/ltk)</b>	<b>127.2</b>	<b>130.5</b>	<b>- 2.5</b>
<b>Overall Unit Cost (¢/ctk)</b>	<b>65.1</b>	<b>67.7</b>	<b>- 3.8</b>
<b>Overall Breakeven Load Factor (%)</b>	<b>51.2</b>	<b>51.8</b>	<b>- 0.6 pt</b>

# DEVELOPMENTS

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- **Competition from Low Cost Carriers**
- **Performance of Non-Stop Services to Los Angeles and New York**
- **B777-300ER Aircraft Order**
- **Progress on New Collective Agreements with Staff Unions**

# OUTLOOK

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- **Fuel Prices and Hedging Position**
- **Forward Bookings**
- **Low Cost Carriers**
- **Competition for SATS**

**SIA NOW FLIES 3 TIMES A WEEK  
TO VIBRANT AMRITSAR, INDIA.**

