



# Half Year and 2nd Quarter FY2006-07 Financial Results 27 October 2006

*Singapore Airlines Limited*      *Company Registration No.: 197200078R*

*Further information and media releases can be found at the Singapore Airlines internet website [www.singaporeair.com.sg](http://www.singaporeair.com.sg)*



# **SIA GROUP 1H 2006/07 RESULTS**

# GROUP HIGHLIGHTS

– 1H FY06/07

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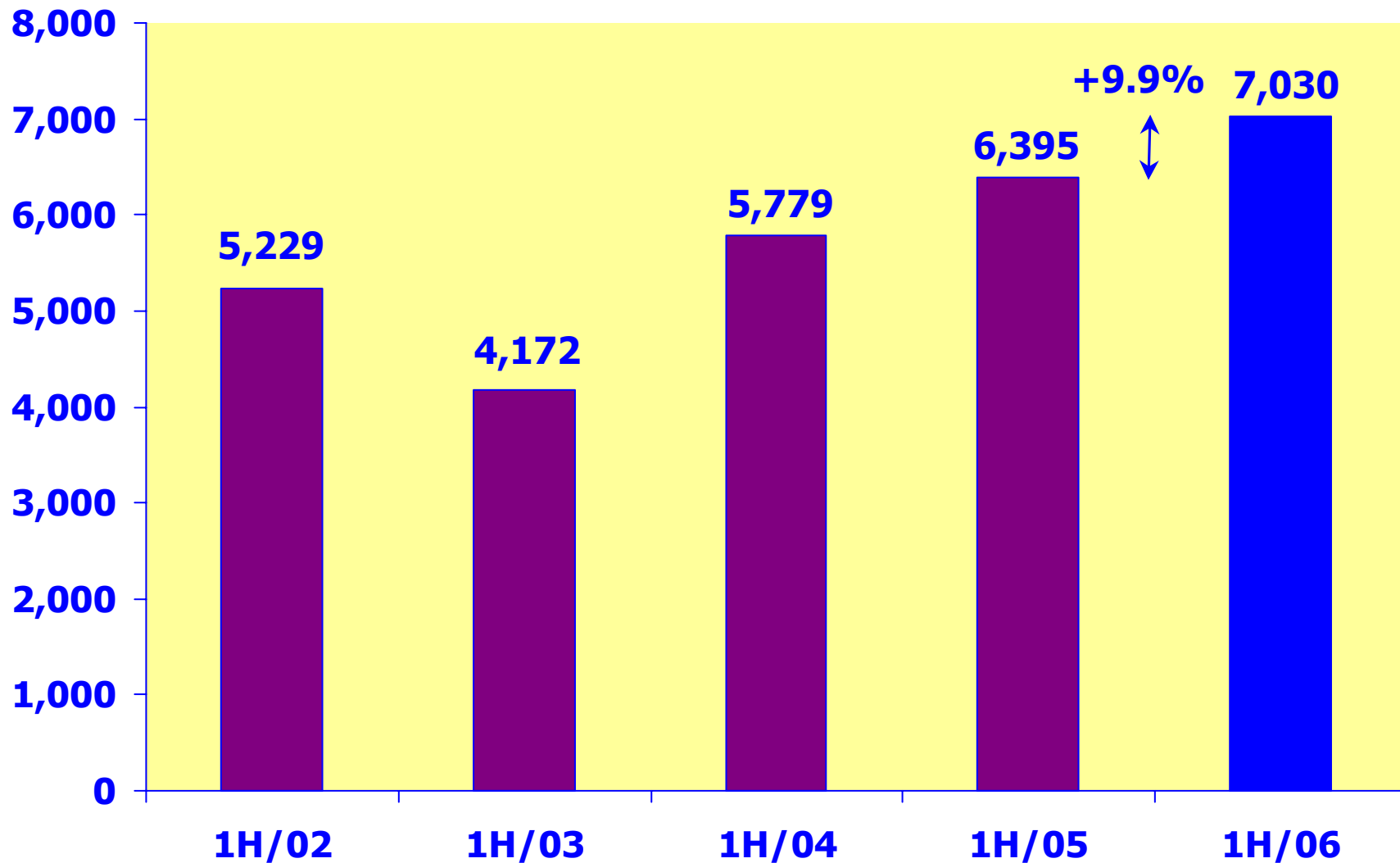
## Highlights of Group's Performance

- **Record revenue \$7,030 million (+9.9%)**
- **Operating profit \$533 million (-8.7%)**
- **Net profit \$868 million (+50.3%)**
- **Earnings per share 70.8 cents (+49.4%)**
- **Interim dividend per share 15.0 cents (+50.0%)**

# GROUP REVENUE

## – 1H FY06/07 (\$ million)

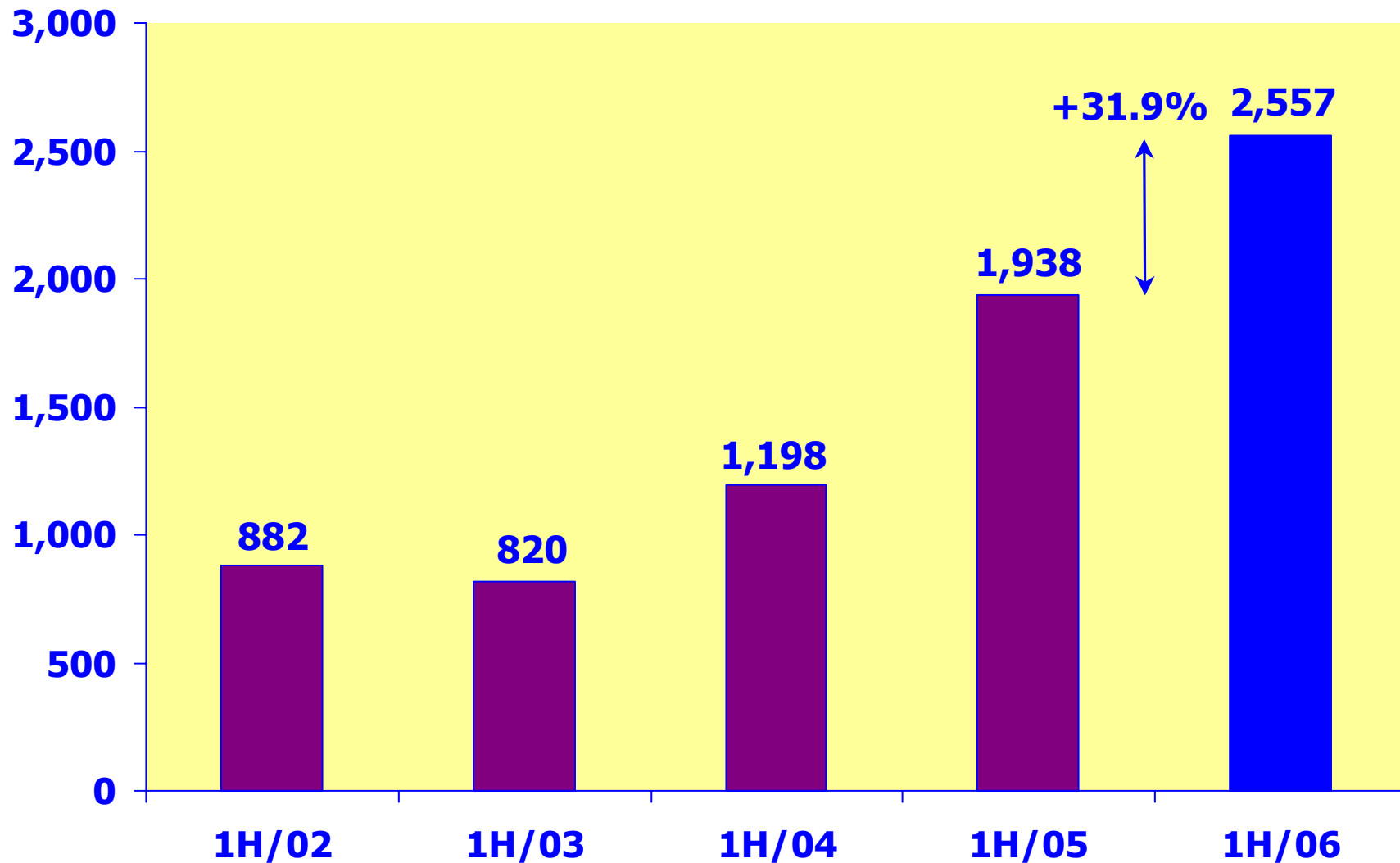
(\$ million)



# GROUP FUEL EXPENDITURE

## – 1H FY06/07 (\$ million)

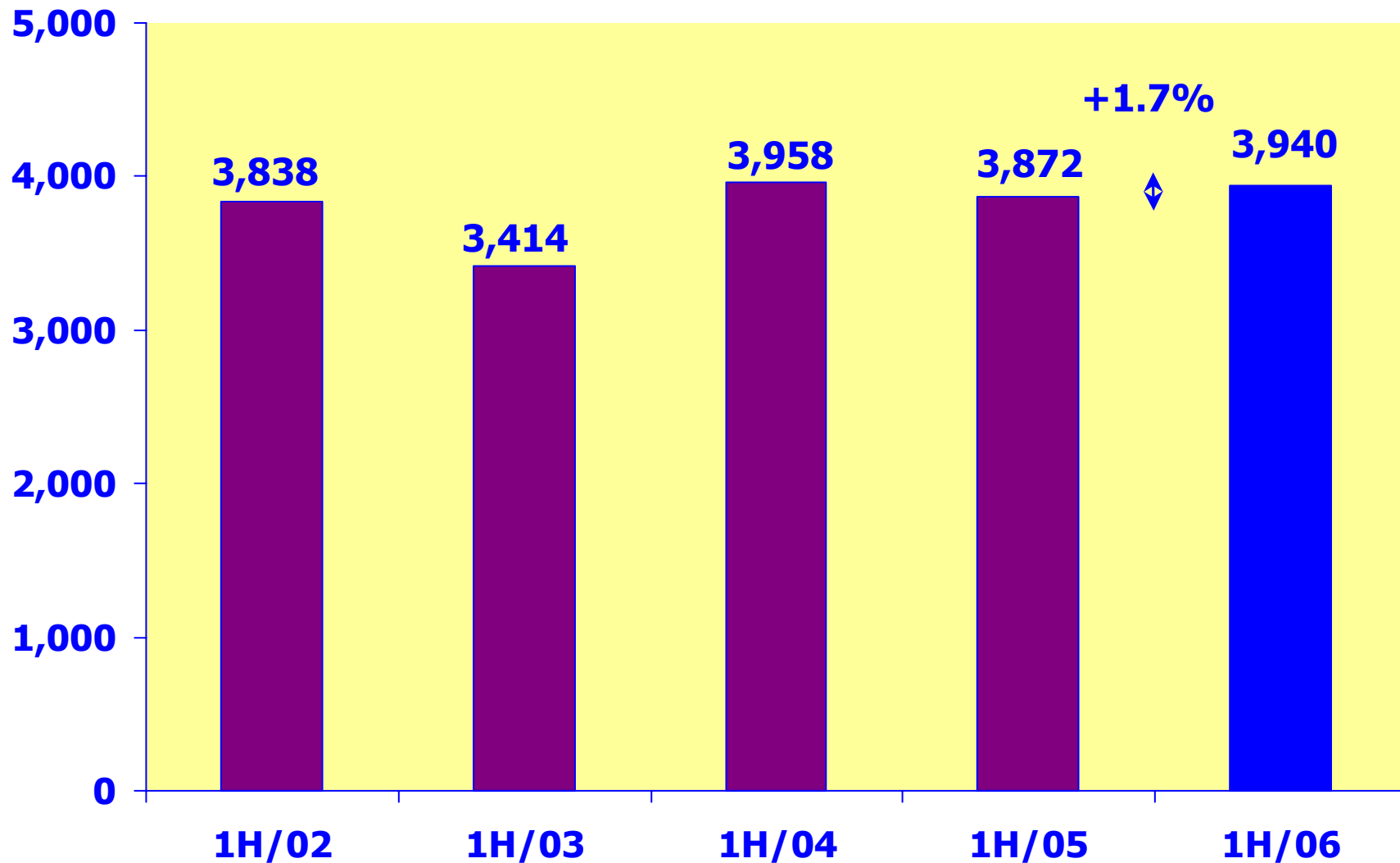
(\$ million)



# GROUP EX-FUEL EXPENDITURE

## – 1H FY06/07 (\$ million)

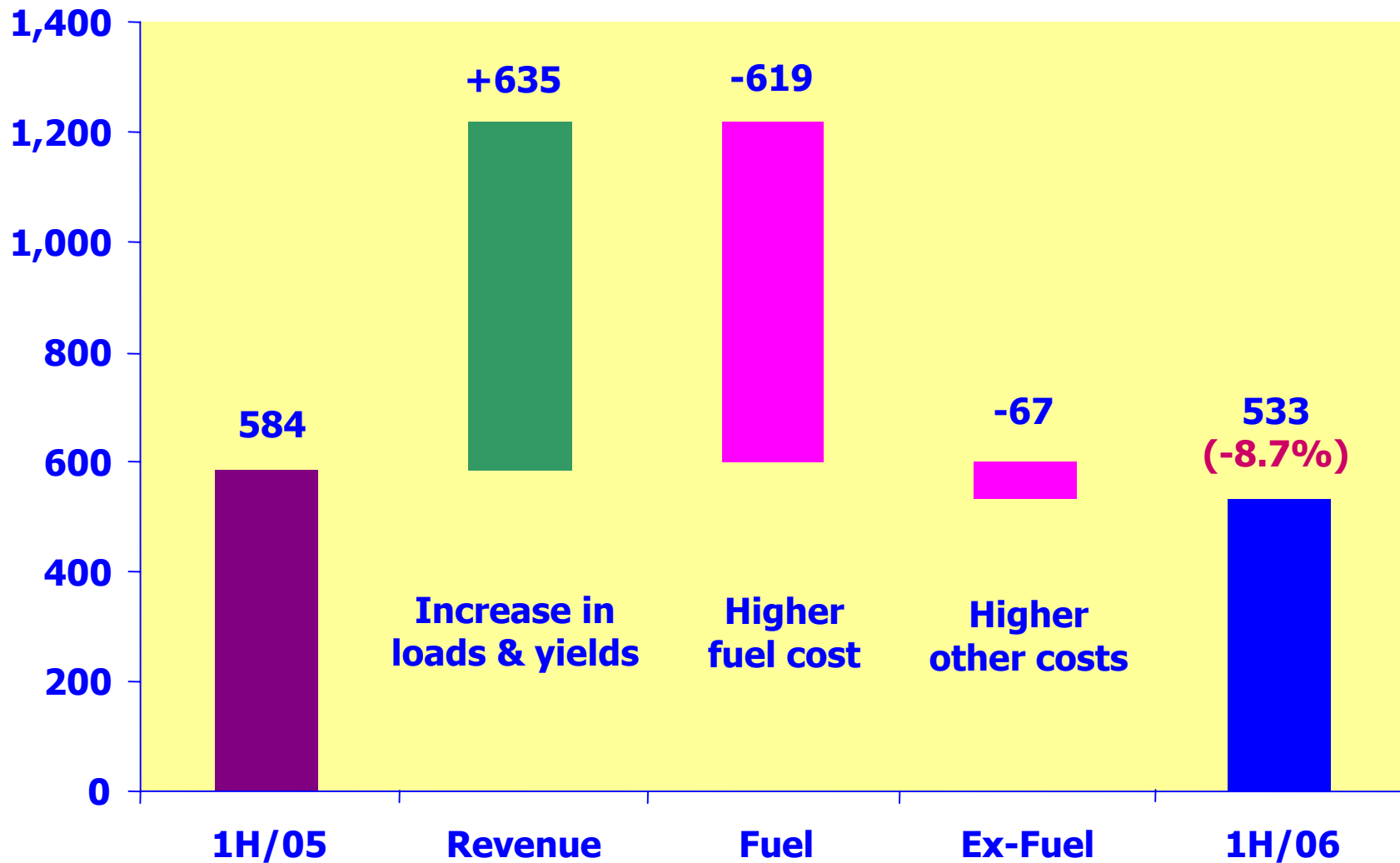
(\$ million)



# GROUP OPERATING PROFIT

## – 1H FY06/07 (\$ million)

(\$ million)



# GROUP RESULTS

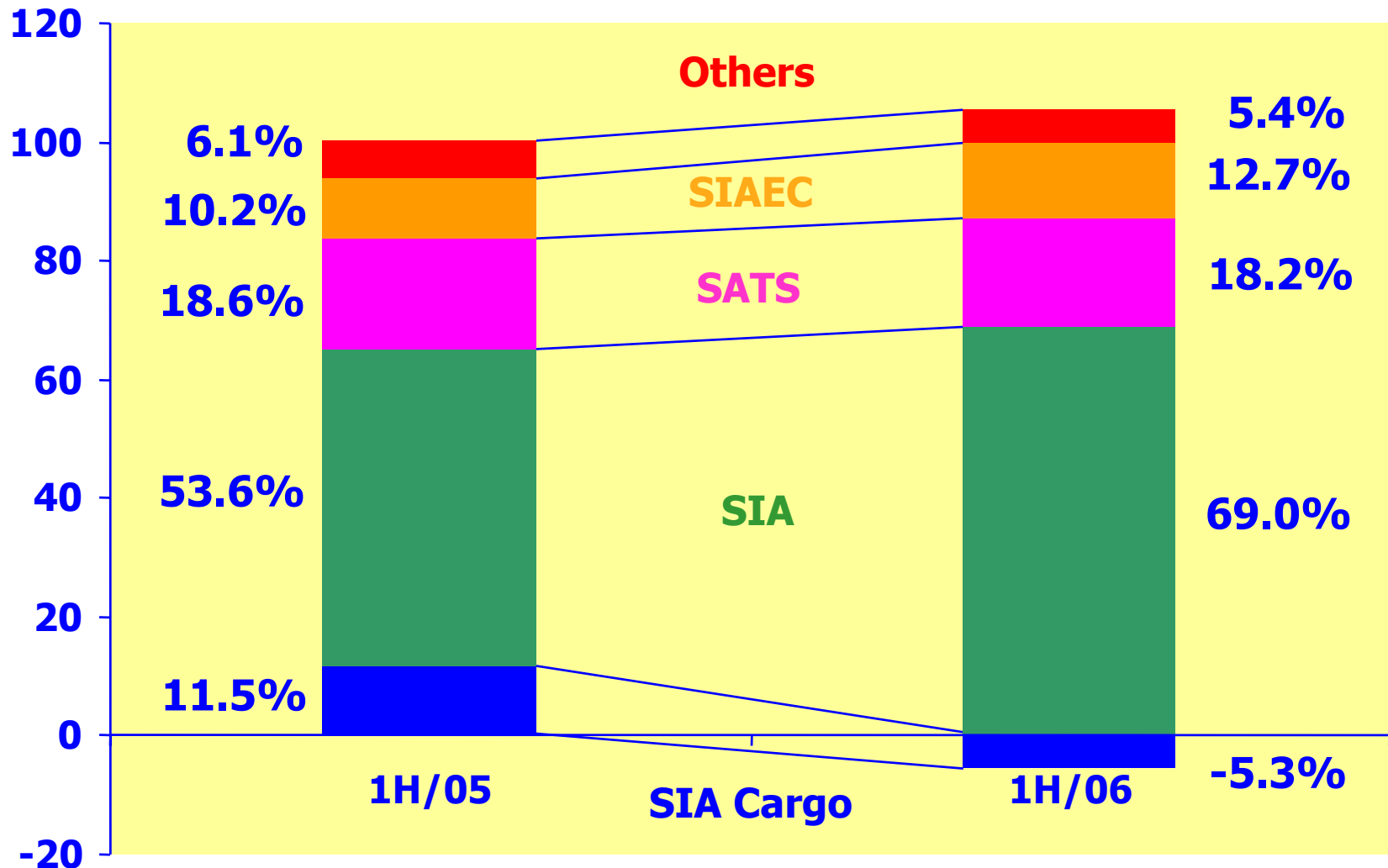
## – 1H FY06/07

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	<u>1H/06</u>	<u>1H/05</u>
Earnings Per Share (¢)	70.8	47.4
Interim Dividend Per Share (¢)	15.0	10.0
	<u>At 30 Sep 06</u>	<u>At 31 Mar 06</u>
Net Asset Value Per Share (\$)	11.20	11.00



# CONTRIBUTION TO GROUP OPERATING PROFIT – 1H FY06/07





# **THE PARENT AIRLINE 1H 2006/07 RESULTS**

# THE PARENT AIRLINE COMPANY HIGHLIGHTS – 1H FY06/07

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## Highlights of Company's Performance

- **Capacity growth (+3.1%)**
- **Passengers carriage (+7.6%)**
- **Passenger load factor 77.5% (+3.2% points)**
- **Passenger yield 10.7¢/pkm (+2.9%)**
- **Record revenue \$5,481 million (+10.1%)**
- **Unit cost 7.8¢/ask (+8.3%)**
- **Operating profit \$368 million (+17.7%)**

# THE PARENT AIRLINE COMPANY

## RESULTS – 1H FY06/07 (\$ million)

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	<u>1H/06</u>	<u>1H/05</u>	<u>% Change</u>
<b>Total Revenue</b>	<b>5,480.6</b>	<b>4,978.3</b>	<b>+ 10.1</b>
<b>Total Expenditure</b>	<b>(5,112.5)</b>	<b>(4,665.6)</b>	<b>+ 9.6</b>
<b>Operating Profit</b>	<b>368.1</b>	<b>312.7</b>	<b>+ 17.7</b>

# THE PARENT AIRLINE COMPANY

## OPERATING PERFORMANCE – 1H FY06/07

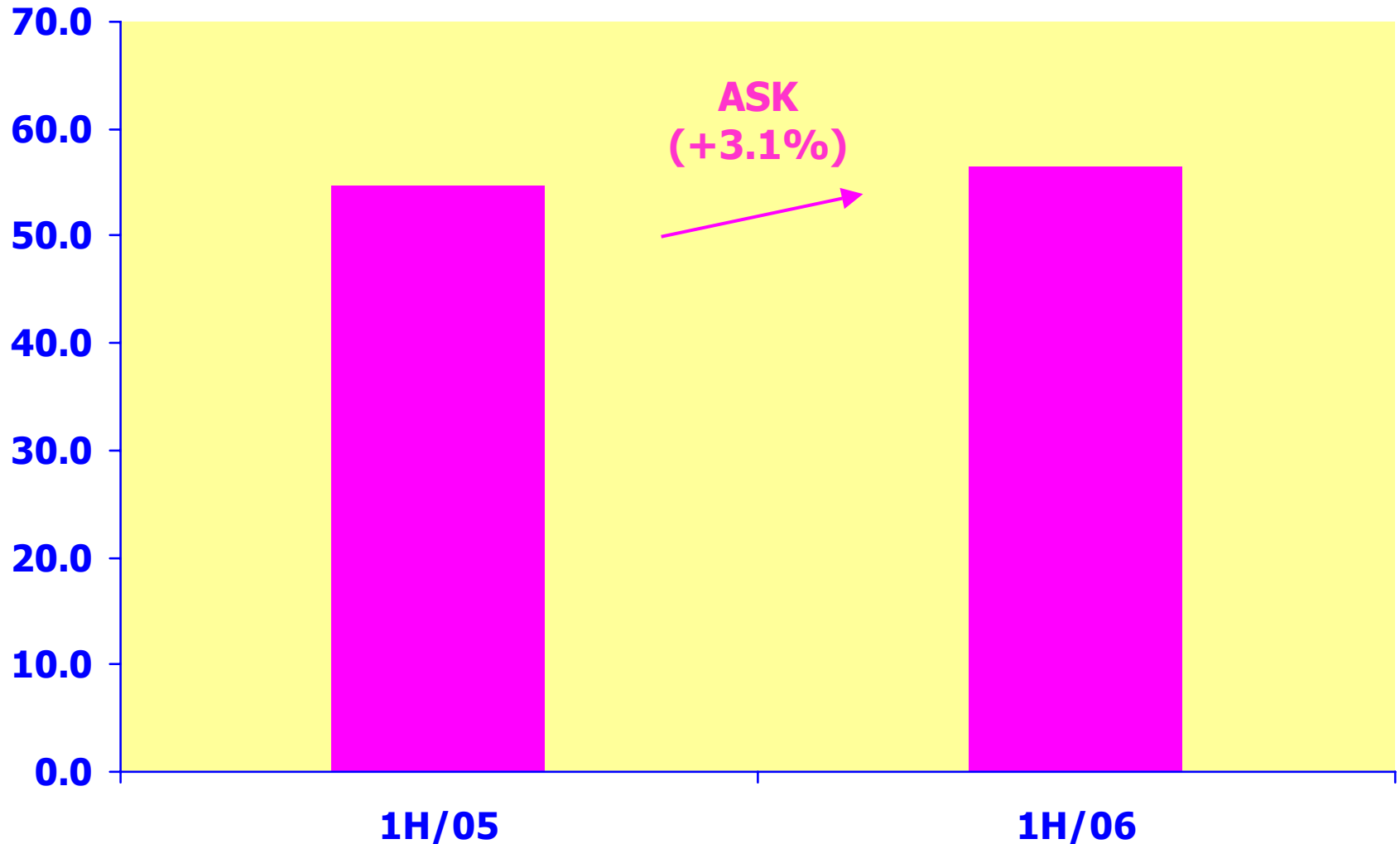
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	<u>1H/06</u>	<u>1H/05</u>	<u>% Change</u>	
<b>Passenger Yield (¢/pkm)</b>	<b>10.7</b>	<b>10.4</b>	<b>+</b>	<b>2.9</b>
<b>Unit Cost (¢/ask)</b>	<b>7.8</b>	<b>7.2</b>	<b>+</b>	<b>8.3</b>
<b>Passenger Breakeven Load Factor (%)</b>	<b>72.9</b>	<b>69.2</b>	<b>+</b>	<b>3.7 pts</b>

# THE PARENT AIRLINE COMPANY

## OPERATING PERFORMANCE – 1H FY06/07

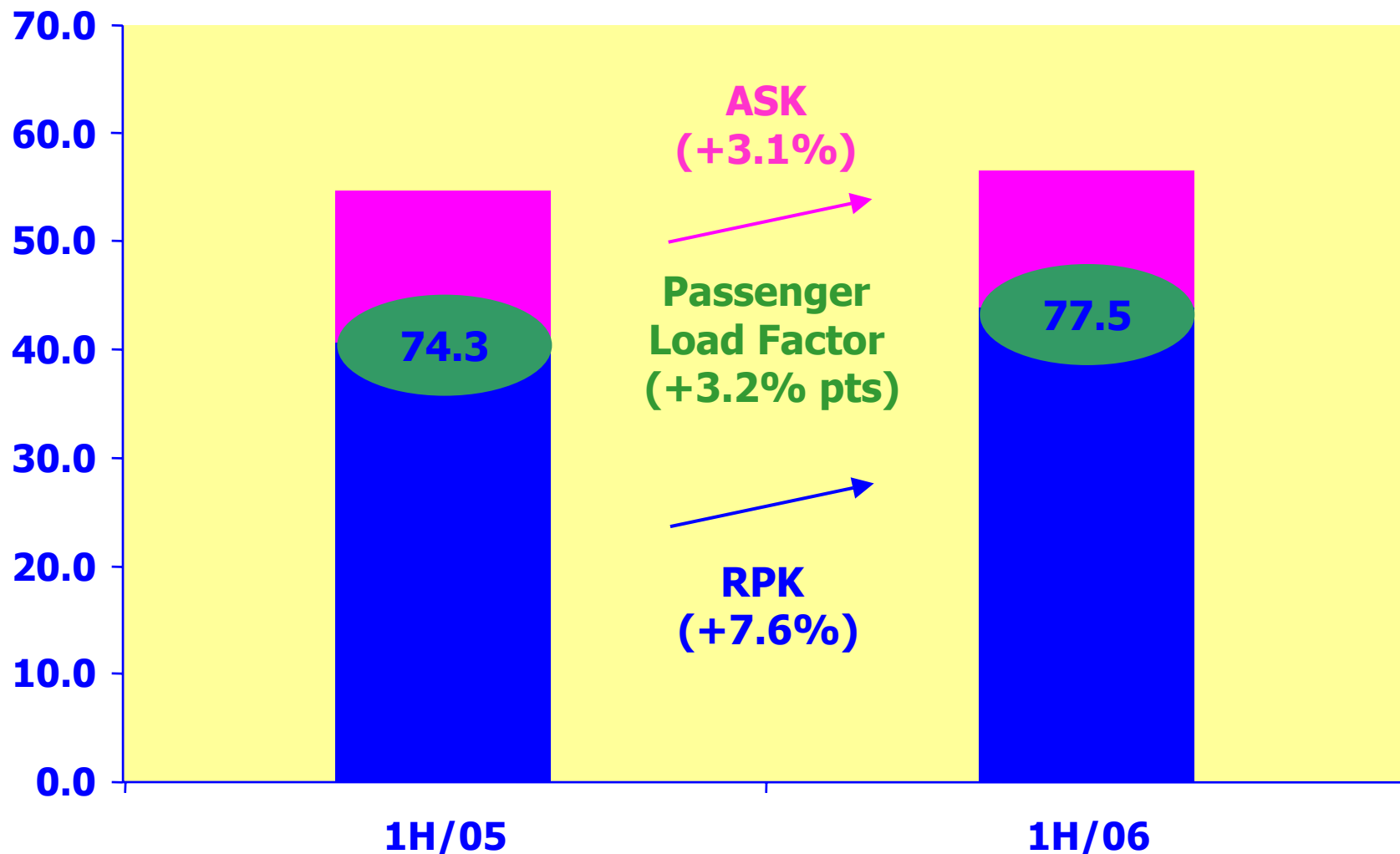
(Billion KM)



# THE PARENT AIRLINE COMPANY

## OPERATING PERFORMANCE – 1H FY06/07

(Billion KM)



# THE PARENT AIRLINE COMPANY

## OPERATING PERFORMANCE – 1H FY06/07

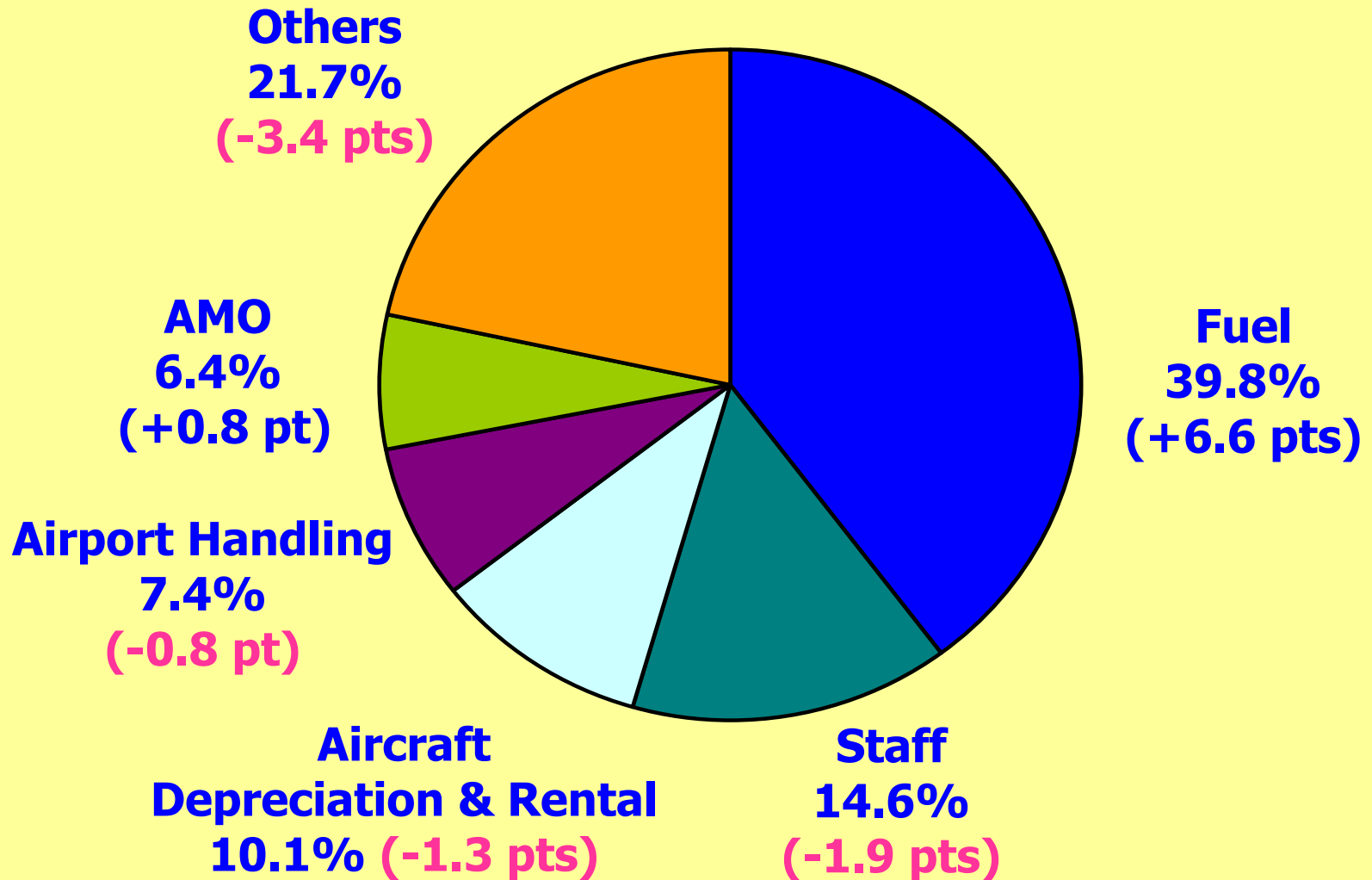
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	<u>1H/06</u>	<u>1H/05</u>	<u>% Change</u>	
<b>Passenger Load Factor (%)</b>	<b>77.5</b>	<b>74.3</b>	<b>+</b>	<b>3.2 pts</b>
<b>Passenger Breakeven Load Factor (%)</b>	<b>72.9</b>	<b>69.2</b>	<b>+</b>	<b>3.7 pts</b>
<b>Passenger Load Factor Spread (%)</b>	<b>4.6 pts</b>	<b>5.1 pts</b>	<b>-</b>	<b>0.5 pt</b>



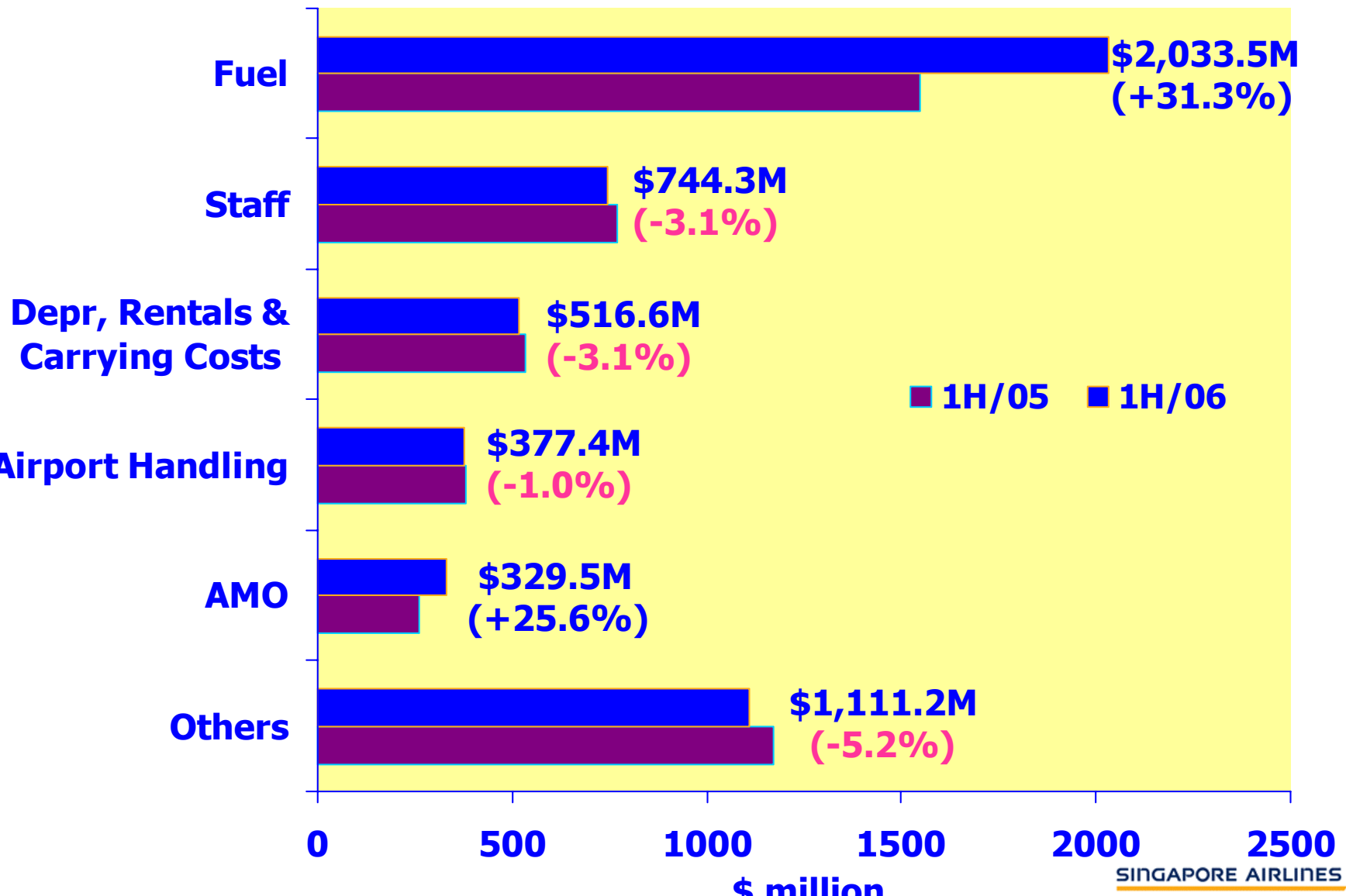
# THE PARENT AIRLINE COMPANY

## COST COMPOSITION – 1H FY06/07



# THE PARENT AIRLINE COMPANY

## COST ANALYSIS – 1H FY06/07

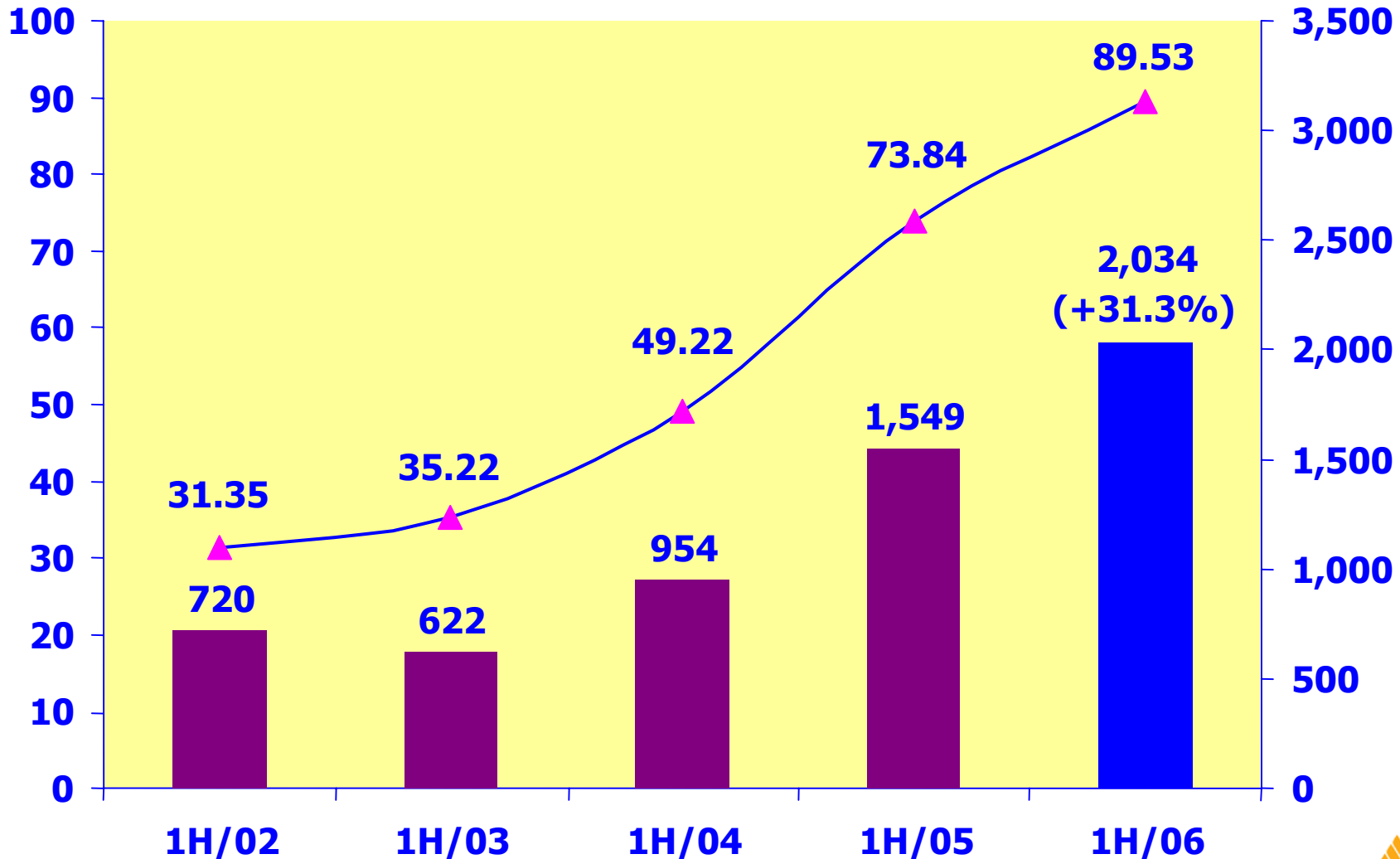


# THE PASSENGER AIRLINE COMPANY

## FUEL COST – 1H FY06/07

(U\$/BBL)

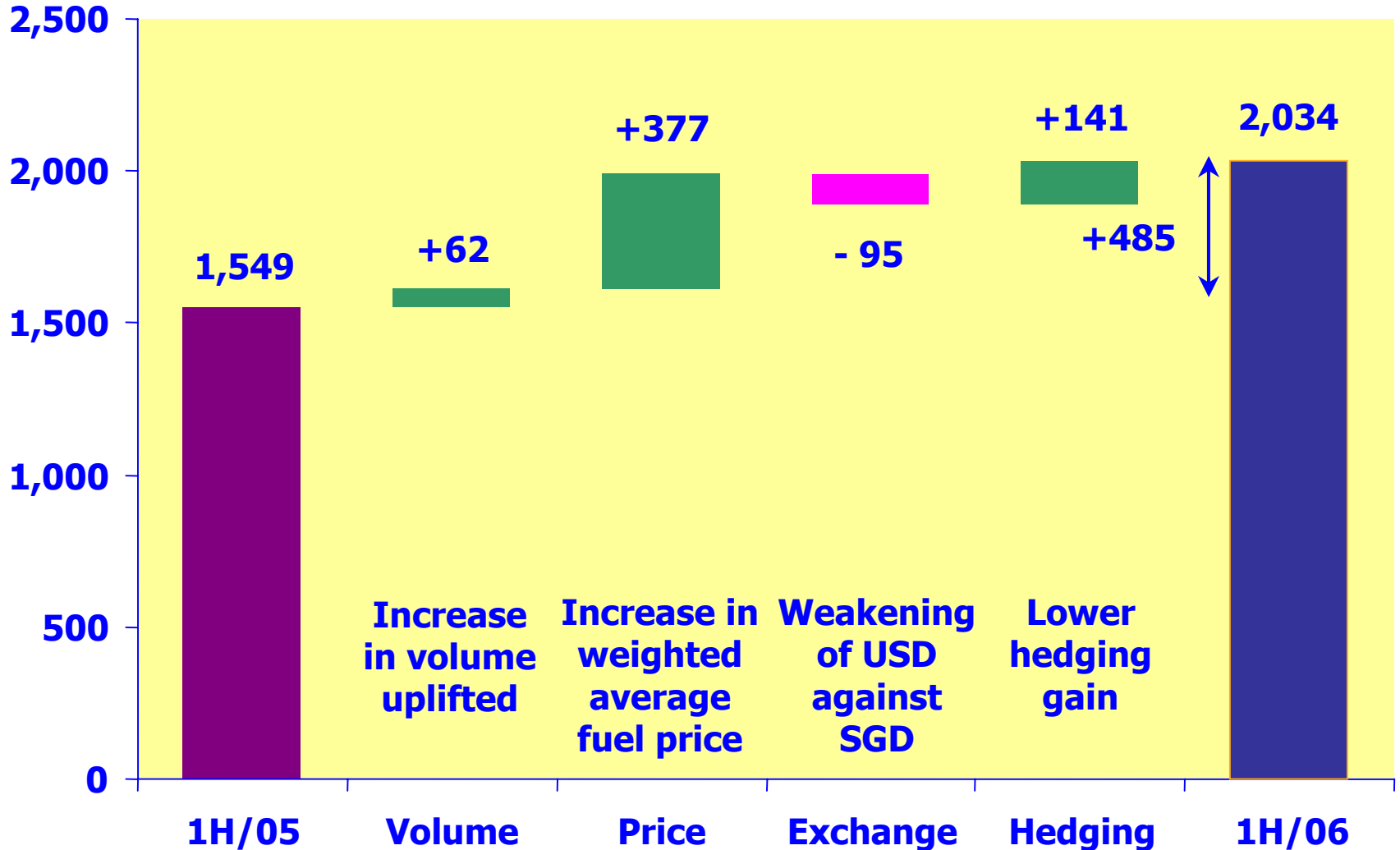
(\$ million)



# THE PARENT AIRLINE COMPANY

## FUEL COST ANALYSIS – 1H FY06/07

(\$ million)





# **SIA SUBSIDIARIES 1H 2006/07 RESULTS**

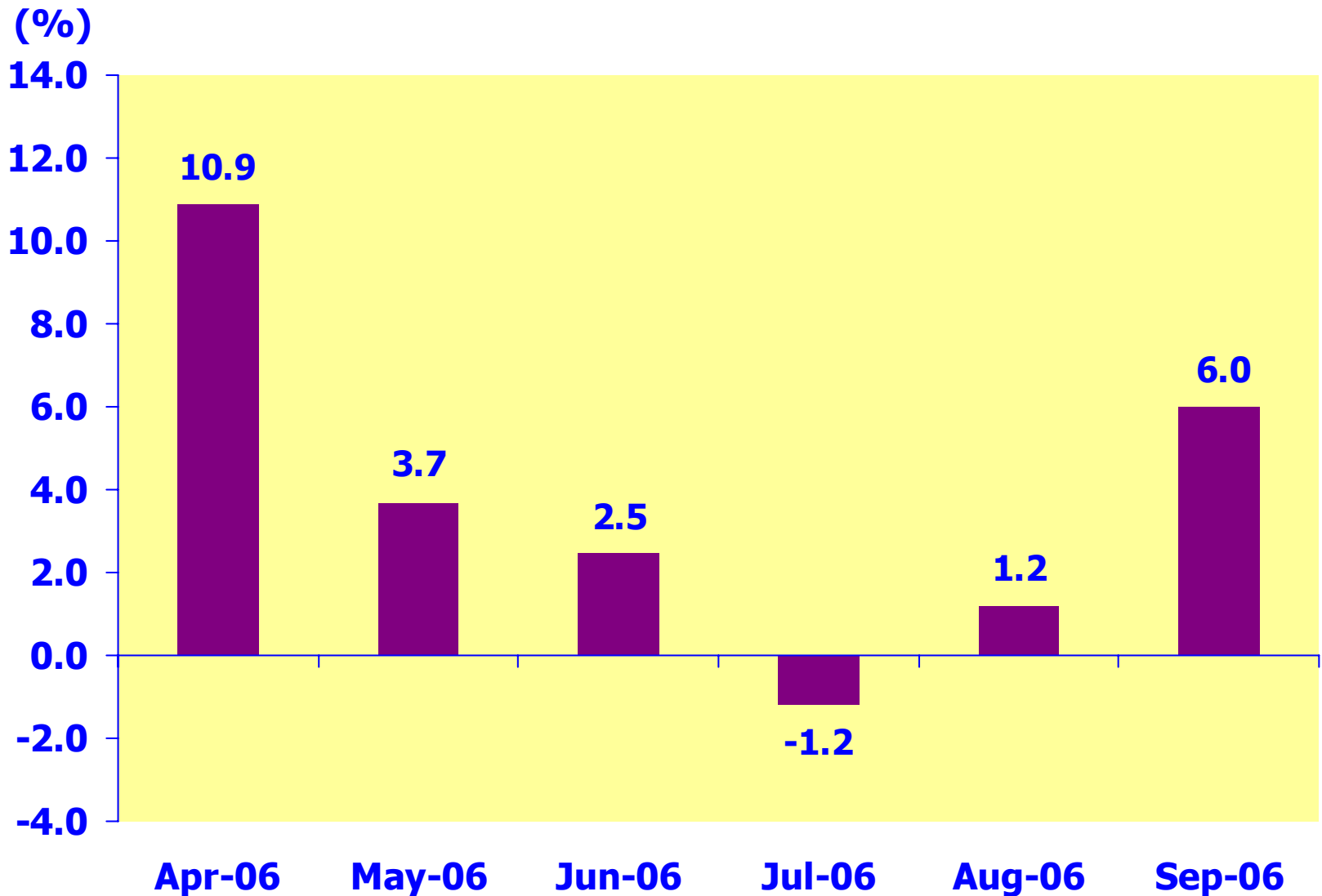
# **SUBSIDIARIES NET PROFIT/(LOSS)**

## **– 1H FY06/07 (\$ million)**

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	<u><b>1H/06</b></u>	<u><b>1H/05</b></u>	<u><b>% Change</b></u>
<b>SIAEC Group</b>	<b>138.4</b>	<b>105.6</b>	<b>+ 31.1</b>
<b>SATS Group</b>	<b>100.5</b>	<b>106.8</b>	<b>- 5.9</b>
<b>SilkAir</b>	<b>2.5</b>	<b>(2.5)</b>	<b>n.m.</b>
<b>SIA Cargo</b>	<b>(36.3)</b>	<b>45.0</b>	<b>n.m.</b>

# SIA CARGO OPERATING PERFORMANCE – GROWTH IN CARGO TRAFFIC



# SIA CARGO

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- **Cargo traffic growth picked up in September**
- **Momentum building up to pre X'mas peak**
- **Global economy uncertainty calls for caution**





# OUTLOOK & DEVELOPMENTS

# OUTLOOK

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- **Fuel Price**
- **Fuel Hedging Position**
- **Fleet Development**
- **A380 Delivery**
- **New Products**

# GROUP FUEL HEDGING POSITION – FY2006/07

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- **Budgeted Uplift Volume (M BBL)                      36**
- **Hedging Target (%)    30-60**
- **Percentage Hedged (%)    55**
- **Average Hedged Price (USD/BBL)                      81**

# PASSENGER FLEET DEVELOPMENT

## – FY2006/07

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	<u>No. of Aircraft</u>
<b>As at 1 April 2006</b>	<b>90</b>
<b>Aircraft Deliveries</b>	
• <b>Boeing B777-300ER</b>	<b>9</b>
<b>Aircraft Sold Off</b>	
• <b>Boeing B747-400</b>	<b>5</b>
<b>As at 31 March 2007</b>	<b>94</b>

# A380 Delivery

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- A380 delivery schedule by end 2008**

<u>Delivery Date</u>	<u>Aircraft</u>
October 2007	#1
January 2008	#2
February 2008	#3
April 2008	#4
June 2008	#5
July 2008	#6

# NEW PRODUCTS

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- **New First, Business and Economy Class seats**
- **Next generation *KrisWorld* inflight entertainment system**





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