



87TH SIA BUSINESS MEETING

Q2 and 1H FY2018-19 Results
13 Nov 2018

THE PARENT AIRLINE Q2 AND 1H FY18/19 RESULTS

THE PARENT AIRLINE COMPANY (PAX)

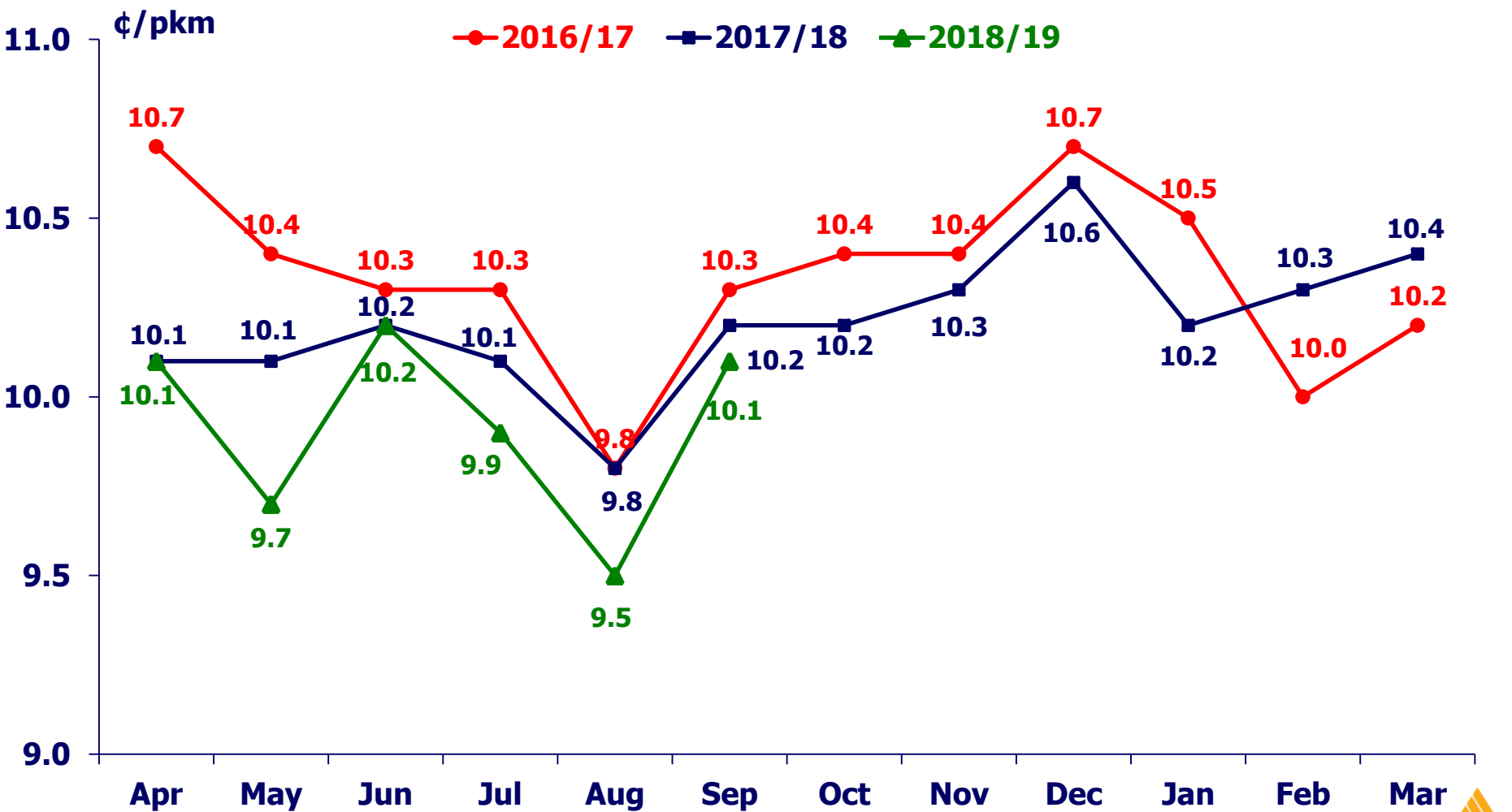
Q2 & 1H FY18/19

| | <u>Q2</u> <u>FY18/19</u> | <u>Change</u> <u>%</u> | <u>1H</u> <u>FY18/19</u> | <u>Change</u> <u>%</u> |
|-------------------------------------|-----------------------------|---------------------------|-----------------------------|---------------------------|
| Available Seat-KM (M) | 30,735.7 | +2.3 | 60,519.6 | +2.6 |
| Revenue Passenger-KM (M) | 26,173.6 | +6.5 | 50,602.6 | +6.0 |
| Passenger Load Factor (%) | 85.2 | +3.4 pts | 83.6 | +2.7 pts |
| Pax Yield (¢/pkm) | 9.9 | -1.0 | 9.9 | -2.0 |
| Unit Revenue (¢/ask) | 8.4 | +2.4 | 8.3 | +1.2 |
| Passenger Unit Cost (¢/ask) | 8.3 | +5.1 | 8.2 | +3.8 |
| Passenger Unit Ex-fuel Cost (¢/ask) | 5.5 | - | 5.4 | -1.8 |
| Passenger Breakeven Load Factor (%) | 83.8 | +4.8 pts | 82.8 | +4.6 pts |

THE PARENT AIRLINE COMPANY (PAX)

Q2 & 1H FY18/19

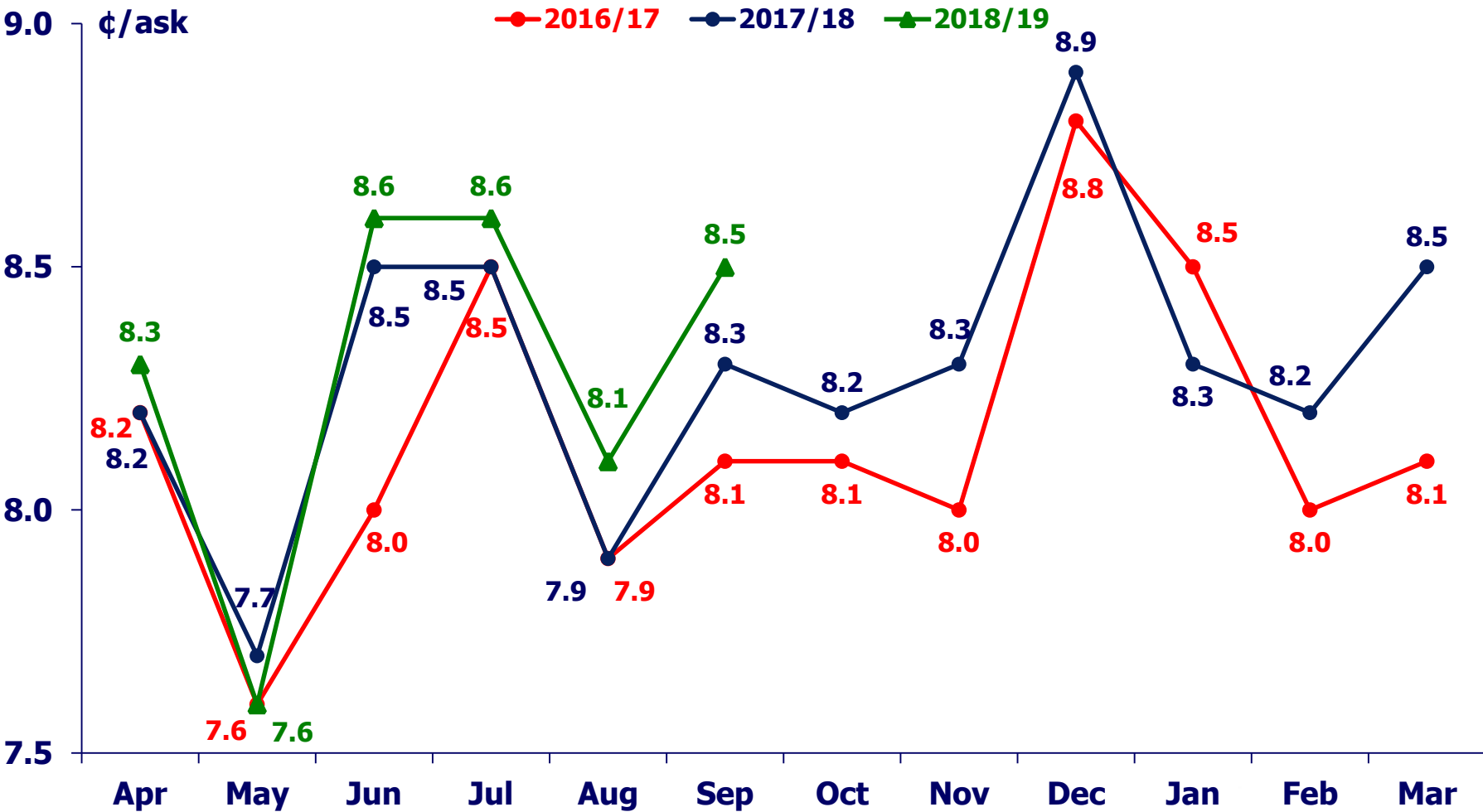
Monthly Pax Yields



THE PARENT AIRLINE COMPANY (PAX)

Q2 & 1H FY18/19

Monthly Pax Unit Revenue



THE PARENT AIRLINE COMPANY (CARGO)

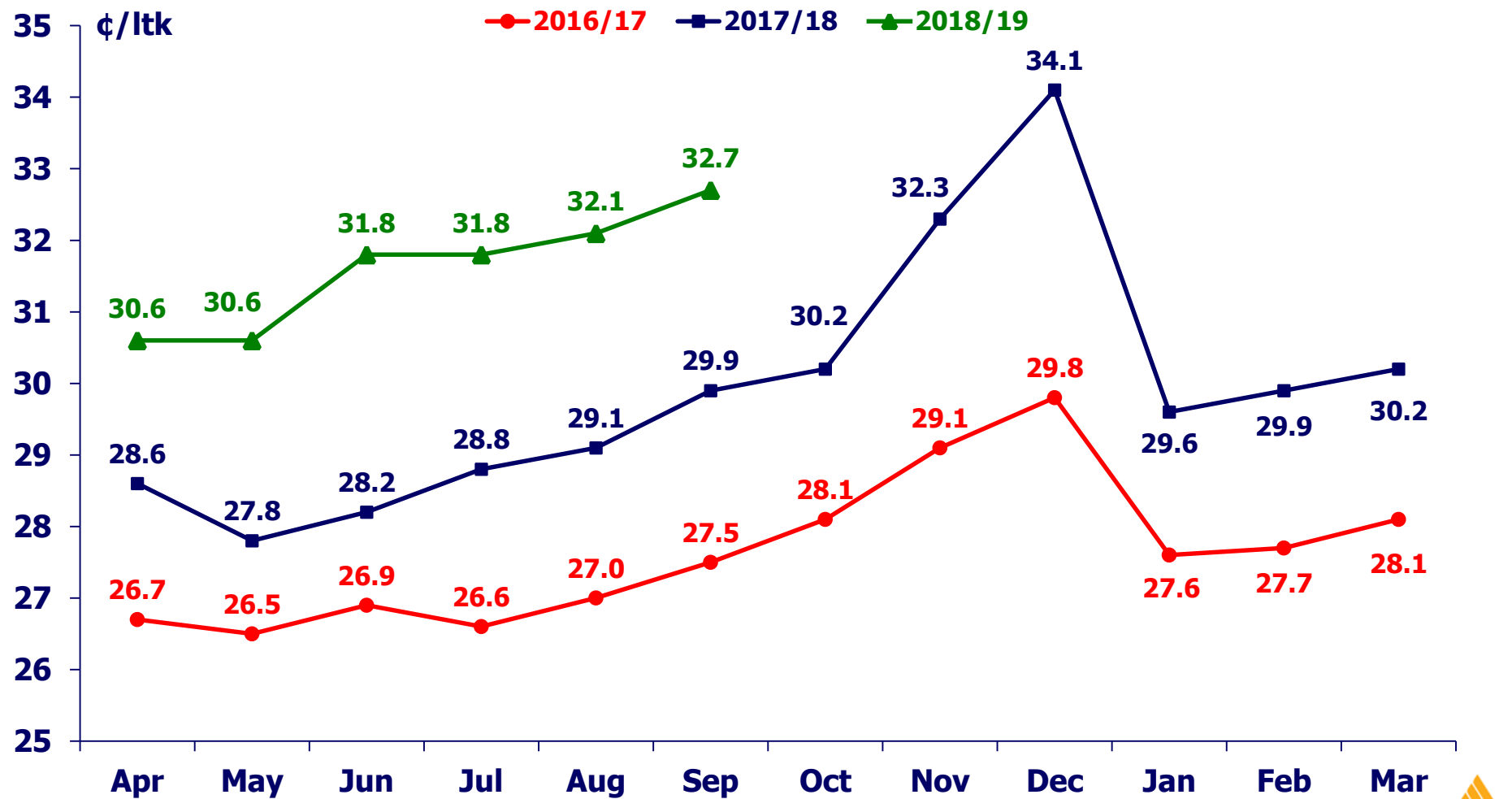
Q2 & 1H FY18/19

| | <u>Q2</u> <u>FY18/19</u> | <u>Change</u> <u>%</u> | <u>1H</u> <u>FY18/19</u> | <u>Change</u> <u>%</u> |
|---------------------------------|-----------------------------|---------------------------|-----------------------------|---------------------------|
| Cargo Capacity Tonne-KM (M) | 2,790.0 | -0.4 | 5,591.7 | +1.4 |
| Cargo Load Tonne-KM (M) | 1,771.2 | -1.1 | 3,492.5 | -2.3 |
| Cargo Load Factor (%) | 63.5 | -0.5 pt | 62.5 | -2.3 pts |
| Cargo Yield (¢/ltk) | 32.2 | +9.9 | 31.6 | +9.7 |
| Cargo Unit Cost (¢/ctk) | 16.8 | +5.0 | 16.4 | - |
| Cargo Unit Ex-fuel Cost (¢/ctk) | 10.5 | -2.8 | 10.4 | -5.5 |
| Cargo Breakeven Load Factor (%) | 52.2 | -2.4 pts | 51.9 | -5.0 pts |

THE PARENT AIRLINE COMPANY (CARGO)

Q2 & 1H FY18/19

Monthly Cargo Yields



THE PARENT AIRLINE COMPANY

Q2 & 1H FY18/19

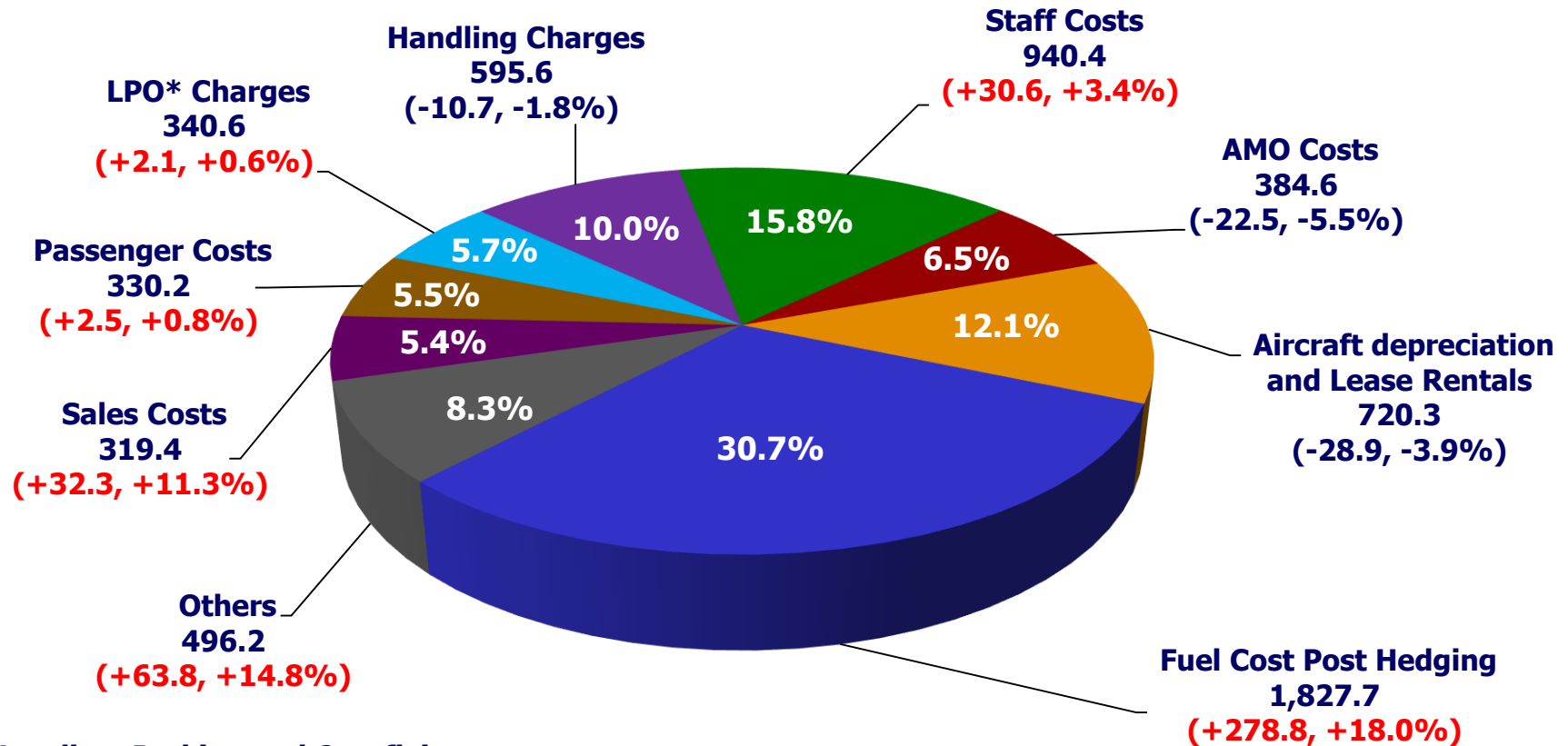
| | <u>Q2</u> | <u>Q2</u> | <u>Better/</u> | <u>1H</u> | <u>1H</u> | <u>Better/</u> |
|------------------------------------|----------------|-----------------|------------------|----------------|-----------------|------------------|
| | <u>FY18/19</u> | <u>FY17/18*</u> | <u>(Worse)</u> | <u>FY18/19</u> | <u>FY17/18*</u> | <u>(Worse)</u> |
| | <u>(\$M)</u> | <u>(\$M)</u> | <u>(%)</u> | <u>(\$M)</u> | <u>(\$M)</u> | <u>(%)</u> |
| Total Revenue | 3,280 | 3,147 | 4.2 | 6,373 | 6,296 | 1.2 |
| Total Expenditure | 3,043 | 2,828 | (7.6) | 5,955 | 5,607 | (6.2) |
| -- Net fuel cost | 944 | 777 | (21.5) | 1,828 | 1,549 | (18.0) |
| <i>Fuel cost</i> | <i>1,067</i> | <i>774</i> | <i>(37.9)</i> | <i>2,057</i> | <i>1,523</i> | <i>(35.1)</i> |
| <i>Fuel hedging (gain)/loss</i> | <i>(123)</i> | <i>3</i> | <i>n.m.</i> | <i>(229)</i> | <i>26</i> | <i>n.m.</i> |
| -- Non-fuel expenditure | 2,099 | 2,051 | (2.3) | 4,127 | 4,058 | (1.7) |
| Operating Profit | 237 | 319 | (25.7) | 418 | 689 | (39.3) |
| Operating Profit Margin (%) | 7.2 | 10.1 | (2.9) pts | 6.6 | 10.9 | (4.3) pts |

*Restated for IFRS, and adjusted prior year's comparatives to take into account of SIA Cargo integration within the Parent Airline Company

THE PARENT AIRLINE COMPANY

1H FY18/19

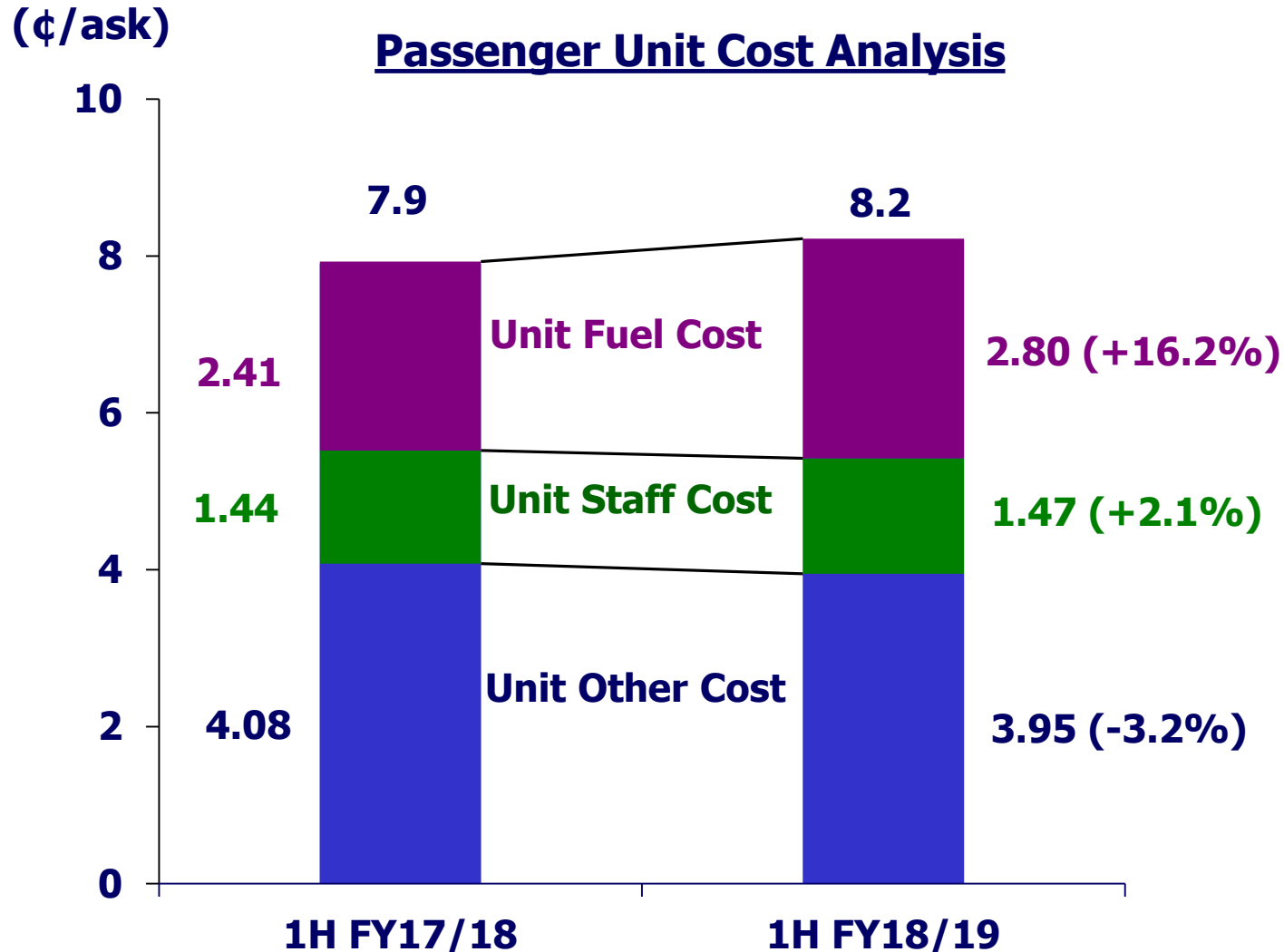
Cost Composition (\$'M)



Note: Restated depreciation for prior year due to adoption of IFRS

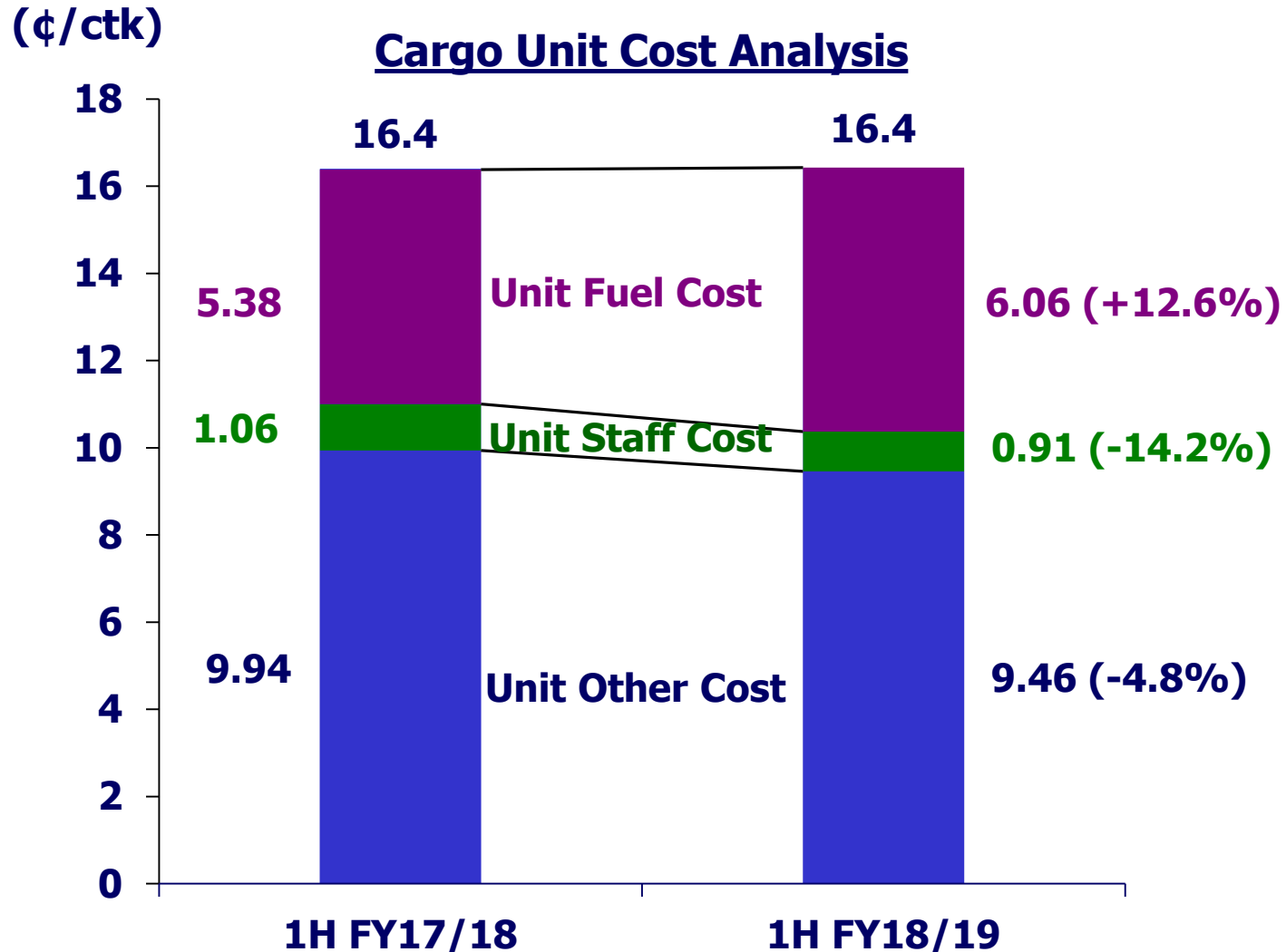
THE PARENT AIRLINE COMPANY

1H FY18/19



THE PARENT AIRLINE COMPANY

1H FY18/19



SIA GROUP Q2 AND 1H FY18/19 RESULTS

SIA GROUP

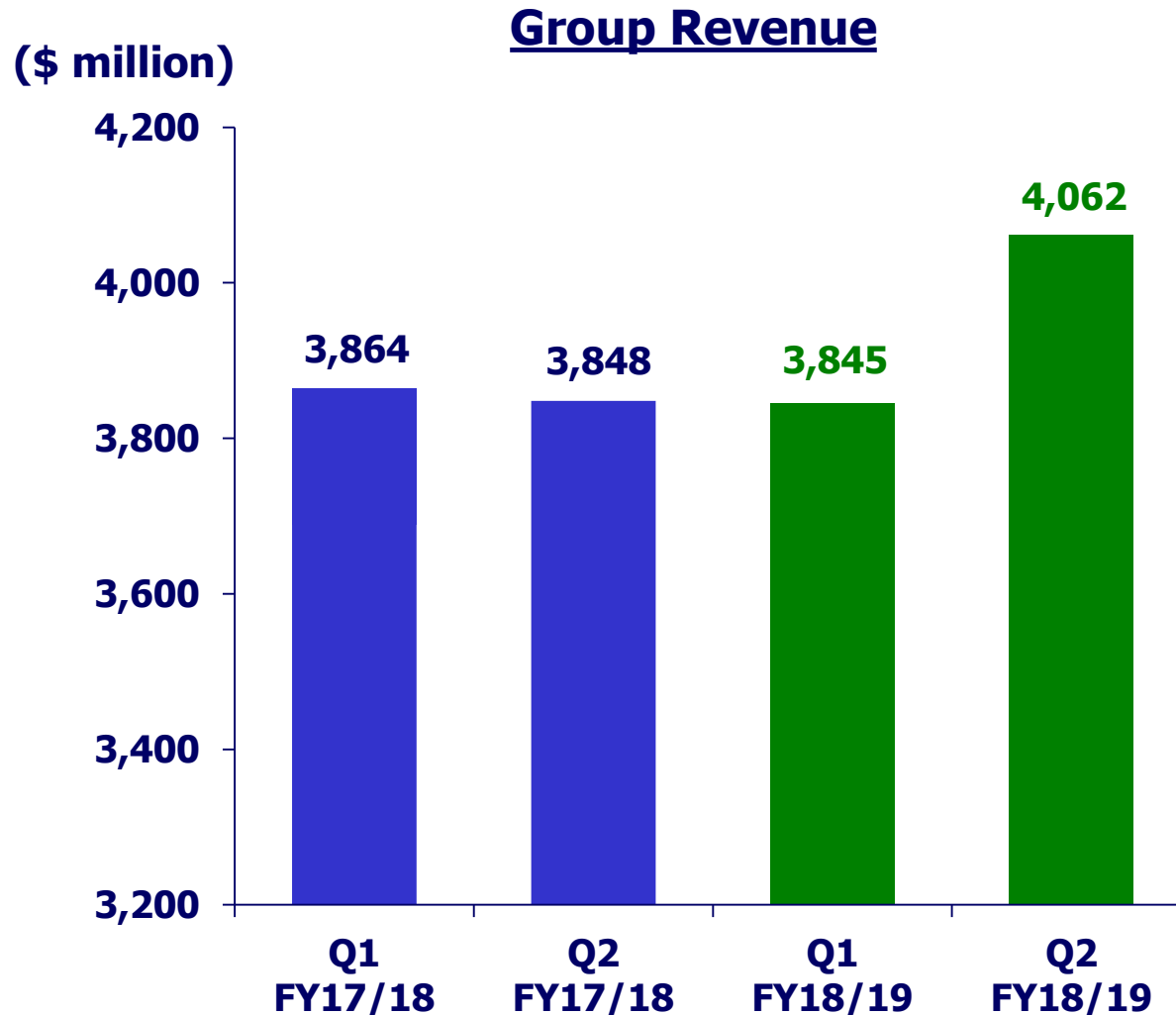
Q2 & 1H FY18/19

| | <u>Q2</u> <u>FY18/19</u> <u>(\$M)</u> | <u>Q2</u> <u>FY17/18*</u> <u>(\$M)</u> | <u>Better/</u> <u>(Worse)</u> <u>(%)</u> | <u>1H</u> <u>FY18/19</u> <u>(\$M)</u> | <u>1H</u> <u>FY17/18*</u> <u>(\$M)</u> | <u>Better/</u> <u>(Worse)</u> <u>(%)</u> |
|------------------------------------|---|--|--|---|--|--|
| Total Revenue | 4,062 | 3,848 | 5.6 | 7,907 | 7,712 | 2.5 |
| Total Expenditure | 3,829 | 3,491 | (9.7) | 7,481 | 6,950 | (7.6) |
| -- Net fuel cost | 1,156 | 930 | (24.3) | 2,235 | 1,856 | (20.4) |
| <i>Fuel cost</i> | <i>1,308</i> | <i>927</i> | <i>(41.1)</i> | <i>2,519</i> | <i>1,827</i> | <i>(37.9)</i> |
| <i>Fuel hedging (gain)/loss</i> | <i>(152)</i> | <i>3</i> | <i>n.m.</i> | <i>(284)</i> | <i>29</i> | <i>n.m.</i> |
| -- Non-fuel expenditure | 2,673 | 2,561 | (4.4) | 5,246 | 5,094 | (3.0) |
| Operating Profit | 233 | 357 | (34.7) | 426 | 762 | (44.1) |
| Operating Profit Margin (%) | 5.7 | 9.3 | (3.6) pts | 5.4 | 9.9 | (4.5) pts |

*Restated due to IFRS, reducing prior year's depreciation by \$124M (Q2 FY17/18) and \$248M (1H FY17/18).

SIA GROUP

Q2 & 1H FY18/19

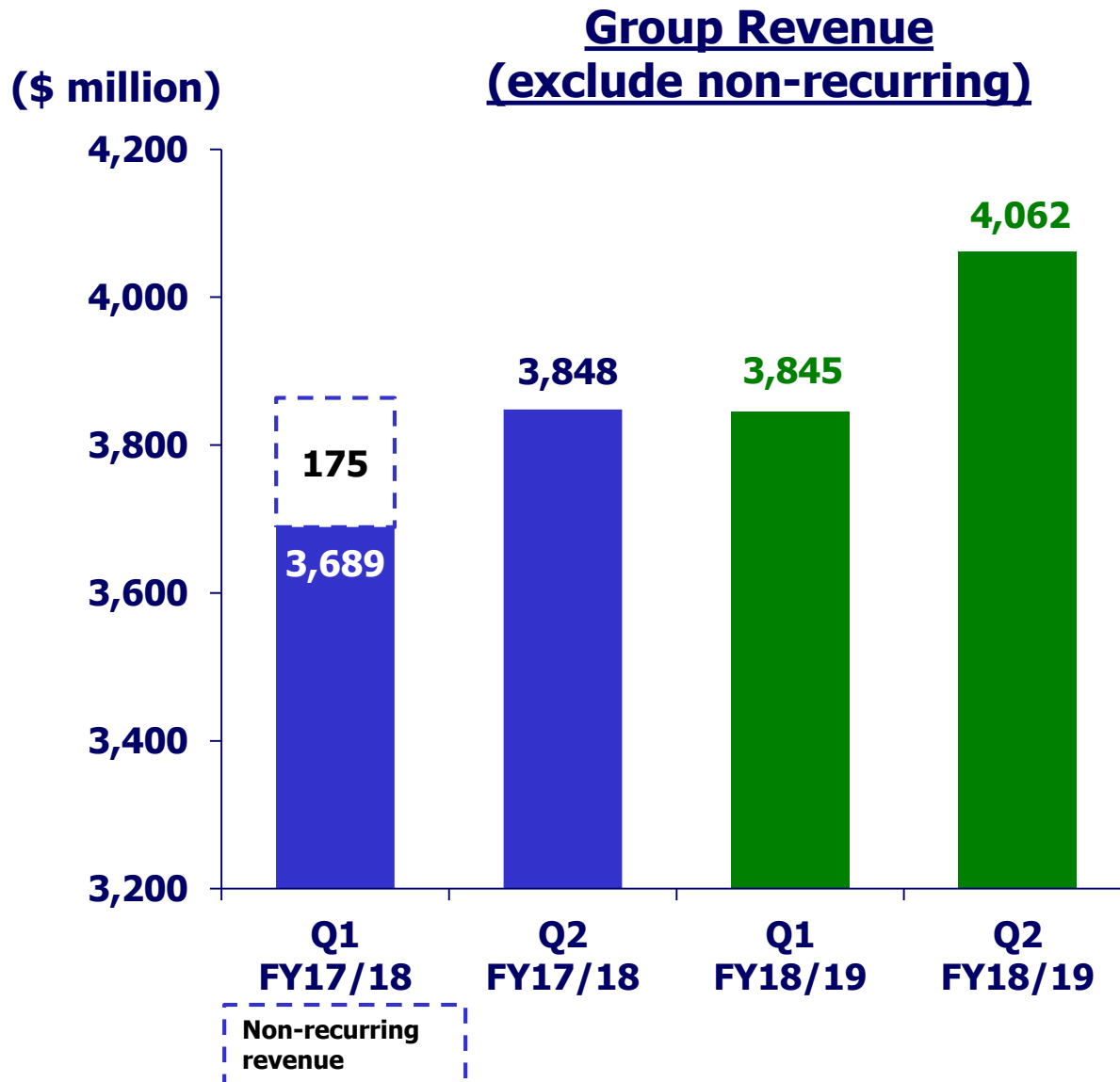


**1H 18/19
Revenue
\$7,907M**

Year-on-Year
 **\$195M
+2.5%**

SIA GROUP

Q2 & 1H FY18/19



**1H 18/19
Revenue
\$7,907M**

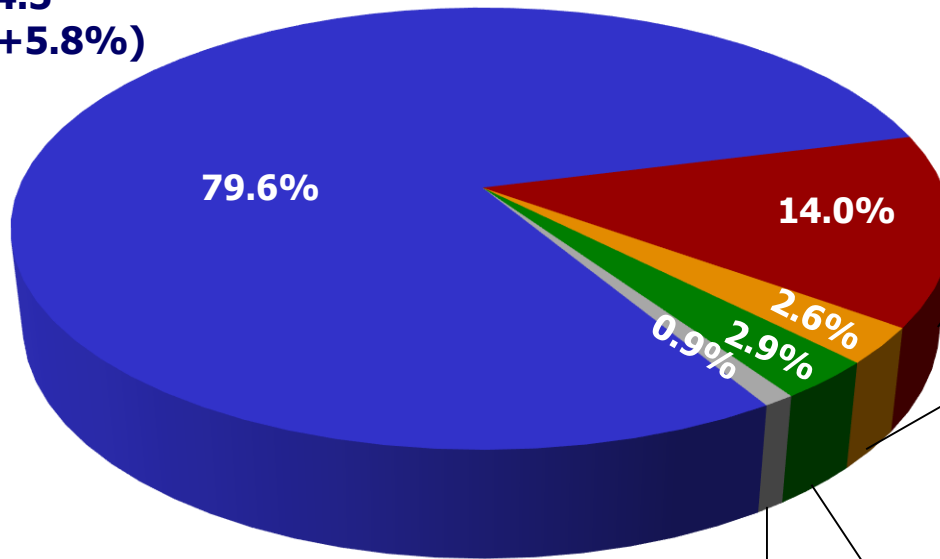
Year-on-Year
↑ **\$370M
+4.9%**

SIA GROUP

1H FY18/19

Revenue Breakdown (\$'M)

**Passenger Flown
Revenue**
6,294.5
(+345.8, +5.8%)



Cargo and Mail
1,104.0
(+75.8, +7.4%)

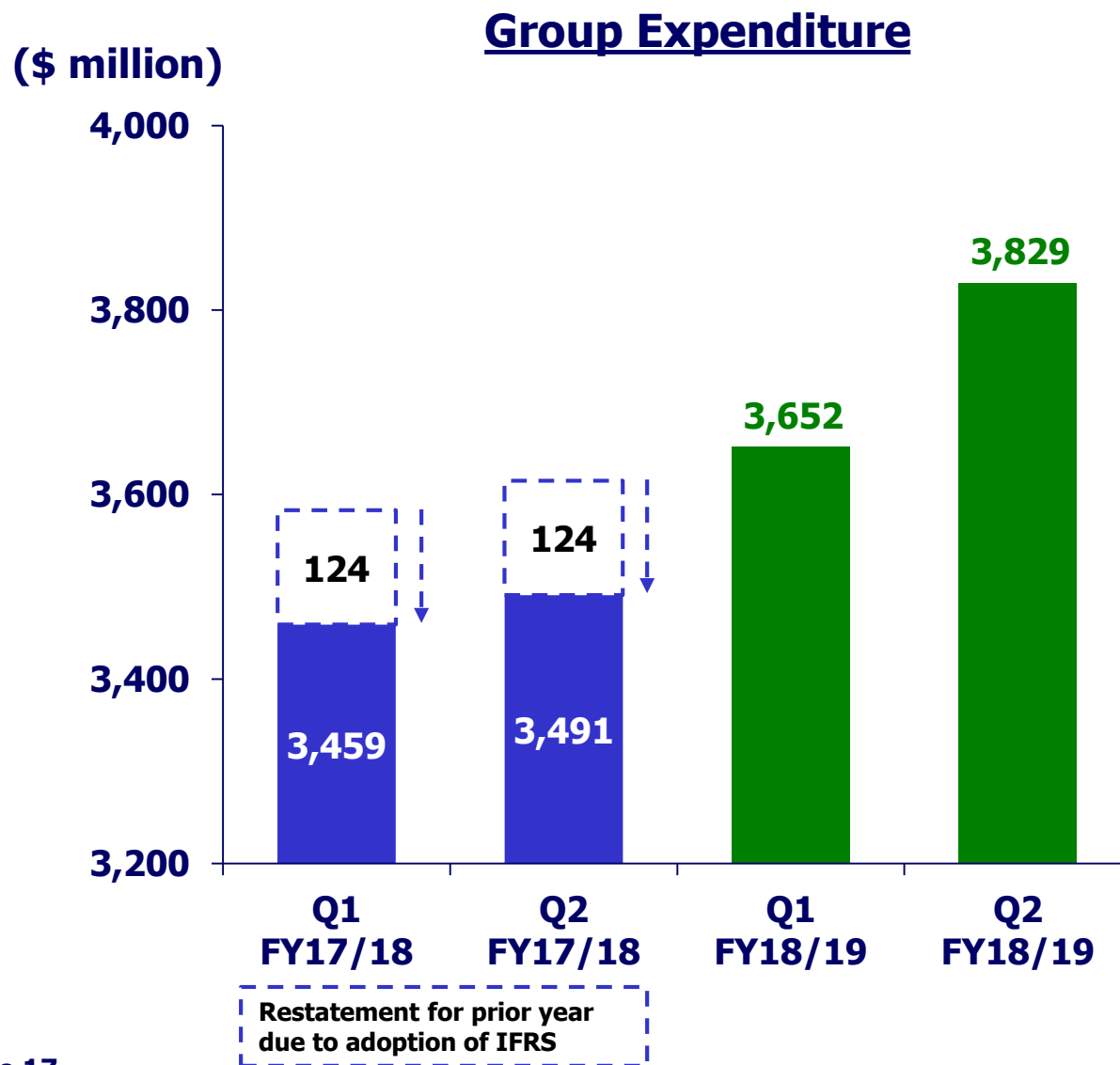
**Passenger Other
Revenue**
209.3
(-113.3, -35.1%)

Engineering Services
226.1
(-19.5, -7.9%)


Others
72.7
(-94.3, -56.5%)

SIA GROUP

Q2 & 1H FY18/19



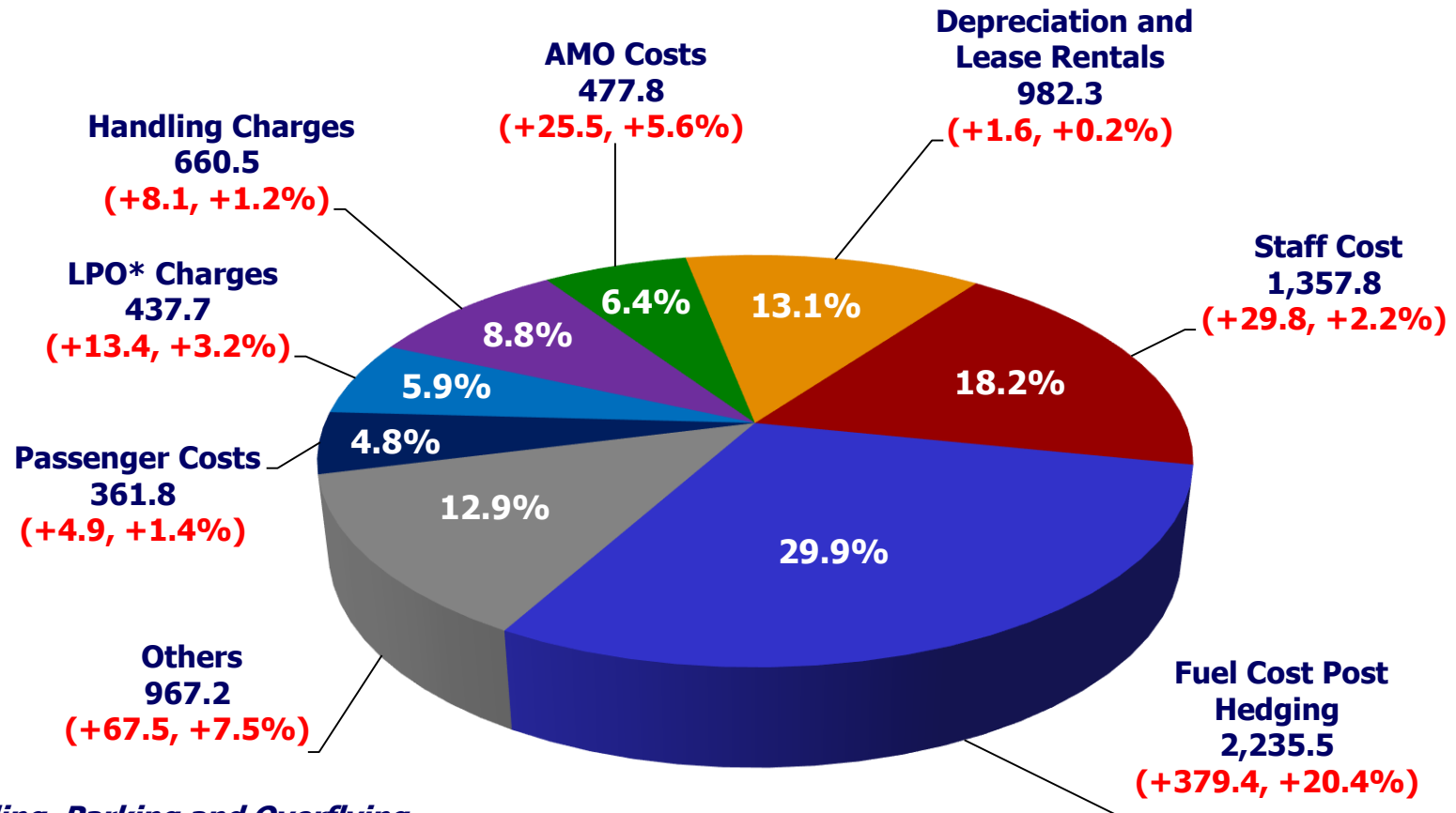
**1H 18/19
Expenditure
\$7,481M**

Year-on-Year
 **\$531M
(+7.6%)**

SIA GROUP

1H FY18/19

Cost Composition (\$'M)

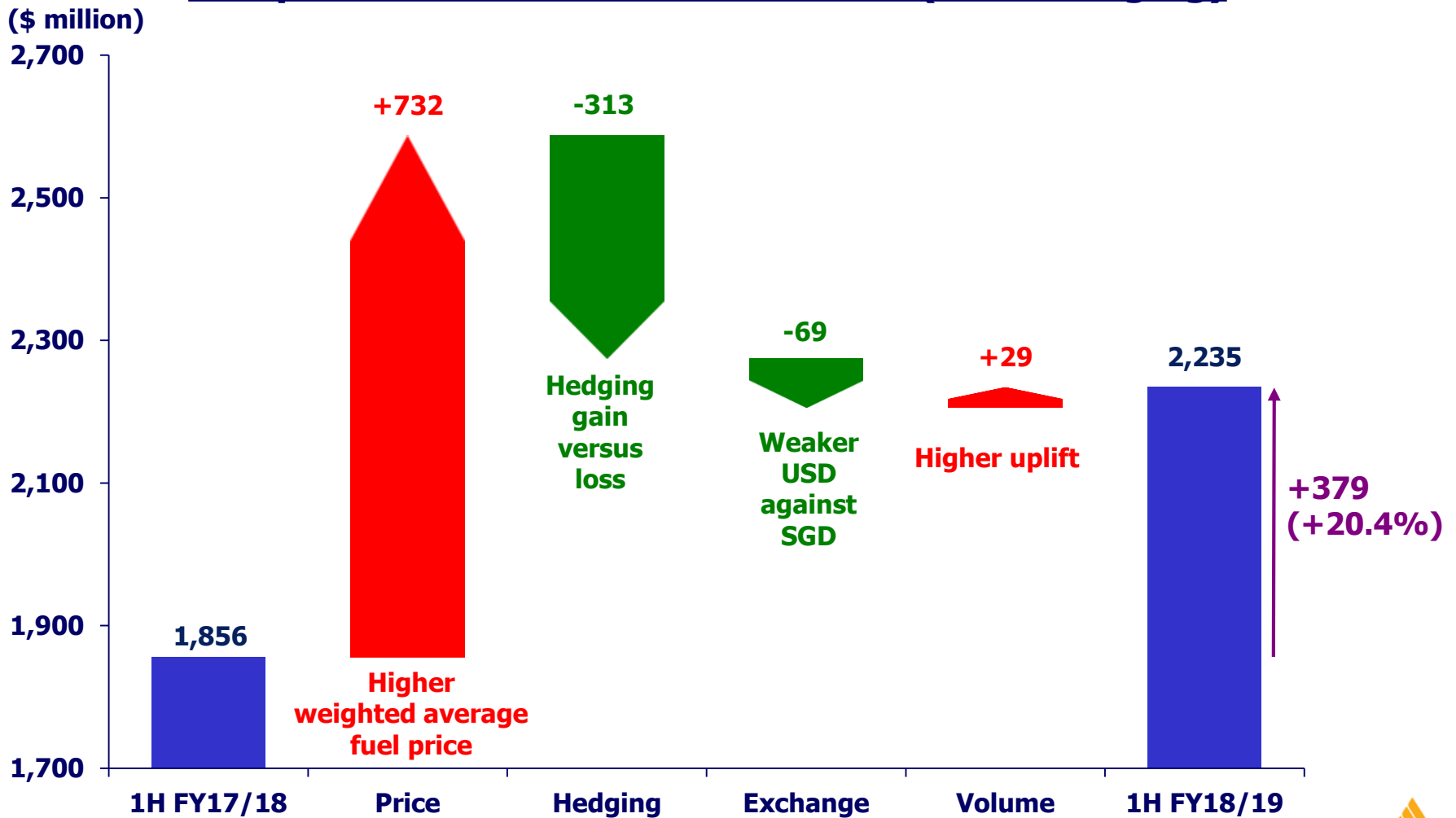


Note: Restated depreciation for prior year due to adoption of IFRS

SIA GROUP

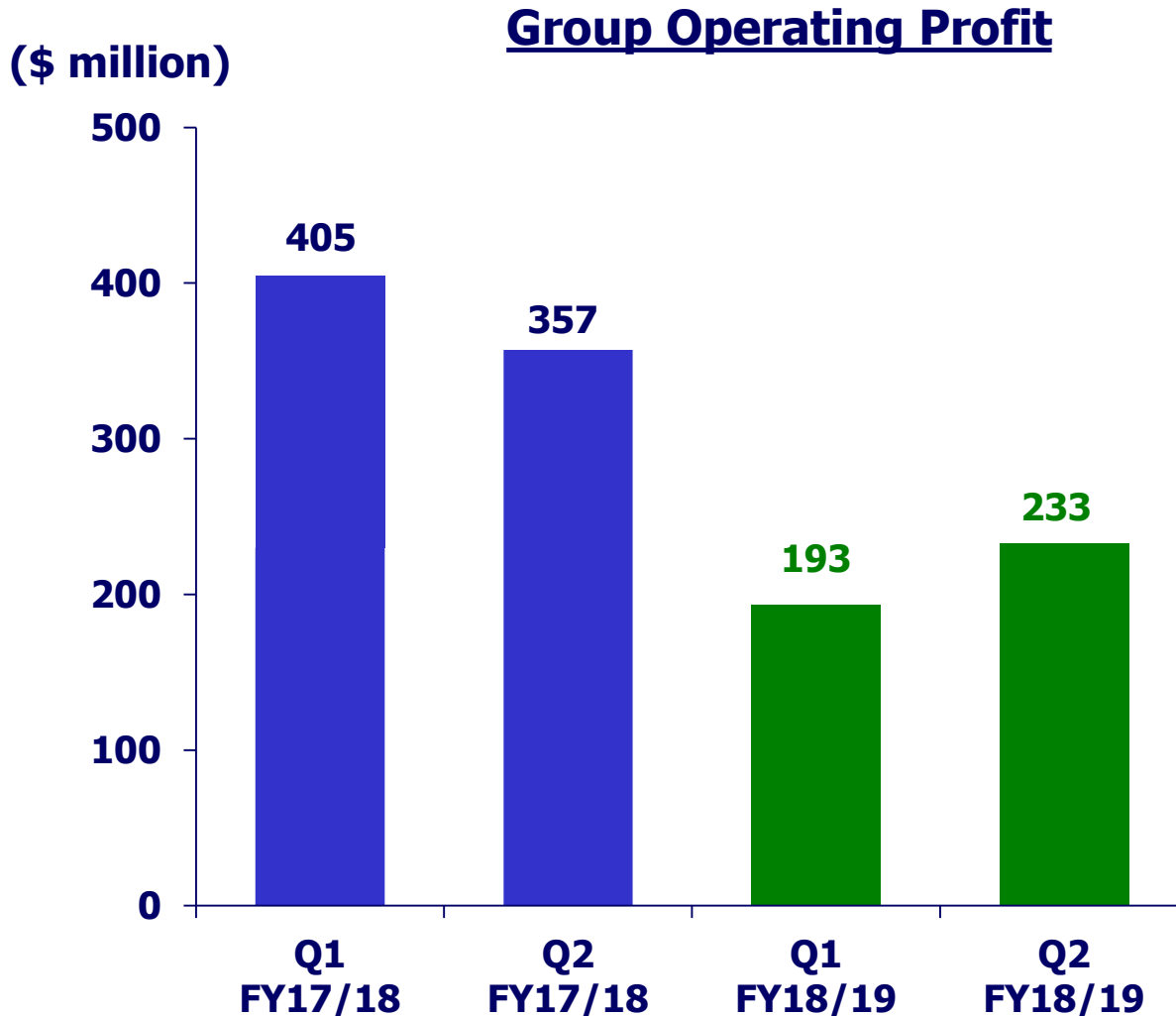
1H FY18/19

Composition of Increase in Fuel Cost (After Hedging)



SIA GROUP

1H FY18/19

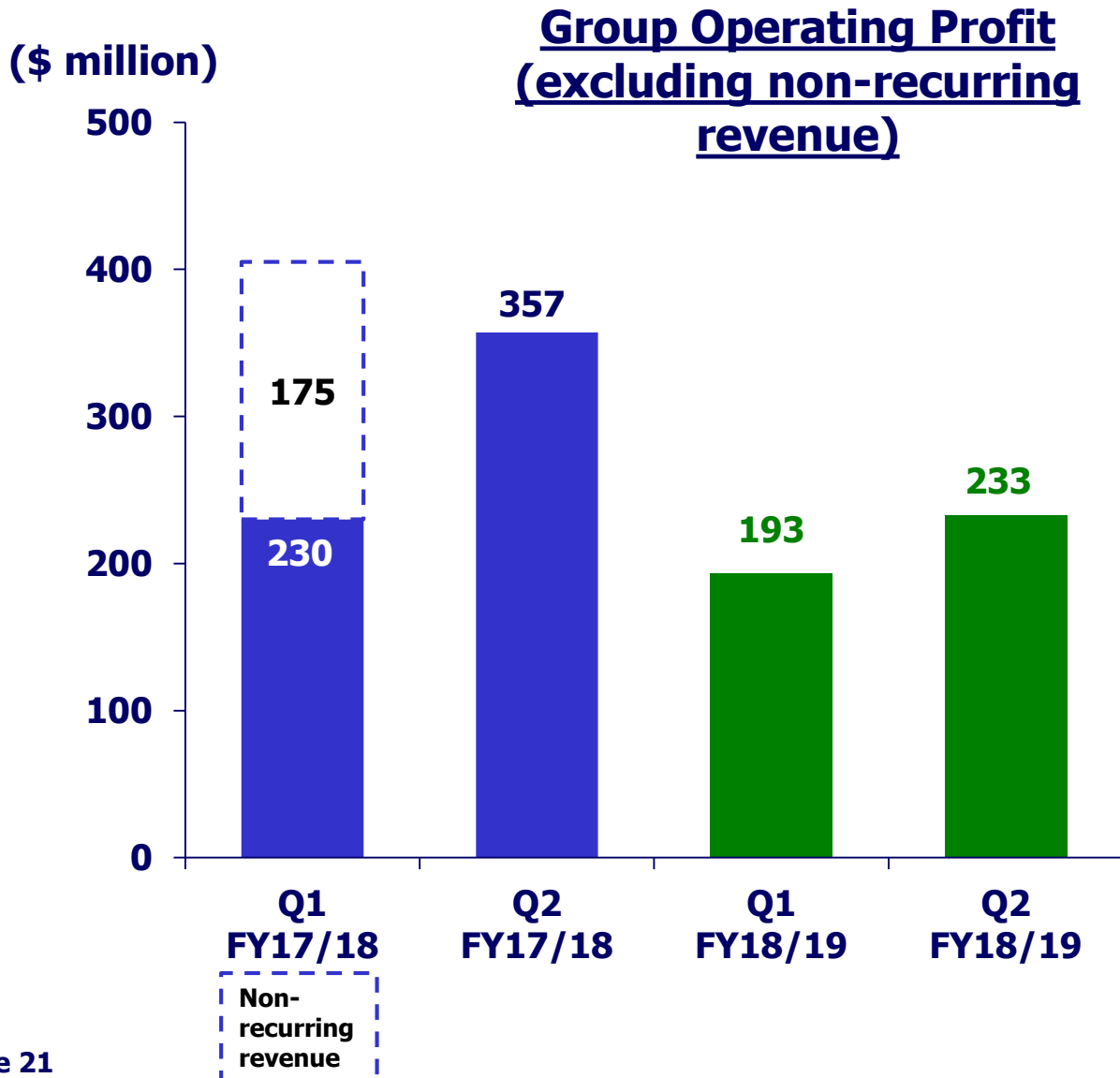


**1H 18/19
Op Profit
\$426M**

Year-on-Year
 **\$336M
(-44.1%)**

SIA GROUP

1H FY18/19



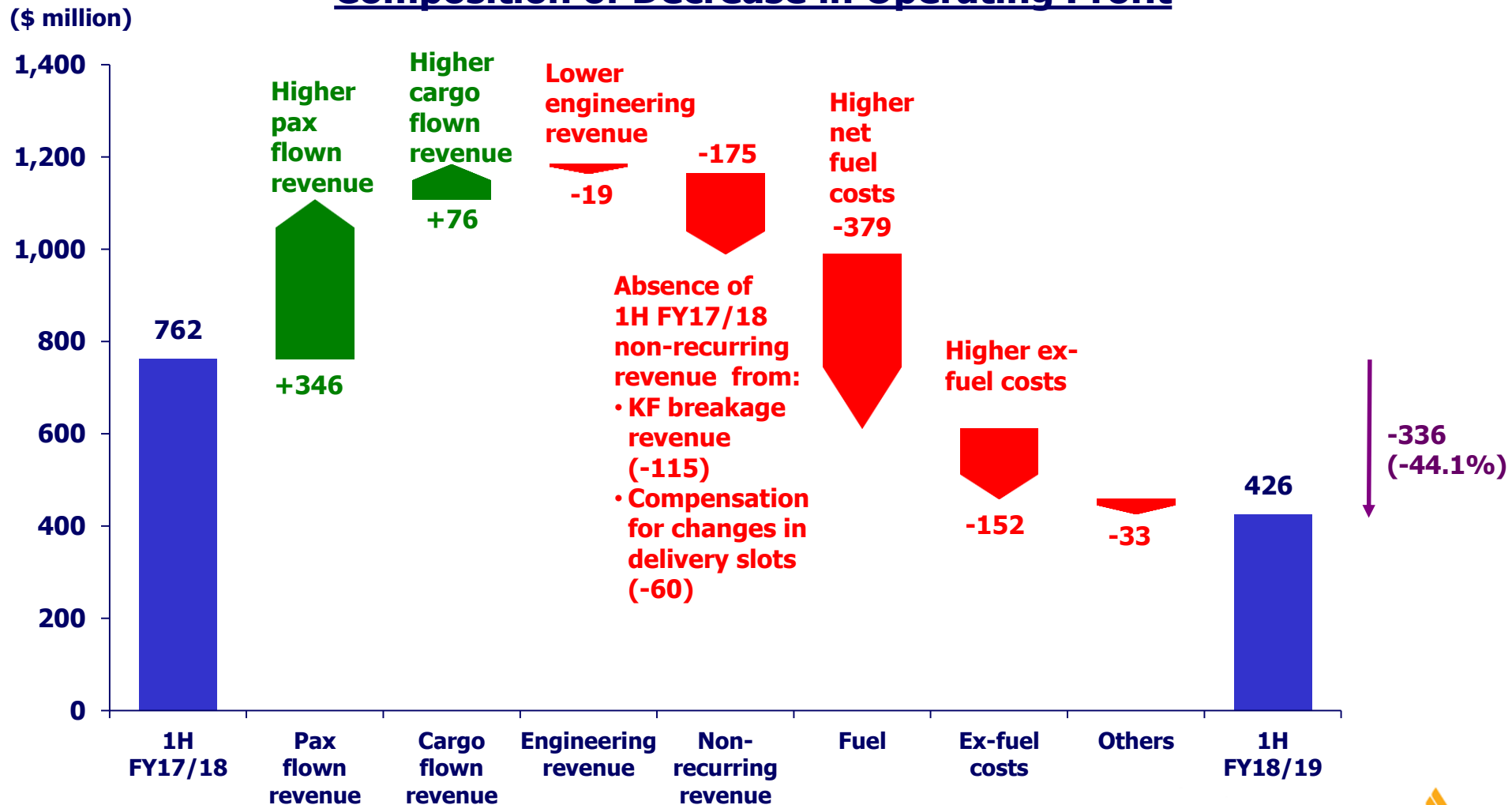
1H 18/19
Op Profit
\$426M

Year-on-Year
↓ \$161M
(-27.4%)

SIA GROUP

1H FY18/19

Composition of Decrease in Operating Profit



SIA GROUP

1H FY18/19

Group Operating Profit

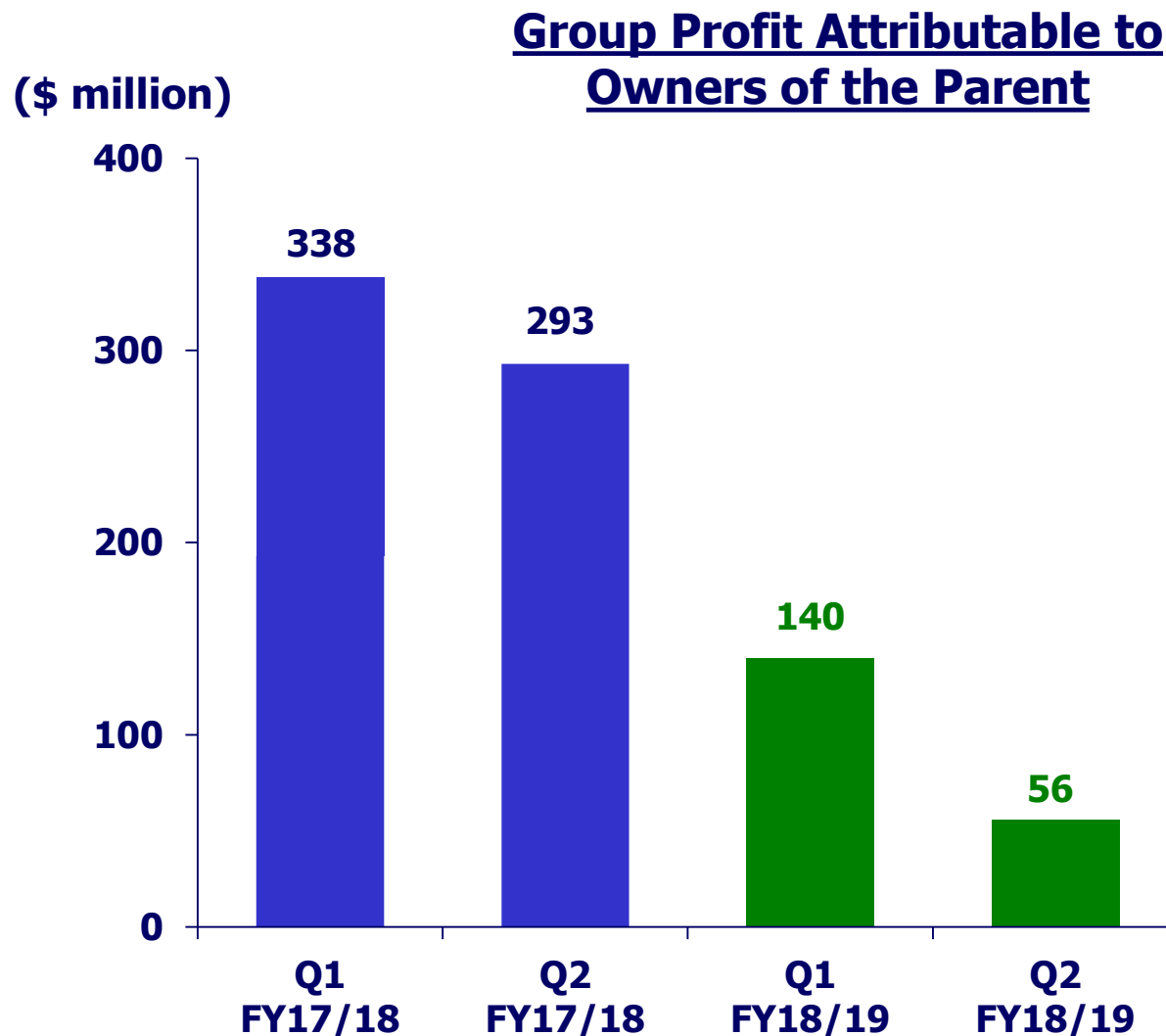
| <u>(\$ million)</u> | <u>1H</u> <u>FY18/19</u> <u>(\$'M)</u> | <u>1H</u> <u>FY17/18^{R1}</u> <u>(\$'M)</u> | <u>Better/(Worse)</u> <u>(\$'M)</u> | <u>Better/(Worse)</u> <u>(%)</u> |
|-------------------------|--|---|--|-------------------------------------|
| SIA^{R2} | 418 | 689 | (271) | (39.3) |
| SilkAir | (3) | 22 | (25) | n.m. |
| Scoot | (10) | 5 | (15) | n.m. |
| SIAEC | 22 | 39 | (17) | (43.6) |

^{R1} Restated depreciation for prior year due to adoption of IFRS

^{R2} Adjusted prior year comparatives to take into account of SIA Cargo integration within the Parent Airline Company

SIA GROUP

Q2 & 1H FY18/19

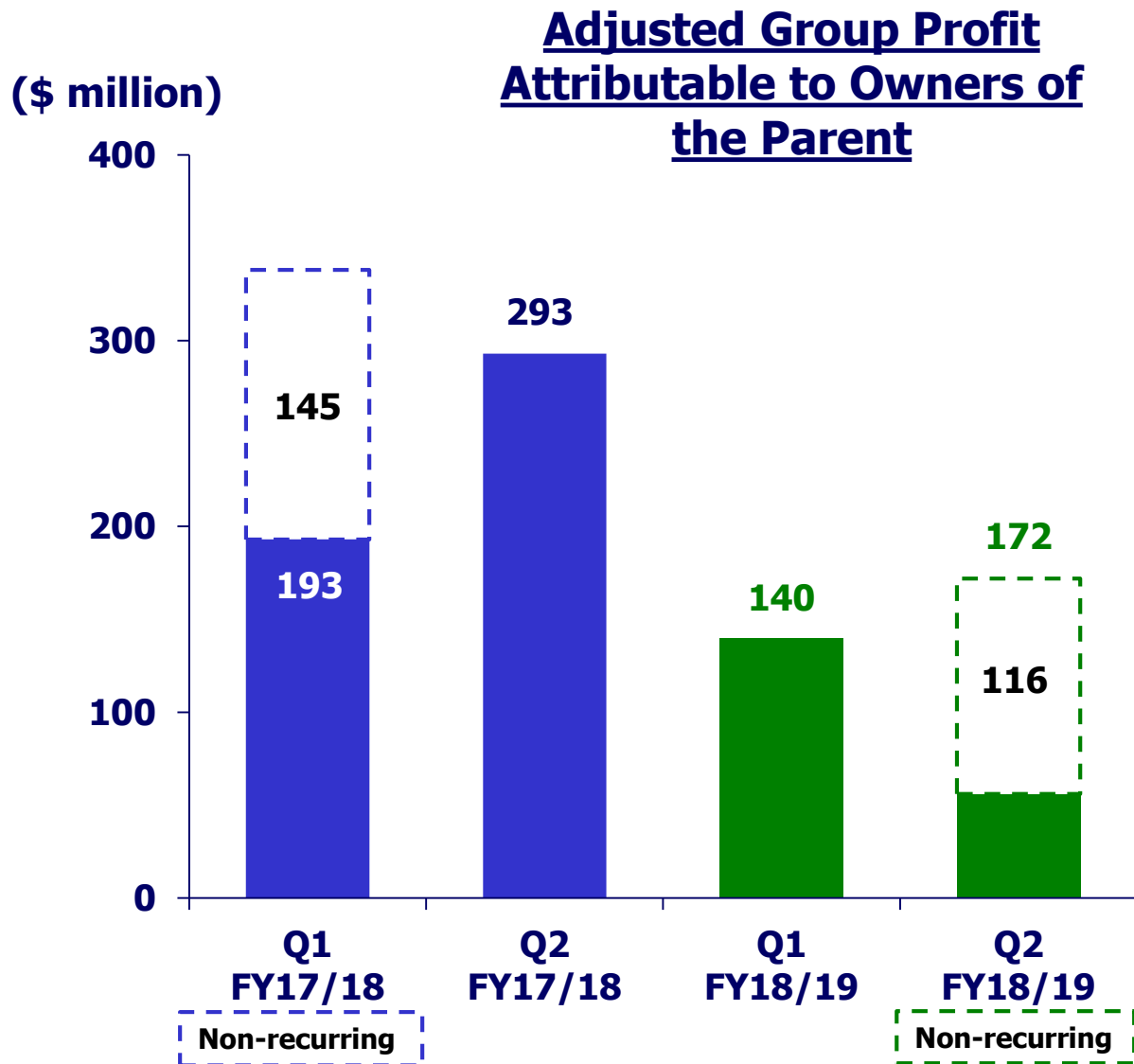


**1H 18/19
Net Profit
\$196M**

Year-on-Year
 **\$435M
(-68.9%)**

SIA GROUP

Q2 & 1H FY18/19

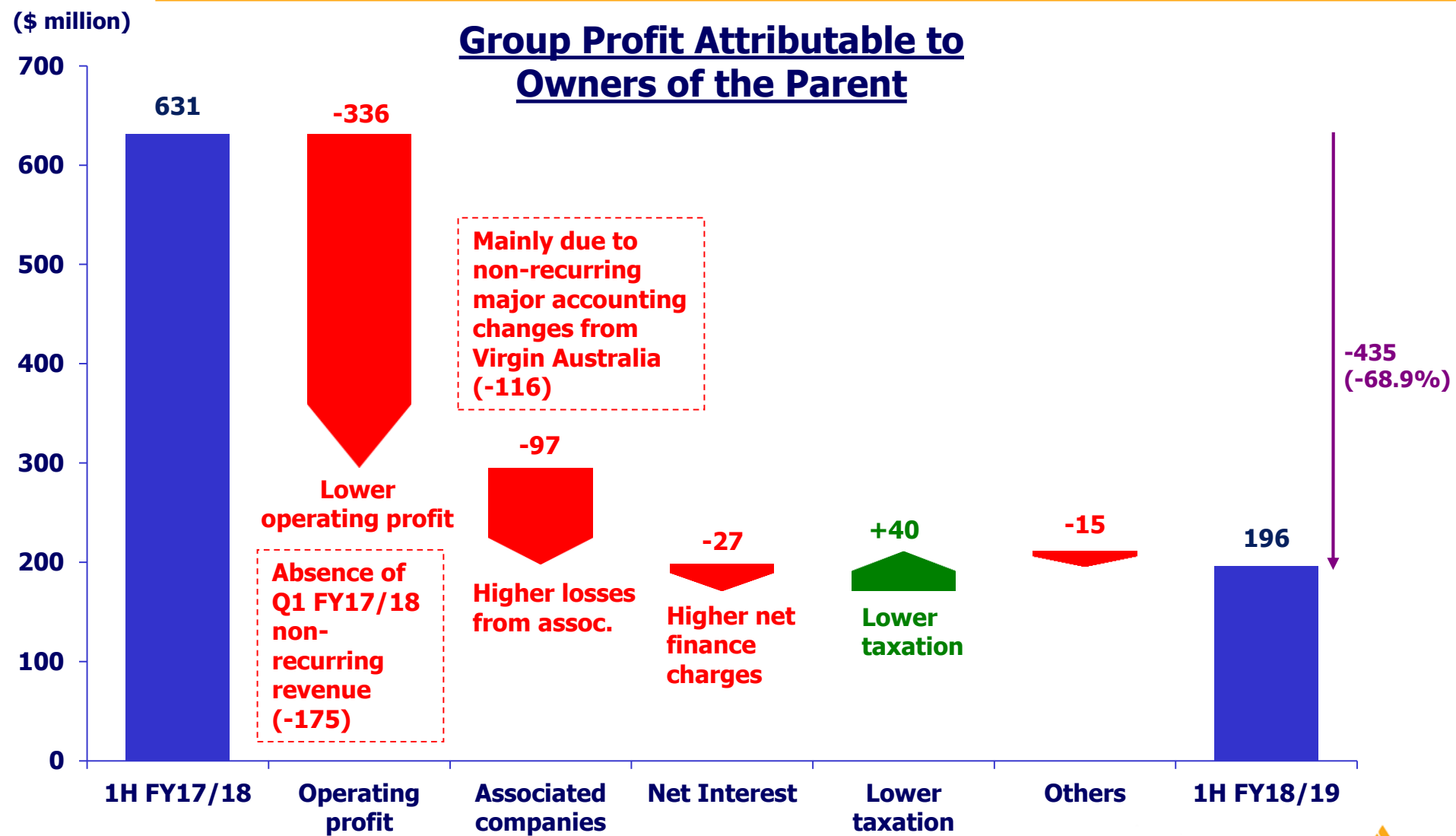


**1H 18/19
Adj Net Profit
\$312M**

Year-on-Year
 **\$174M
(-35.8%)**

SIA GROUP

1H FY18/19



SIA GROUP PER SHARE DATA

| | <u>1H FY18/19</u> | <u>1H FY17/18</u> |
|---------------------------------------|---------------------|---------------------|
| EBITDAR Per Share (\$) | 1.15 | 1.53* |
| Earnings Per Share (¢) | 16.6 | 53.4* |
| Interim Dividend Per Share (¢) | 8.0 | 10.0 |
| | <u>At 30 Sep'18</u> | <u>At 31 Mar'18</u> |
| Net Asset Value Per Share (\$) | 11.87 | 10.88* |

*Restated due to IFRS

