



UBS ASEAN Conference 2014

3 – 4 September 2014

Our Business

Food Solutions



Airline catering



Institutional catering



Food distribution and logistics



Airline linen laundry

Gateway Services



Passenger services and lounge management



Ramp and baggage handling



Airfreight handling and logistics



Aviation security



Cruise handling and terminal management



Financial Summary

\$1.8 billion

Revenue¹

\$2.0 billion

Assets²

\$3.4 billion

Market cap³

\$47.2 million

**Share of results of
Associates/JVs¹**

\$180.4 million

PATMI¹

12.8%

Return on equity¹



¹ For the twelve months ended 31 March 2014, ² As of 31 March 2014, ³ As of 29 August 2014

Performance vs. STI (5 Years)

Total return
incl. dividends



+60%
SATS

+46%
Straits Times Index



Source: Bloomberg, As of 29 August 2014

Our Vision and Mission

Vision

SATS is **Asia's leading** food solutions and gateway services company

We **operate state-of-the-art facilities** to provide food solutions that delight our customers

We **improve connectivity** for our customers through our **comprehensive** gateway services across the region

Mission

To be the **first-choice** provider of food solutions and gateway services by **delighting customers** with our **innovation** and **passion**



Tailor-Made Food Solutions for Varying Customer Needs

**Largest inflight
and institutional
caterer**



- 7 production facilities
- > 40 international and award winning chefs

Range of offerings include cook fresh, cook chill, cook freeze and retort



Customer segments include hospitality, healthcare, education, military and retail



Comprehensive Gateway Hub Handling Capabilities

Presence
in Singapore



- Changi Airport T1-3
- Airfreight Terminals 1-6
- Marina Bay Cruise Centre

Passenger services



Ramp handling



Cruise handling



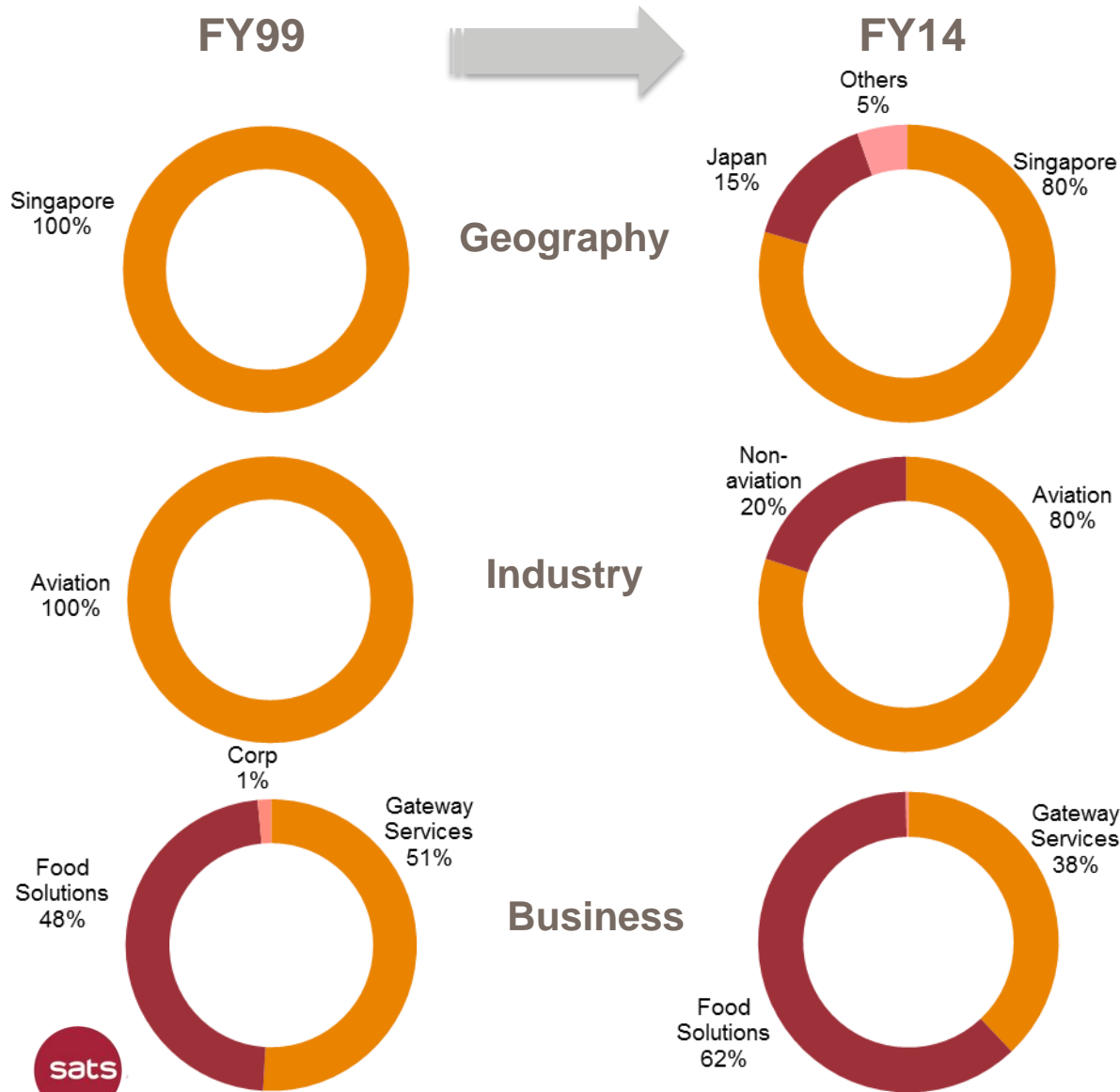
Transshipment freight handling



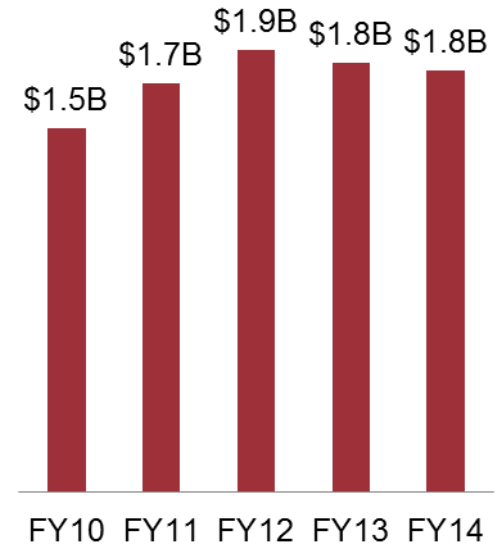
Perishable handling



Revenue Growth Beyond Singapore and Aviation



Revenue



Asia's Largest Food and Gateway Services Network

44 Airports

12 Countries

626,000

Flights¹



83 million

Passengers¹



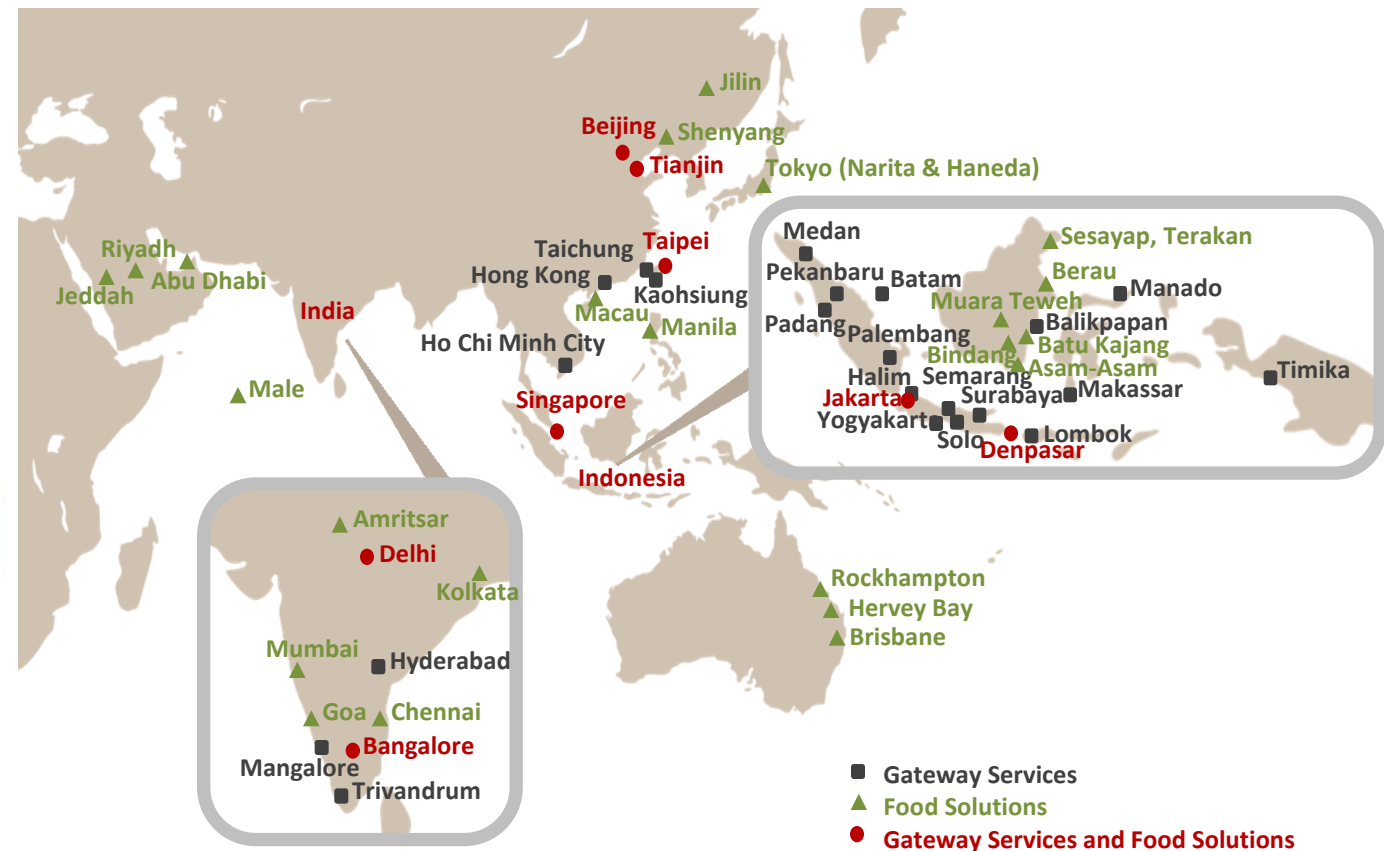
76 million

Meals¹



4 million

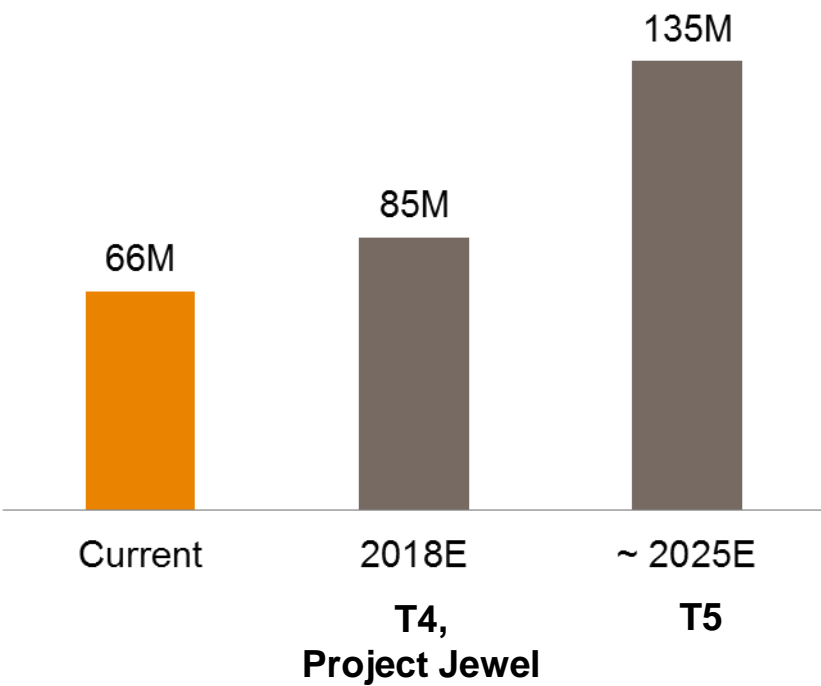
Tonnes of cargo¹



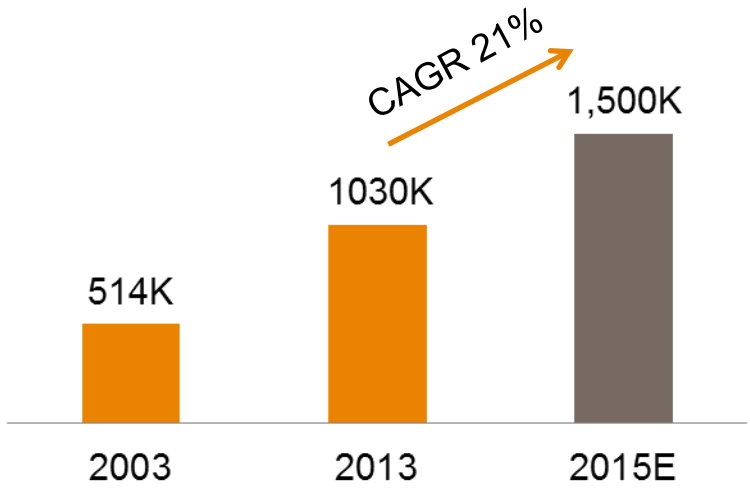
¹ Based on FY14 aviation statistics for Singapore and overseas operations

Singapore - Healthy Underlying Demand Growth

Changi Airport Capacity¹



Cruise Passenger Throughput²



¹ Changi Airport Group, ² Singapore Tourism Board

Booming Asian Middle Class Population

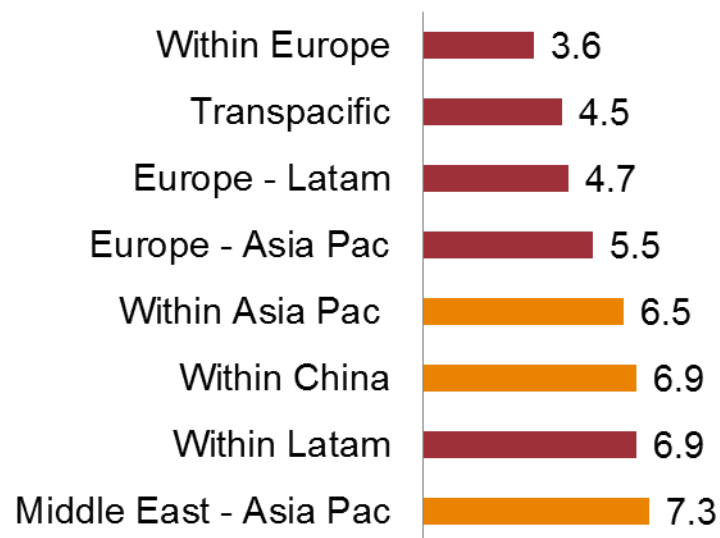
Asia Pacific to account for two-thirds of the world's middle class by 2030^a

Demand for safe, healthy and cosmopolitan food

Food Consumption ^b	2010 – 2020 CAGR %
Asia-9 ^c	7.0
China	8.1
Indonesia	5.9
Philippines	4.1
Singapore	8.0

Demand for trade and travel

Asia Pacific air traffic to grow 6.5% annually until 2032^d



^a Human Development Report 2013, United Nations

^b DBS Group Research, BMI (assume constant USD)

^c China, Hong Kong, Taiwan, Korea, Singapore, Malaysia, Indonesia, Thailand, Philippines

^d Current Market Outlook 2013, Boeing

Financial Flexibility to Pursue Strategic Opportunities

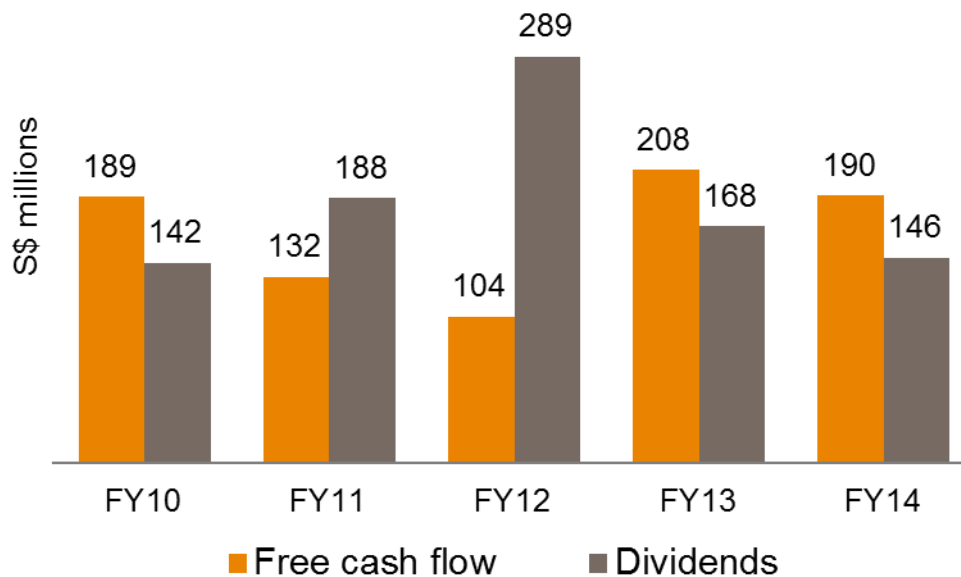
\$395.1 million

Cash reserves^{1,2}

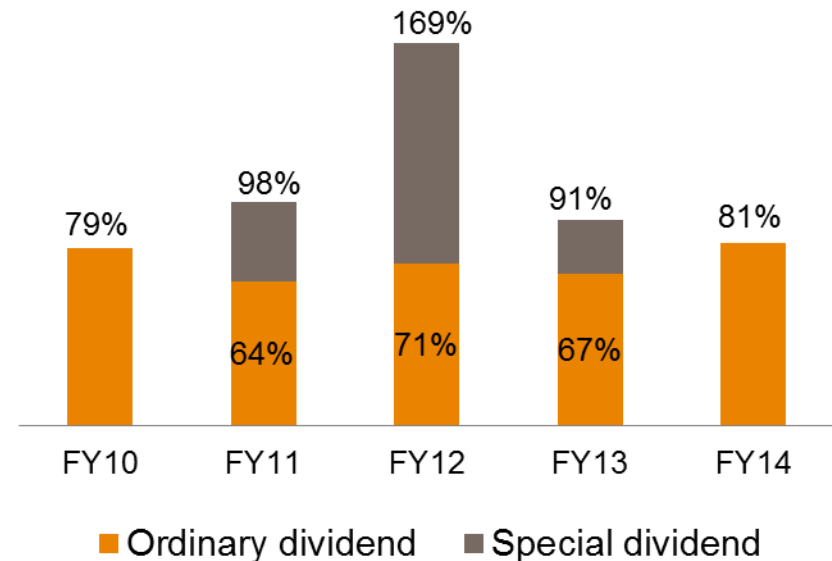
0.08 times

Debt-to-equity ratio²

Free cash flow and Dividends



Dividend payout ratio



¹ Cash and cash equivalents, ² As of 30 June 2014

Scale and Connectivity

- SATS is Asia's largest food solutions and gateway services company
- Our focus is to grow scale and enhance connectivity



- We will use state-of-the-art technology to address rising manpower costs and develop new revenue streams

Recent Awards and Accolades

- SATS clinched the “**Best Managed Board Bronze Award**” at the Singapore Corporate Awards 2014.
- SATS was named the “**Best Air Cargo Terminal - Asia**” for the 16th time at the Asian Freight & Supply Chain Awards 2014.
- Taj SATS' Delhi operations won the “**Inflight Kitchen of the Year Award**” at the GMR - IGI Airport Awards 2014 for the 3rd consecutive year.
- AISATS' Bengaluru station was conferred the “**Excellence in Sustainable Practices – Cargo & Aviation Services Award**” at the Bangalore International Airport Pinnacle Awards 2014.



Near-Term Outlook

Our operating landscape remains challenging in view of rising manpower costs and the ongoing pressure on regional aviation. At Changi Airport, we expect moderate growth in passenger traffic and airfreight.

We will continue to invest in our state-of-the-art facilities, comprehensive suite of services and new technologies to obtain scale advantages, improve productivity and enhance connectivity for our customers.

We are also growing new businesses and customer segments.

1Q FY14/15 Performance Review



Operating Statistics for Singapore Aviation Business

	1Q14/15	1Q13/14	% Change
Passengers Handled ('M)	10.69	10.61	0.8
Flights Handled ('000)	33.17	32.37	2.5
Unit Services Handled ('000)	27.29	26.85	1.6
Cargo/Mail Processed ('000 tonnes)	388.39	370.41	4.9
Gross Meals Produced ('M)	6.47	6.44	0.5
Unit Meals Produced ('M)	5.11	5.06	1.0

Most operating metrics grew modestly while cargo throughput showed slightly stronger growth.



- * The above aviation operating data cover Singapore operations only.
- * Except for unit and gross meals produced, all data include LCC operations.

1Q FY14/15 Financials

\$M	1Q14/15	1Q13/14	Favourable/ (Unfavourable) Change (%)
Revenue	435.2	434.5	0.2
Expenditure	(395.5)	(393.8)	(0.4)
Operating Profit	39.7	40.7	(2.5)
EBITDA	56.5	60.1	(6.0)
Share of Results of Associates/JV, Net of Tax	10.4	12.5	(16.8)
Impairment of Assets Held for Sale	(0.1)	(1.7)	(94.1)
PBT	49.0	50.9	(3.7)
PATMI	43.3	46.2	(6.3)
<i>Underlying Net Profit*</i>	<i>43.4</i>	<i>47.9</i>	<i>(9.4)</i>

Challenging operating landscape for Singapore and gateway associates.
Cost pressure continues but operating profit remains resilient.



* Underlying net profit refers to profit attributable to owners of the Company excluding one-off items

Financial Indicators

%	1Q14/15	1Q13/14	Change (ppt)
Operating Margin	9.1	9.4	(0.3)
EBITDA Margin	13.0	13.8	(0.8)
PBT Margin	11.3	11.7	(0.4)
PATMI Margin	9.9	10.6	(0.7)
Underlying Net Margin	10.0	11.0	(1.0)

Cents	1Q14/15	1Q13/14	% Change
EPS Based on Net Profit Attributable to Shareholders	3.9	4.1	(4.9)

	30 JUN 14	31 MAR 14
NAV Per Share (\$)	1.30	1.27
Debt Equity Ratio	0.08	0.08

Debt-to-equity ratio remained healthy at 0.08 times.

Group Segmental Revenue

\$M	1Q14/15	1Q13/14	% Change
By Business:			
Food Solutions	262.7	265.2	(0.9)
Gateway Services	171.2	167.9	2.0
Corporate	1.3	1.4	(7.1)
Total	435.2	434.5	0.2
By Industry:			
Aviation	352.4	354.0	(0.5)
Non-Aviation	81.5	79.1	3.0
Corporate	1.3	1.4	(7.1)
Total	435.2	434.5	0.2
By Geographical Location:			
Singapore	355.9	351.5	1.3
Japan	59.1	65.3	(9.5)
Others	20.2	17.7	14.1
Total	435.2	434.5	0.2

Food Solutions and Gateway Services accounted for about 60% and 40% of Group revenue respectively.

Group Expenditure

\$M	1Q14/15	1Q13/14	Favourable/ (Unfavourable) %
Staff Costs	203.9	198.0	(3.0)
Cost of Raw Materials	85.3	87.8	2.8
Licensing Fees	19.4	19.3	(0.5)
Depreciation & Amortisation	16.9	19.8	14.6
Company Premise & Utilities	30.9	29.1	(6.2)
Other Costs	39.1	39.8	1.8
Group Expenditure	395.5	393.8	(0.4)
Group Revenue	435.2	434.5	0.2

Higher staff costs attributed to increase in basic pay and allowances, foreign worker levies and contract services. Revision in estimated useful lives of certain asset classes and full depreciation of some assets resulted in lower depreciation charges.

Associates/JV Performance by Business

\$M	1Q14/15	1Q13/14	% Change
PAT	10.4	12.5	(16.8)
Food Solutions	1.2	1.5	(20.0)
Gateway Services	9.2	11.0	(16.4)
Dividends Received	18.1	11.4	58.8

Lower gateway associates contribution attributed to muted cargo volumes across Asia.

JAS, AAT, AISATS and MIC account for more than 80% of our share of after-tax profits from Associates/JV.

Group Balance Sheet

\$M	As at 30 JUN 14	As at 31 MAR 14
Total Equity	1,551.6	1,514.4
Long-term Loans	96.9	96.6
Other Long-Term Liabilities	76.2	79.3
Current Liabilities	337.3	329.5
Total Equity & Liabilities	2,062.0	2,019.8
Fixed Assets & Investment Property	575.5	577.1
Associated Companies & JV	475.6	494.8
Intangible Assets	183.8	185.0
Other Non-Current Assets & Long-Term Investment	39.4	38.3
Current Assets		
<i>Cash & Short-Term Deposits</i>	395.1	340.8
<i>Debtors & Other Current Assets</i>	392.6	383.8
Total Assets	2,062.0	2,019.8

Higher cash & short-term deposits mainly due to cash inflow from operating activities, dividends received from associates, and proceeds received from exercise of share options. These were partially offset by higher capex.

Group Cash Flow Statement

\$M	1Q FY14/15	1Q FY13/14	Difference
Net Cash Flows From Operating Activities	45.3	71.8	(26.5)
Net Cash Flows From / (Used In) Investing Activities	5.5	(1.0)	6.5
Net Cash Flows From Financing Activities	4.2	17.4	(13.2)
Net Increase In Cash & Cash Equivalents	55.0	88.2	(33.2)
Cash & Cash Equivalents At End Of Financial Period	395.1	490.7	(95.6)
Free Cash Flow*	31.1	59.0	(27.9)

Higher net cash from investing activities was due to higher dividends from associates and proceeds from sale of interest in an associate, partially offset by higher capex.



* Free Cash Flow refers to net cash from operating activities less cash purchases of capital expenditure.



End