



SIA ANALYST/MEDIA BRIEFING

FY2015-16 Results

13 May 2016

THE PARENT AIRLINE FY2015/16 RESULTS



THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE – FY2015/16

	4Q/15	% Change	15/16	% Change
Available Seat-KM (million)	29,026	-0.2	118,367	-1.4
Revenue Pax-KM (million)	22,788	+2.9	94,267	+0.1
Passenger Load Factor (%)	78.5	+2.4 pts	79.6	+1.1 pts

Slide 3



THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE – FY2015/16

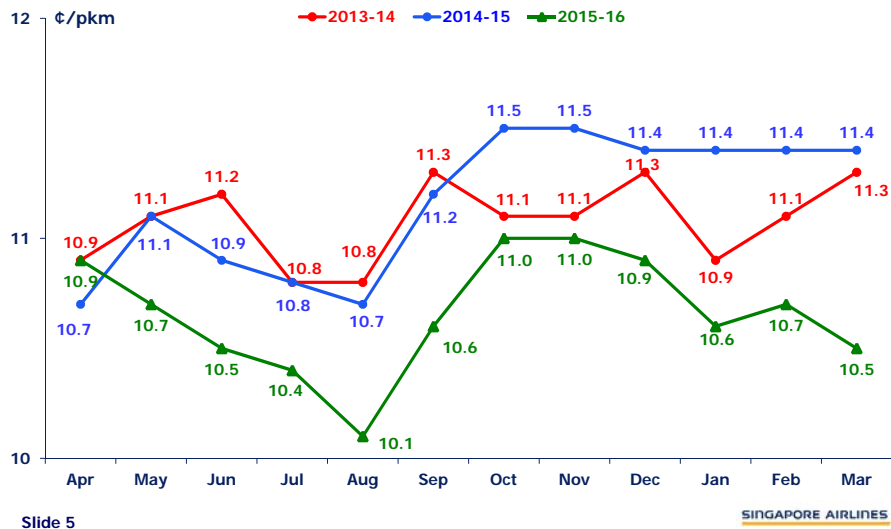
	4Q/15	% Change	15/16	% Change
Passenger Yield (¢/pkm)	10.6	-7.0	10.6	-5.4

Slide 4



THE PARENT AIRLINE COMPANY RESULTS – FY2015/16

Monthly Pax Yields (Including Fuel Surcharge)



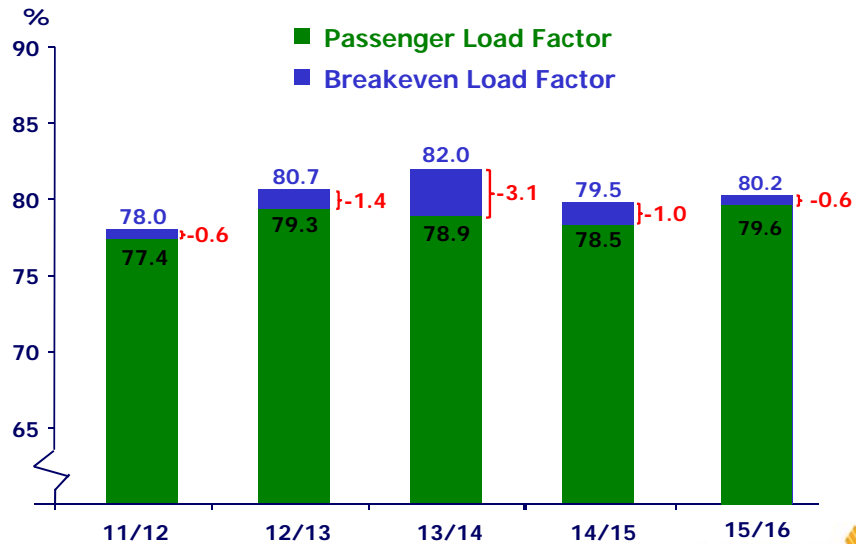
THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE – FY2015/16

	4Q/15	% Change	15/16	% Change
Passenger Yield (¢/pkm)	10.6	-7.0	10.6	-5.4
Passenger Unit Cost (¢/ask)	8.3	-7.8	8.5	-4.5
Passenger Unit Ex-Fuel Cost (¢/ask)	5.8	+5.5	5.5	+5.8
Passenger Breakeven Load Factor (%)	78.3	-0.6 pt	80.2	+0.7 pt

Slide 6

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THE PARENT AIRLINE COMPANY OPERATING PERFORMANCE



Slide 7

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THE PARENT AIRLINE COMPANY RESULTS – FY2015/16

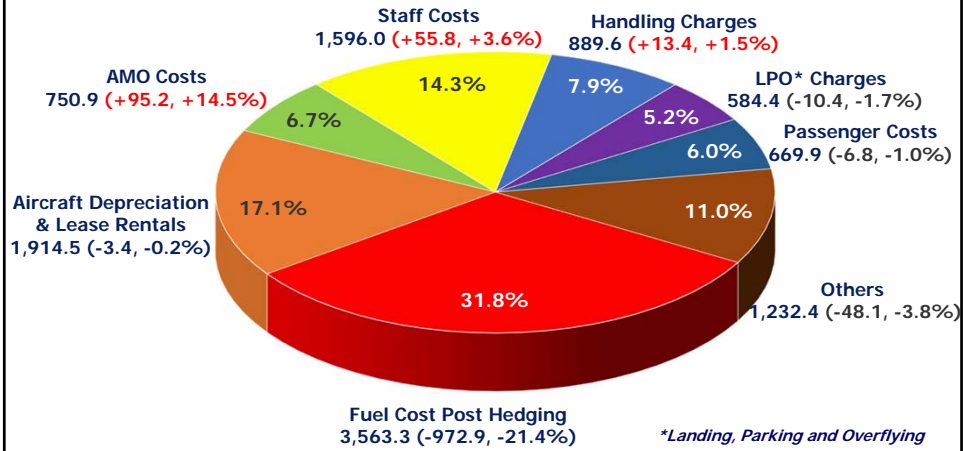
	4Q/15 \$million	Better/ (Worse) \$million	15/16 \$million	Better/ (Worse) \$million
Total Revenue	2,789	(213)	11,686	(732)
Total Expenditure	2,691	241	11,201	877
- Fuel Cost	486	238	2,637	1,442
- Fuel Hedging Loss	235	52	926	(469)
- Ex-fuel Cost	1,970	(49)	7,638	(96)
Operating Profit	98	28	485	145
Operating Profit Margin (%)	3.5	1.2 pts	4.2	1.5 pts

Slide 8

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THE PARENT AIRLINE COMPANY COST COMPOSITION – FY2015/16

Cost Composition (\$M)

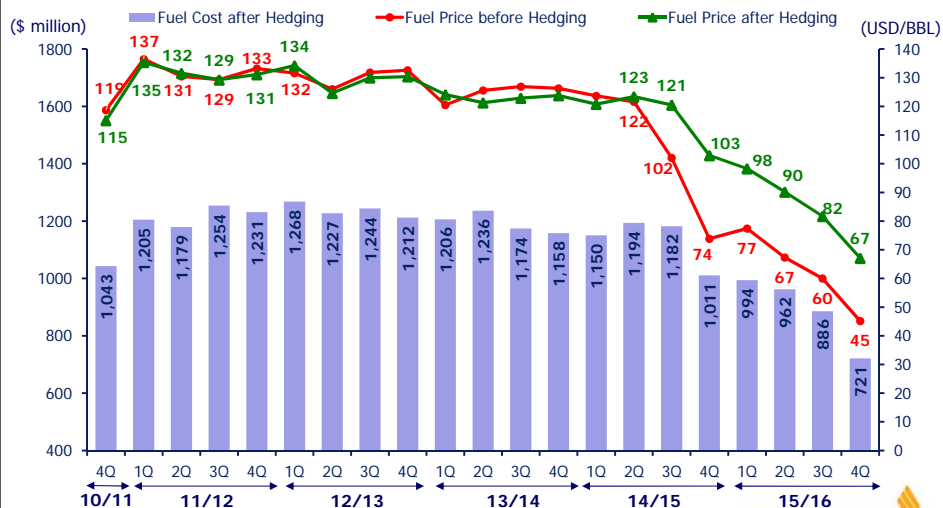


Slide 9



THE PARENT AIRLINE COMPANY FUEL PRICE AND EXPENDITURE - TREND

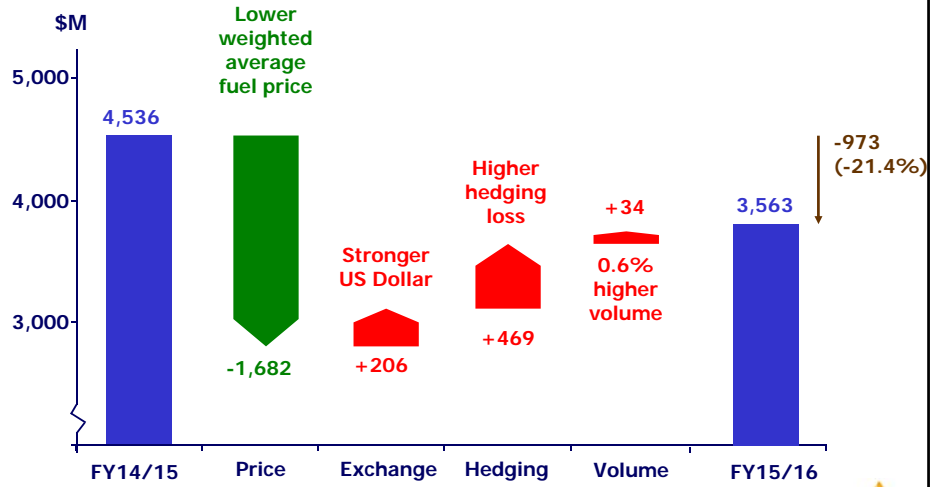
Fuel Price After Hedging



Slide 10



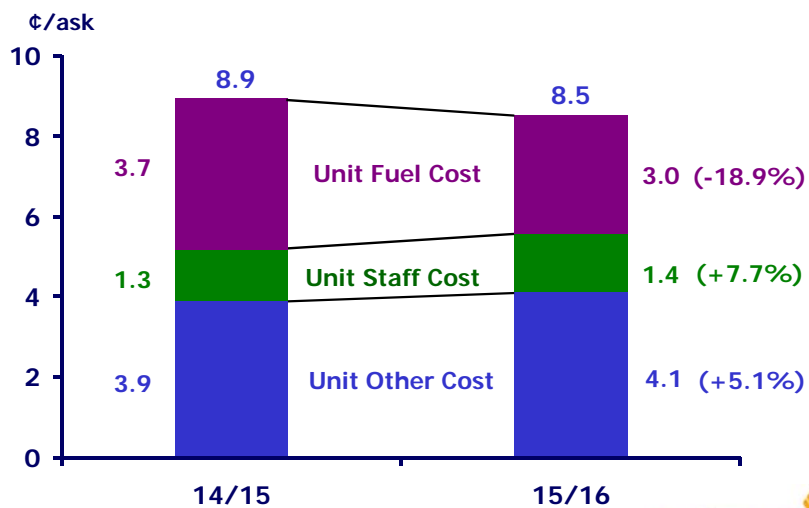
THE PARENT AIRLINE COMPANY FUEL EXPENDITURE – FY2015/16



Slide 11

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THE PARENT AIRLINE COMPANY UNIT COST ANALYSIS – FY2015/16



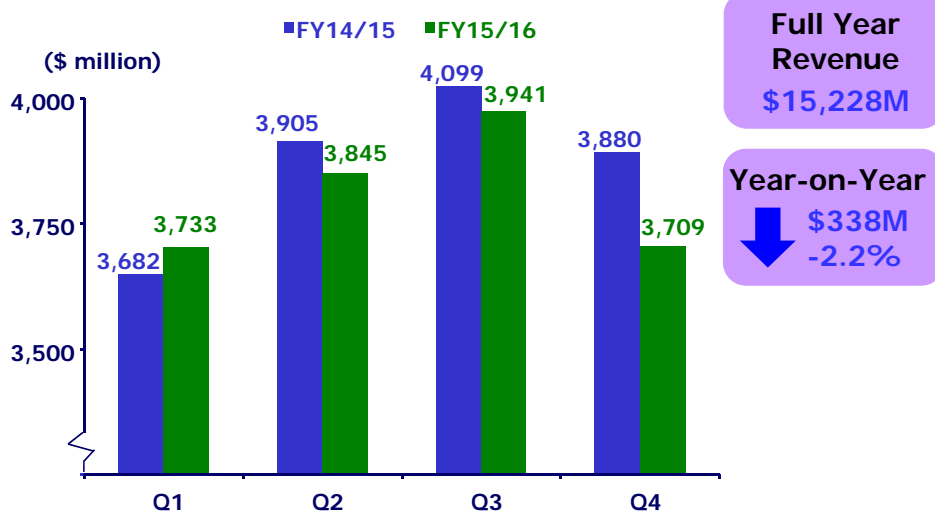
Slide 12

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SIA GROUP FY2015/16 RESULTS



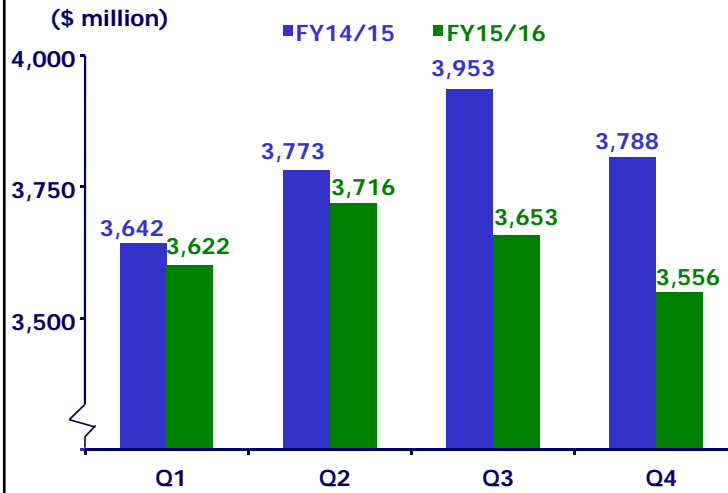
GROUP REVENUE – FY2015/16



Slide 14



GROUP EXPENDITURE – FY2015/16



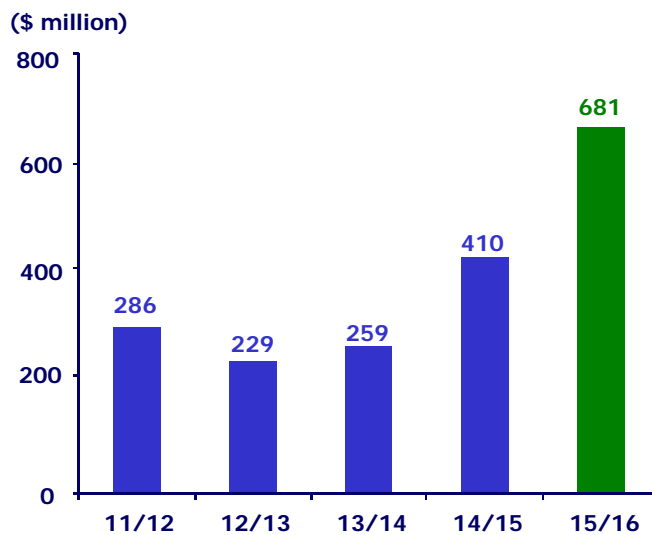
**Full Year
Expenditure**
\$14,547M

Year-on-Year
↓ \$609M
-4.0%

Slide 15

SINGAPORE AIRLINES 

GROUP OPERATING PROFIT – FY2015/16



**Full Year
Op Profit**
\$681M

Year-on-Year
↑ \$271M
+66.1%

Slide 16

SINGAPORE AIRLINES 

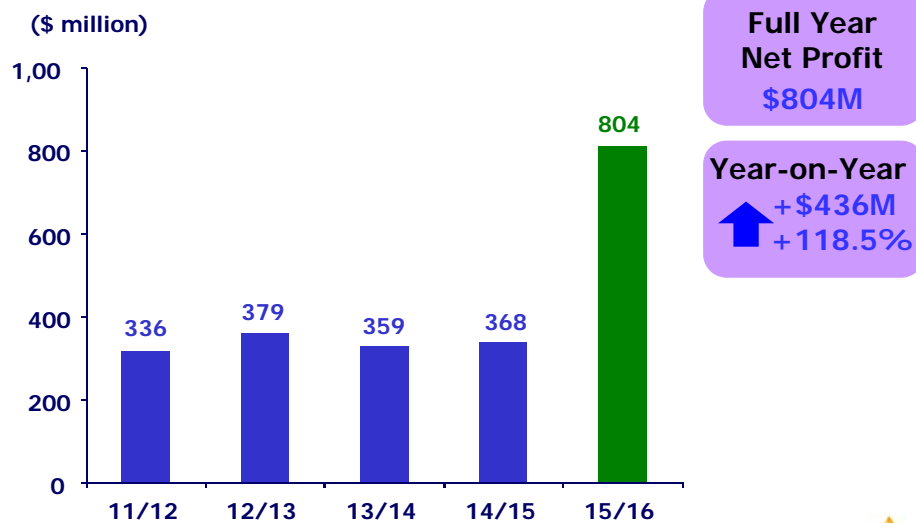
CONTRIBUTION TO GROUP OPERATING PROFIT – FY2015/16 (\$ million)

	<u>15/16</u>	<u>14/15</u>	<u>Change</u>	<u>% Change</u>
Singapore Airlines	485	340	+ 145	+ 42.6
SIA Engineering	104	84	+ 20	+ 23.8
SIA Cargo	(50)	(22)	- 28	- 127.3
SilkAir	91	41	+ 50	+ 122.0
Scoot	28	(67)	+ 95	n.m.
Tiger Airways	14	(9)	+ 23	n.m.

Slide 17



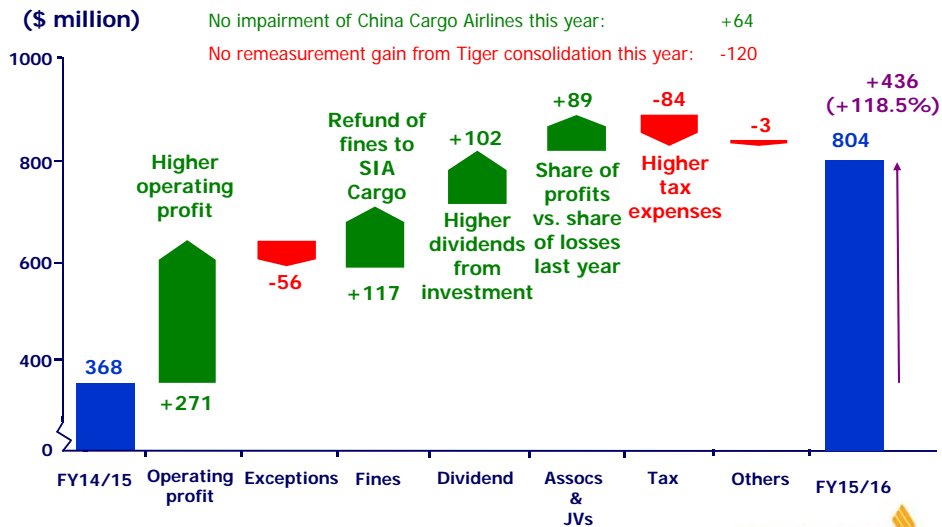
GROUP NET PROFIT – FY2015/16



Slide 18



GROUP PROFIT ATTRIBUTABLE TO OWNERS OF PARENT – FY2015/16



FLEET DEVELOPMENT – PASSENGER AIRLINE

	SIA	SilkAir	Scoot	Tigerair
Operating Fleet as at 31 Mar 2016	102	29	10	23
IN:				
Entry into service A350-900	+12			
Entry into service 737-800		+3		
Entry into service 787-8			+2	
OUT:				
Decommissioned 777-300	-1			
Decommissioned A330-300	-4			
Operating Fleet as at 31 Mar 2017	109	32	12	23

Slide 20

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FLEET DEVELOPMENT – SIA CARGO

	<u>No. of Aircraft</u>
Operating Fleet as at 31 March 2016	9
OUT: Decommissioned 747-400F	-2
Operating Fleet as at 31 March 2017	<u>7</u>

Slide 21



GROUP CAPITAL EXPENDITURE

	<u>FY16/17</u>	<u>FY17/18</u>	<u>FY18/19</u>	<u>FY19/20</u>	<u>FY20/21</u>
Aircraft	3,200	4,500	4,900	4,800	3,600
Other Assets	150	150	150	100	150
Total	<u>3,350</u>	<u>4,650</u>	<u>5,050</u>	<u>4,900</u>	<u>3,750</u>

Slide 22



GROUP FUEL HEDGING POSITION

Apr'16 to Mar'17 (FY2016-17)	Jet Fuel	Brent
Percentage hedged (%)	25	6
Average hedged price (USD/BBL)	83	64

Apr'16 to Jun'16 (Q1 FY2016-17)	Jet Fuel	Brent
Percentage hedged (%)	42	-
Average hedged price (USD/BBL)	87	-

Slide 23



DIVIDENDS – FY2015/16

	<u>15/16</u>	<u>14/15</u>
Earnings Per Share (¢)	69.0	31.4
Interim Dividend Per Share (¢)	10.0	5.0
Proposed Final Dividend Per Share (¢)	35.0	17.0
Total Dividend Per Share (¢)	45.0	22.0

Slide 24



STRATEGIC DEVELOPMENTS



CHALLENGES

- 1 Global Economic Uncertainty**
- 2 Oil Price Volatility**
- 3 Intense Competition**

Slide 26



KEY STRATEGIES



Strengthening our Premium Positioning



Portfolio



Multi-Hub



New Business Opportunities

Slide 27

SINGAPORE AIRLINES 

STRENGTHENING OUR PREMIUM POSITIONING

PRODUCTS & SERVICES



- Premium Economy Class
 - Currently flying to 18 destinations
 - Available on A350-900, A380 & B777-300ER



- IFE Companion App
 - Preview KrisWorld content and create favourites list pre-flight
 - Control seat-back IFE system
 - Available on A350-900, and progressively on B777-300ER

Slide 28

SINGAPORE AIRLINES 

STRENGTHENING OUR PREMIUM POSITIONING

PRODUCTS & SERVICES



- SilverKris Lounges
 - New lounge concept introduced in Hong Kong, London, Manila and Sydney
 - Upcoming openings scheduled in Brisbane (May '16) and Bangkok (Oct '16)



- 'Deliciously Wholesome' Meals
 - Served on selected flights departing from Singapore in all classes
 - Available for pre-order through *Book the Cook* by Suites, First Class and Business Class customers

Slide 29

SINGAPORE AIRLINES 

STRENGTHENING OUR PREMIUM POSITIONING

PRODUCTS & SERVICES



- Modern Fleet
 - 2016 – Launch of A350-900
 - 2017 – New ground-up cabin products (A380)
 - 2018 – Re-launch of ultra long-range flights with A350-900ULR
 - 2018 – New medium-haul cabin products on A350 & B787-10



Slide 30

SINGAPORE AIRLINES 

STRENGTHENING OUR PREMIUM POSITIONING

NETWORK

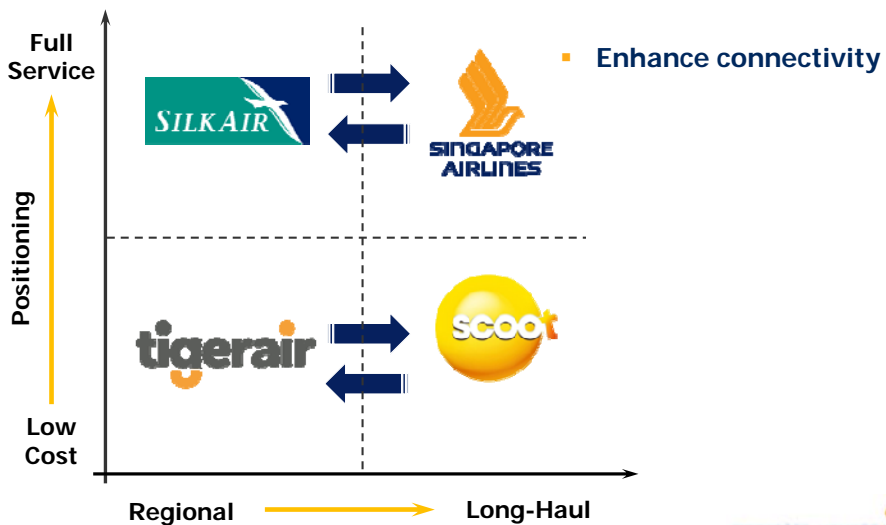


Slide 31

- Strengthening our key markets
- New opportunities to grow European and US footprint
- New Destinations
 - Dusseldorf (21 July '16)
 - Canberra & Wellington (20 Sept '16)
- Expanding network and connectivity through partnerships
 - New Codeshare Agreements – Air China, Croatia Airlines, Lufthansa



PORTFOLIO

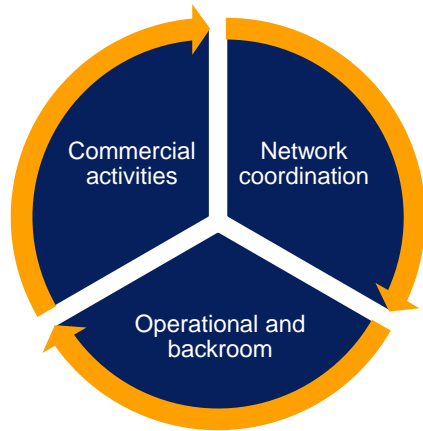


Slide 32



PRIVATISATION OF TIGER AIRWAYS

DELISTING COMPLETED ON 11 MAY 2016



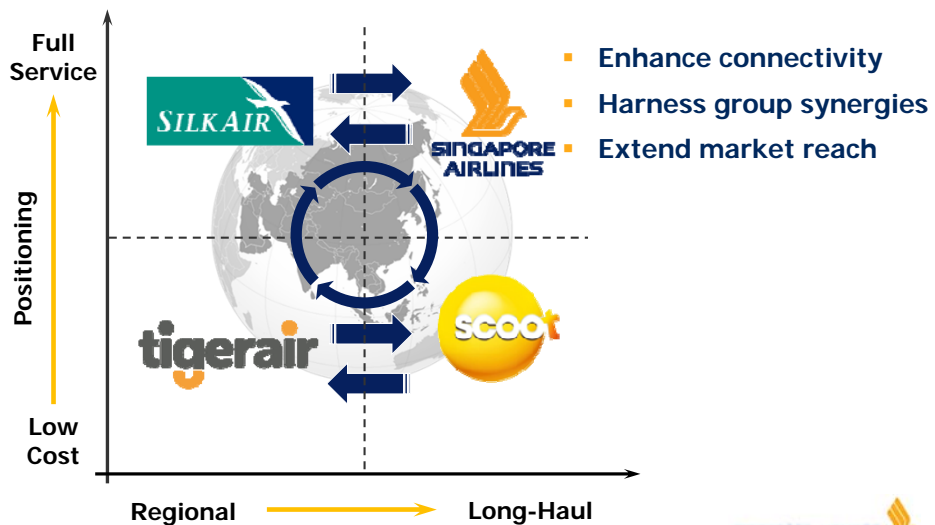
Enables:

- Seamless cooperation in all aspects of the business
- Full synergies within the SIA Group
- Strengthening of benefits to SIA Group Portfolio Strategy
- New profit generation opportunities

Slide 33



PORTFOLIO



- Enhance connectivity
- Harness group synergies
- Extend market reach

Slide 34



SIA and SilkAir serve 98 destinations



The SIA Group serves 122 destinations



MULTI-HUB

- New growth engines in large and expanding markets
- Synergies with Singapore hub



vistara

- Large and growing market
- 16 destinations and 10 A320s (10 A320s on order)



nokscoot

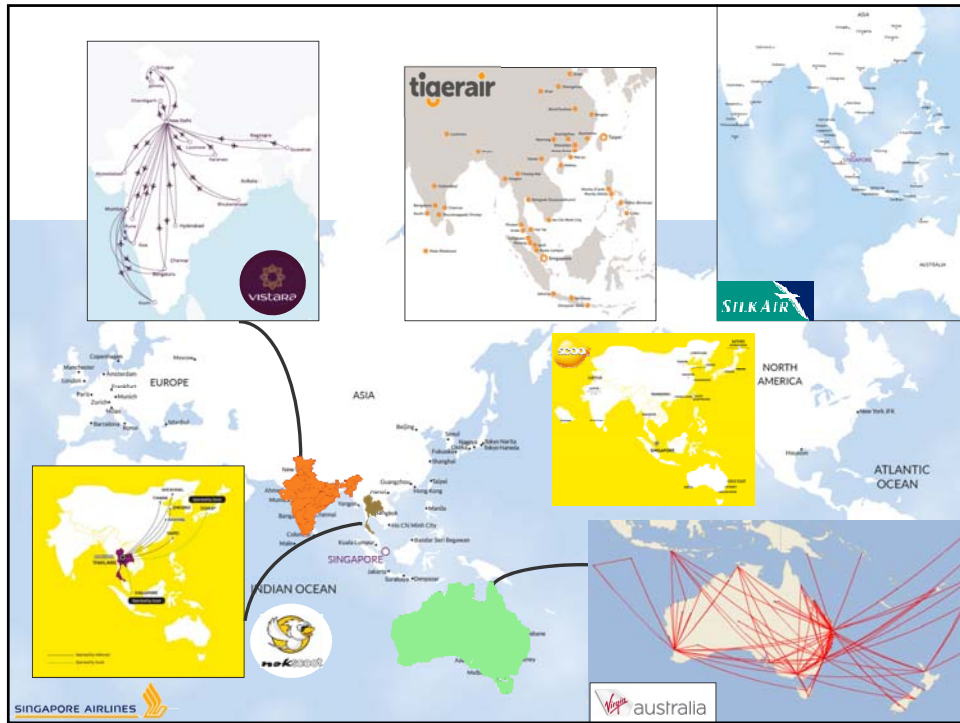
- Strong budget travel market
- 5 destinations and 3 B777-200s

Slide 37

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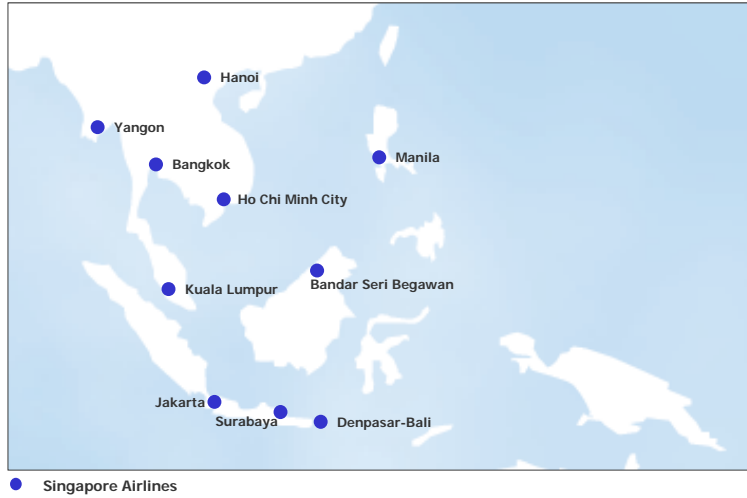
The SIA Group serves 122 destinations





SOUTHEAST ASIA

SIA serves 10 destinations

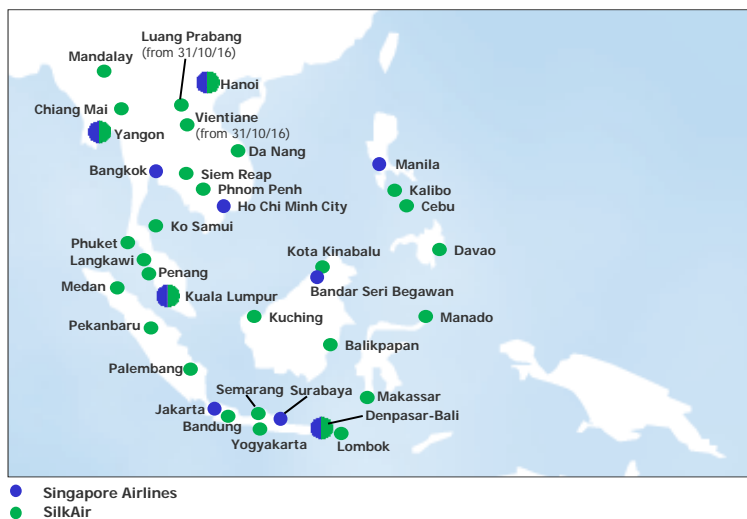


Slide 41



SOUTHEAST ASIA

SIA and SilkAir serve 36 destinations

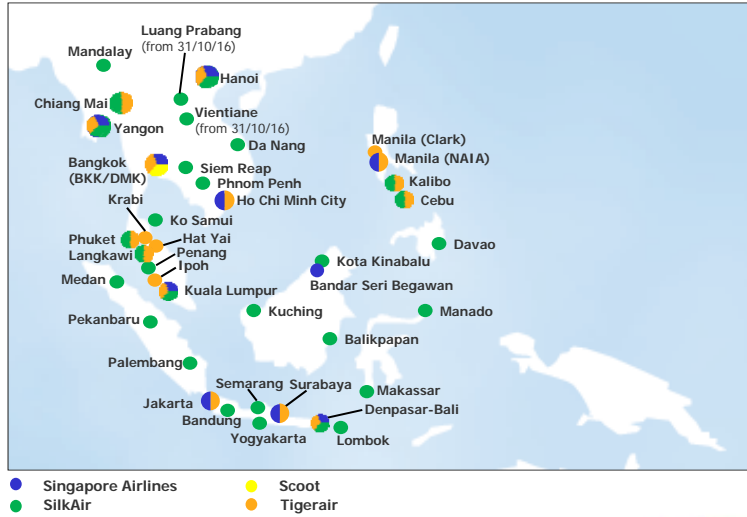


Slide 42



SOUTHEAST ASIA

The SIA Group serves 41 destinations

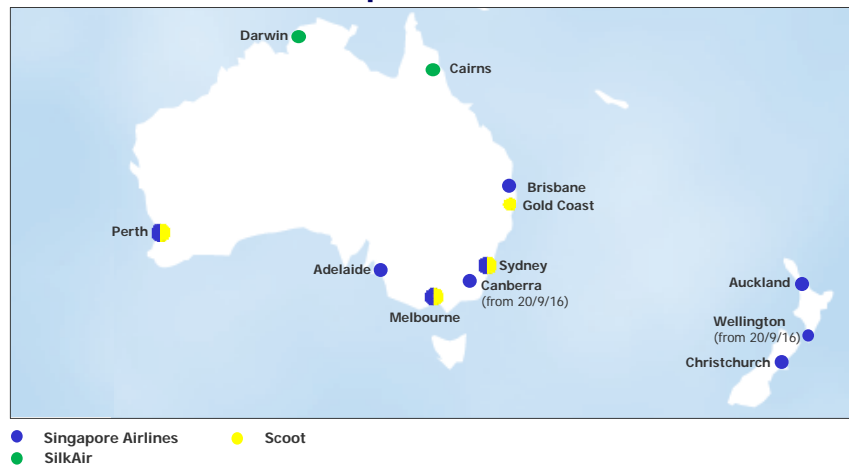


Slide 43



SOUTHWEST PACIFIC

The SIA Group serves 12 destinations

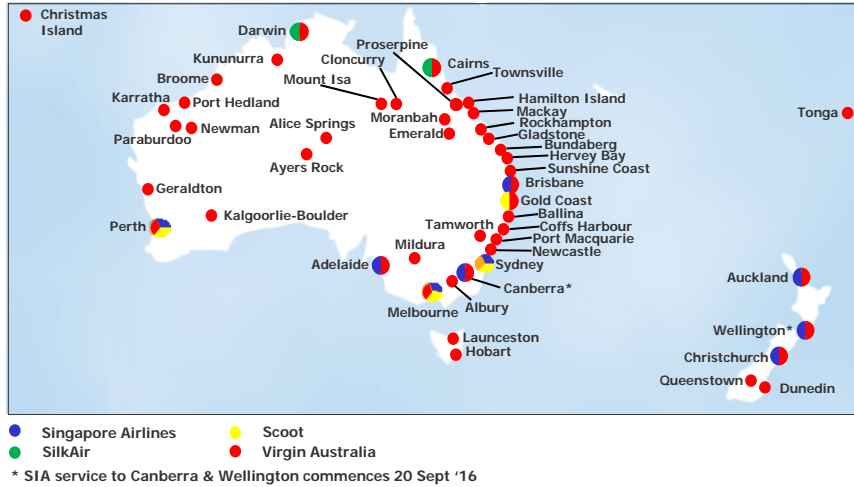


Slide 44



SOUTHWEST PACIFIC

The SIA Group and Virgin Australia serve 48 destinations



Slide 45



CHINA

SIA and SilkAir serve 10 destinations



Slide 46



CHINA

The SIA Group serves 23 destinations



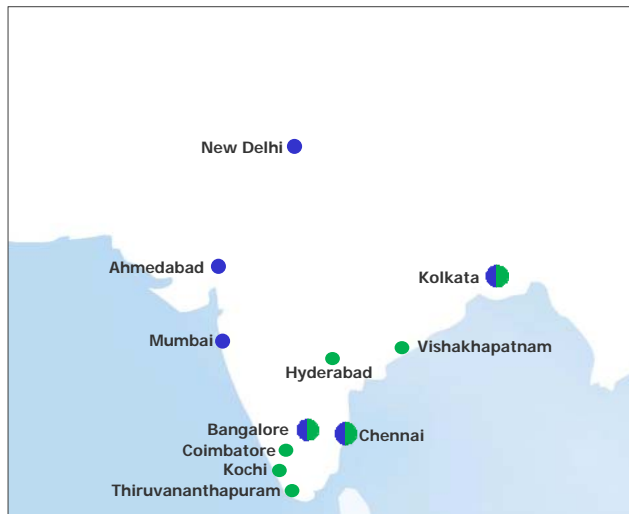
Slide 47

- Singapore Airlines
- SilkAir
- Scoot
- Tigerair
- NokScoot



INDIA

SIA and SilkAir serve 11 Destinations



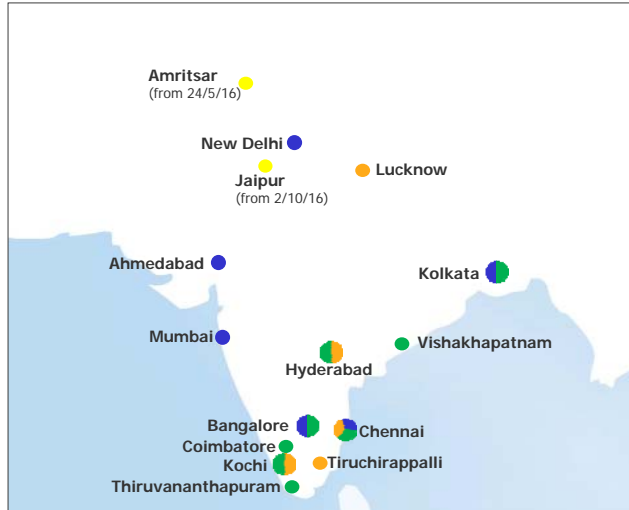
Slide 48

- Singapore Airlines
- SilkAir



INDIA

The SIA Group serves 15 destinations



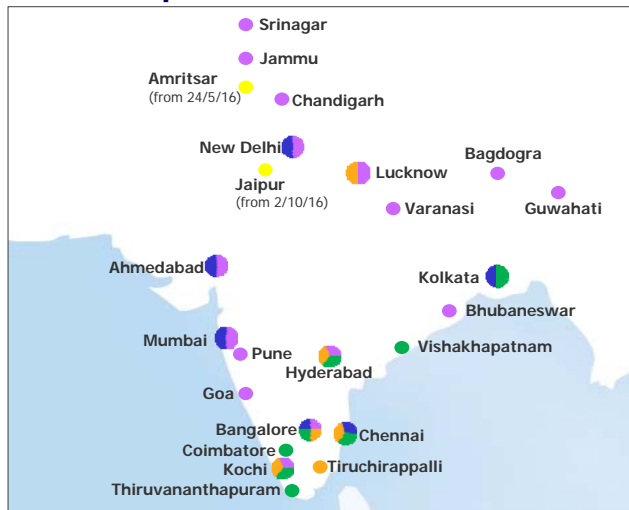
Slide 49

- Singapore Airlines
- Scoot
- SilkAir
- Tigerair



INDIA

The SIA Group and Vistara serve 24 destinations



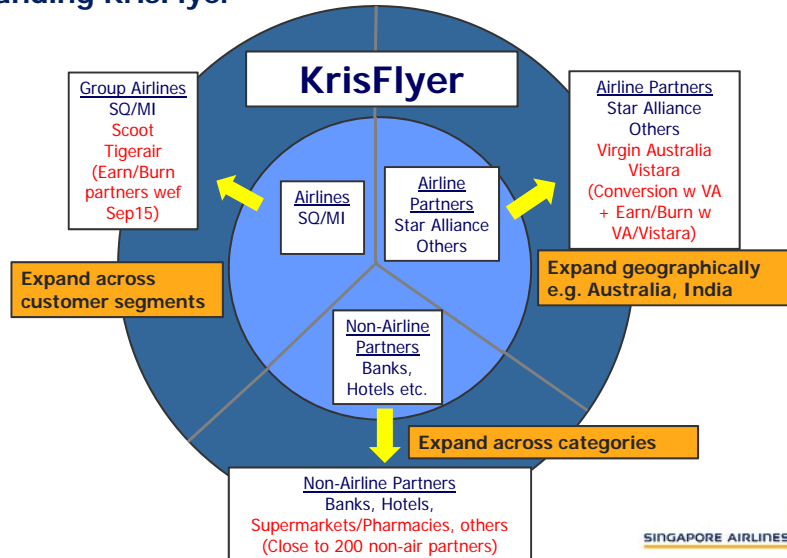
Slide 50

- Singapore Airlines
- Scoot
- SilkAir
- Tigerair
- Vistara



NEW REVENUE & BUSINESS OPPORTUNITIES

Expanding KrisFlyer



NEW REVENUE & BUSINESS OPPORTUNITIES

Airbus Asia Training Centre

- Inaugurated on 18 Apr 2016 at the Seletar Aerospace Park
- Seventeen airlines have signed up for training courses
- AATC has five full flight simulators for the A320, A330, A350 and A380 currently
- Once fully functional, AATC will be able to accommodate more than 10,000 trainees a year



Slide 52

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THANK YOU