



SEAMLESS TO SEATTLE



**SIA Group
Q3 and 9M FY2018/19 Results
15 February 2019**

PARENT AIRLINE COMPANY

Q3 & 9M FY2018/19

PARENT AIRLINE COMPANY

Q3 & 9M FY2018/19

Operating Results

	<u>Q3</u>	<u>Q3</u>	<u>Better/</u>	<u>9M</u>	<u>9M</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	3,517.4	3,301.2	6.5	9,890.6	9,597.2	3.1
Total Expenditure	3,148.7	2,935.0	(7.3)	9,103.7	8,542.0	(6.6)
-- Net fuel cost	1,032.3	849.5	(21.5)	2,860.0	2,398.4	(19.2)
<i>Fuel cost</i>	<i>1,113.4</i>	<i>885.4</i>	<i>(25.8)</i>	<i>3,170.6</i>	<i>2,408.0</i>	<i>(31.7)</i>
<i>Fuel hedging gain</i>	<i>(81.1)</i>	<i>(35.9)</i>	<i>125.9</i>	<i>(310.6)</i>	<i>(9.6)</i>	<i>n.m.</i>
-- Non-fuel expenditure	2,116.4	2,085.5	(1.5)	6,243.7	6,143.6	(1.6)
Operating Profit	368.7	366.2	0.7	786.9	1,055.2	(25.4)
Operating Profit Margin (%)	10.5	11.1	(0.6) pt	8.0	11.0	(3.0) pts

*Restated due to IFRS1, and adjusted prior year's comparatives to take into account of SIA Cargo integration within the Parent Airline Company

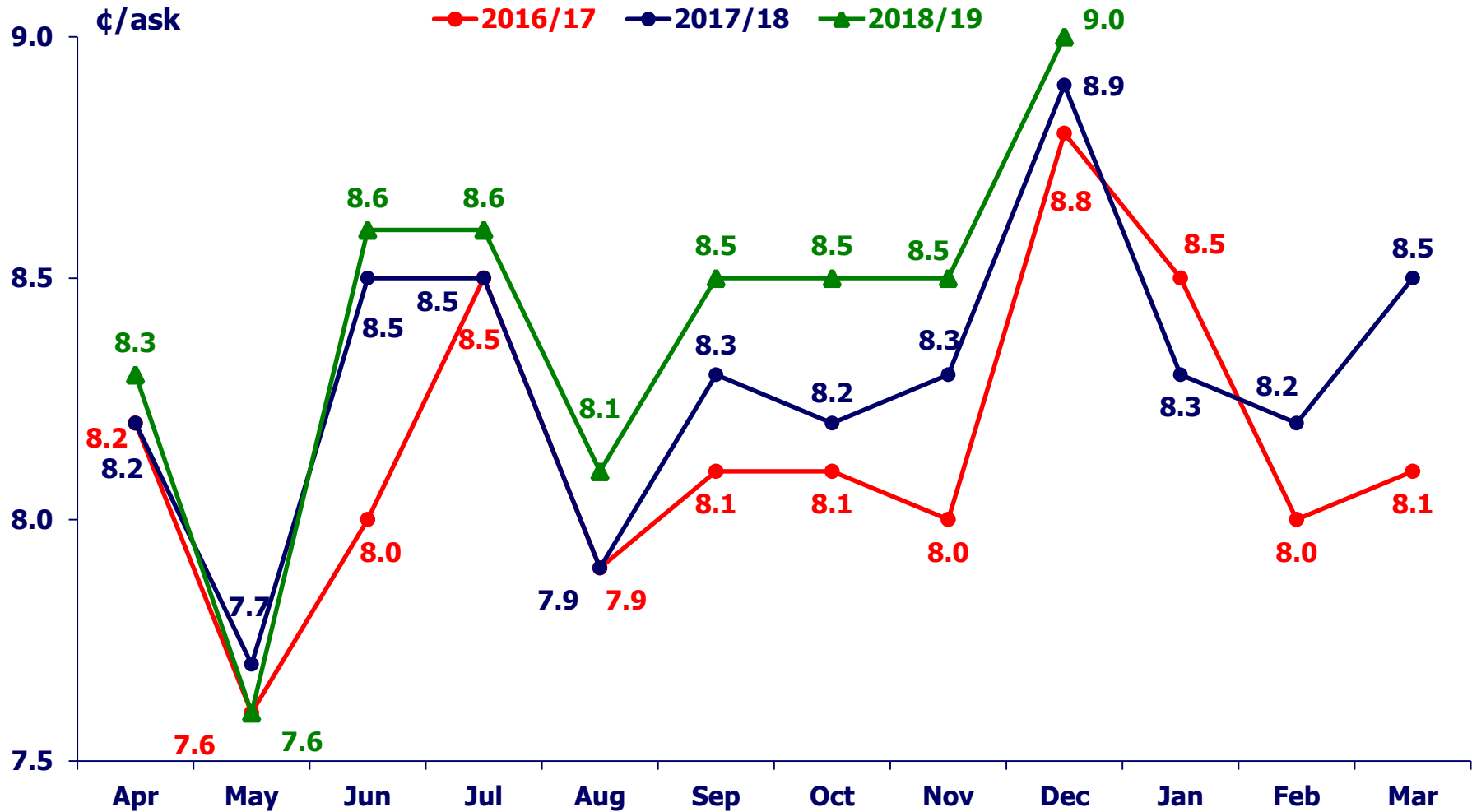
PARENT AIRLINE COMPANY (PAX)

Q3 & 9M FY2018/19

	<u>Q3</u> <u>FY18/19</u>	<u>Change</u> <u>%</u>	<u>9M</u> <u>FY18/19</u>	<u>Change</u> <u>%</u>
Revenue Passenger-KM (M)	26,302.6	7.3	76,905.2	6.4
Available Seat-KM (M)	31,537.9	5.0	92,057.5	3.4
Passenger Load Factor (%)	83.4	1.8 pts	83.5	2.3 pts
Pax Yield (¢/pkm)	10.4	-	10.1	(1.0)
RASK (¢/ask)	8.7	2.4	8.4	1.2
Passenger Unit Cost (¢/ask)	8.4	3.7	8.3	3.8
Passenger Ex-fuel Unit Cost (¢/ask)	5.4	(1.8)	5.4	(1.8)

PARENT AIRLINE COMPANY (PAX) Q3 & 9M FY2018/19

Monthly RASK



PARENT AIRLINE COMPANY (CARGO)

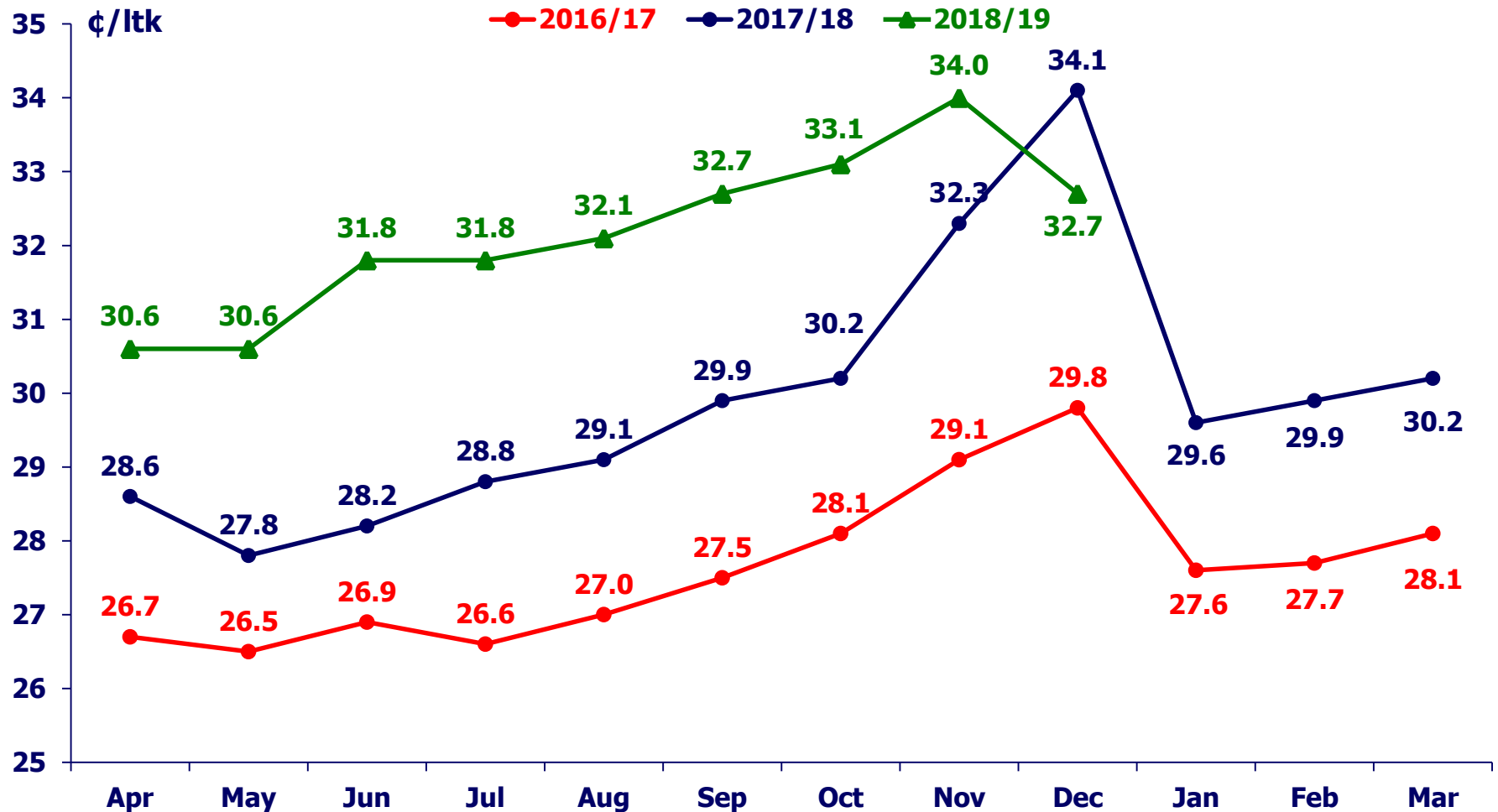
Q3 & 9M FY2018/19

	<u>Q3</u> <u>FY18/19</u>	<u>Change</u> <u>%</u>	<u>9M</u> <u>FY18/19</u>	<u>Change</u> <u>%</u>
Cargo Load Tonne-KM (M)	1,906.4	(2.8)	5,398.9	(2.5)
Cargo Capacity Tonne-KM (M)	2,886.4	0.5	8,478.1	1.1
Cargo Load Factor (%)	66.0	(2.3) pts	63.7	(2.3) pts
Cargo Yield (¢/ltk)	33.3	3.4	32.2	7.3
Cargo Unit Cost (¢/ctk)	17.2	6.2	16.7	2.5

PARENT AIRLINE COMPANY (CARGO)

Q3 & 9M FY2018/19

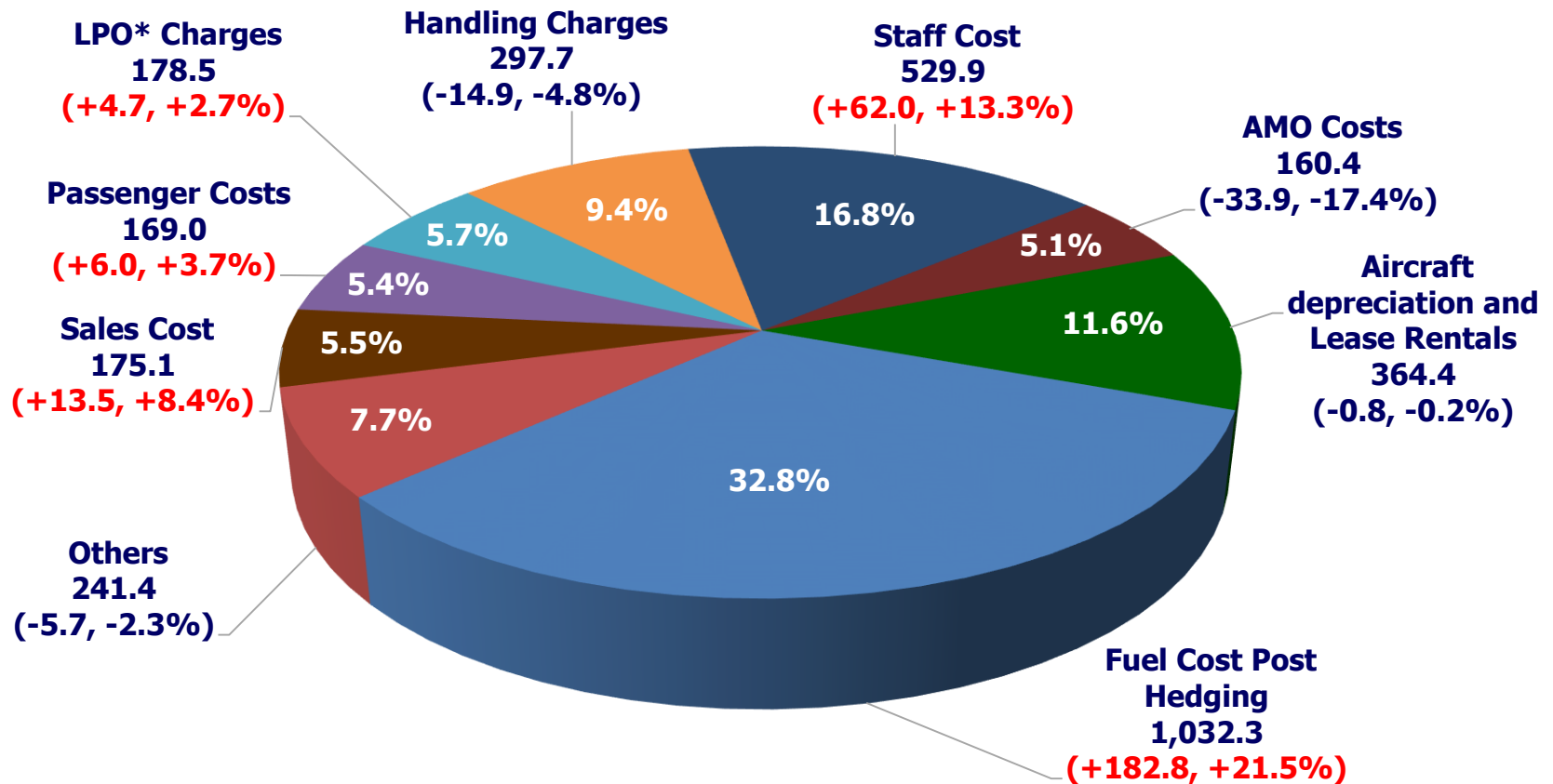
Monthly Cargo Yields



PARENT AIRLINE COMPANY

Q3 FY2018/19

Cost Composition (\$M)



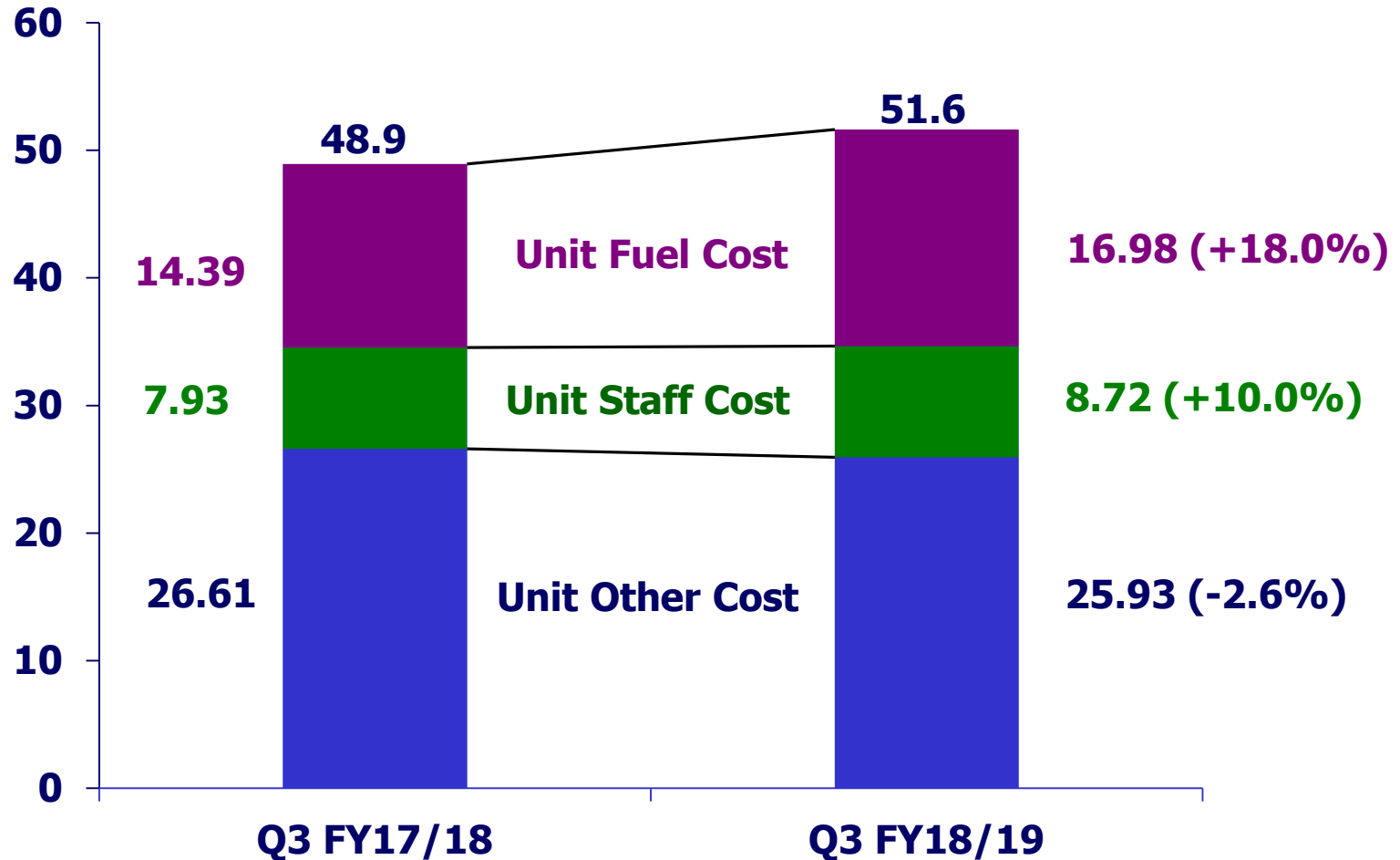
*Landing, Parking and Overflying

PARENT AIRLINE COMPANY

Q3 FY2018/19

Overall Unit Cost Analysis

¢/ctk



SIA GROUP

Q3 & 9M FY2018/19

SIA GROUP – Q3 & 9M FY2018/19

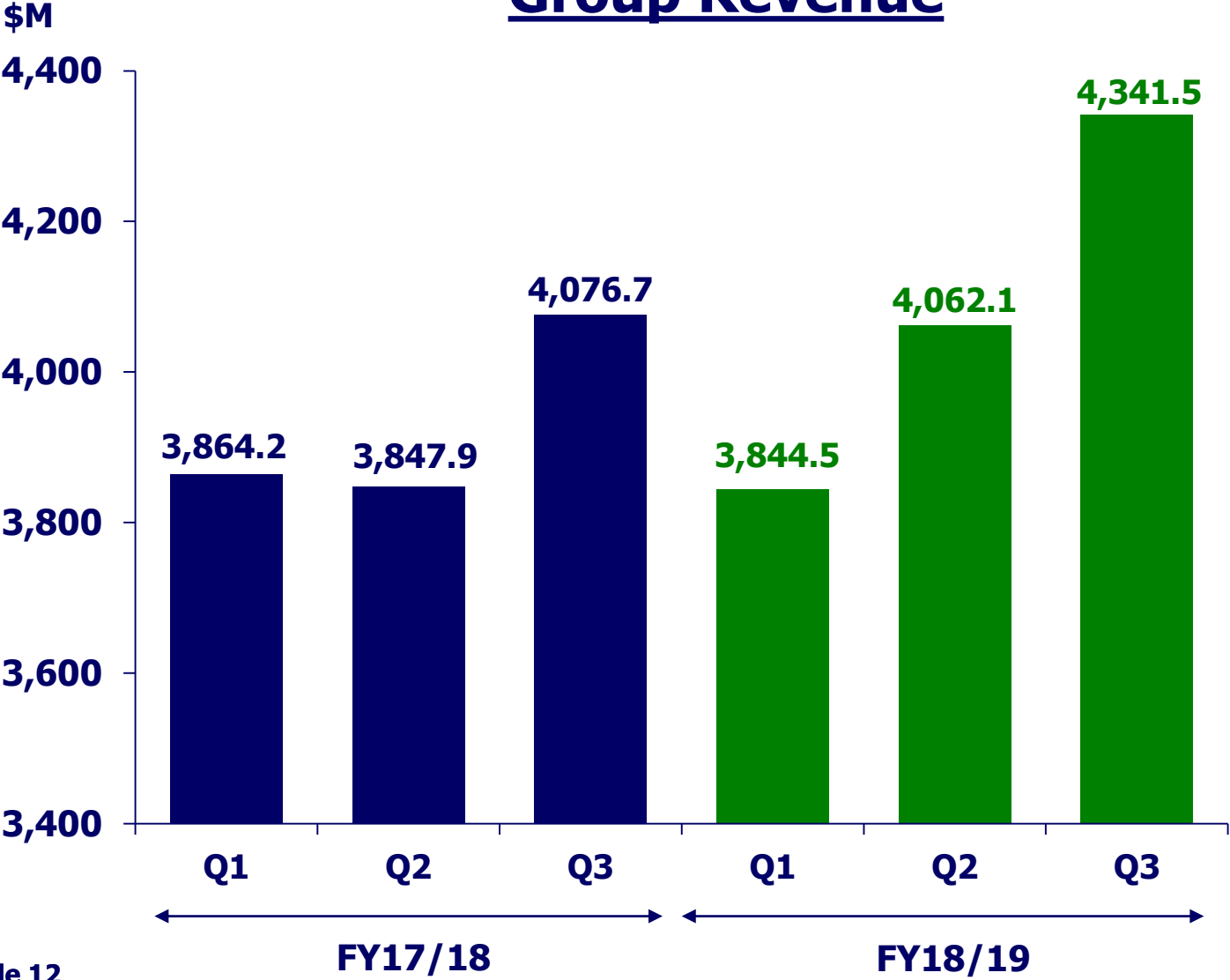
Operating Results

	<u>Q3</u>	<u>Q3</u>	<u>Better/</u>	<u>9M</u>	<u>9M</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	4,341.5	4,076.7	6.5	12,248.1	11,788.8	3.9
Total Expenditure	3,953.9	3,623.0	(9.1)	11,434.5	10,573.4	(8.1)
-- Net fuel cost	1,252.0	1,024.7	(22.2)	3,487.5	2,880.8	(21.1)
<i>Fuel cost</i>	<i>1,353.9</i>	<i>1,068.7</i>	<i>(26.7)</i>	<i>3,873.3</i>	<i>2,895.9</i>	<i>(33.8)</i>
<i>Fuel hedging gain</i>	<i>(101.9)</i>	<i>(44.0)</i>	<i>131.6</i>	<i>(385.8)</i>	<i>(15.1)</i>	<i>n.m.</i>
-- Non-fuel expenditure	2,701.9	2,598.3	(4.0)	7,947.0	7,692.6	(3.3)
Operating Profit	387.6	453.7	(14.6)	813.6	1,215.4	(33.1)
Operating Profit Margin (%)	8.9	11.1	(2.2) pts	6.6	10.3	(3.7) pts

*Restated due to the adoption of IFRS, reducing prior year's depreciation by \$124.3M (Q3) and \$372.6M (9M)

SIA GROUP – Q3 & 9M FY2018/19

Group Revenue

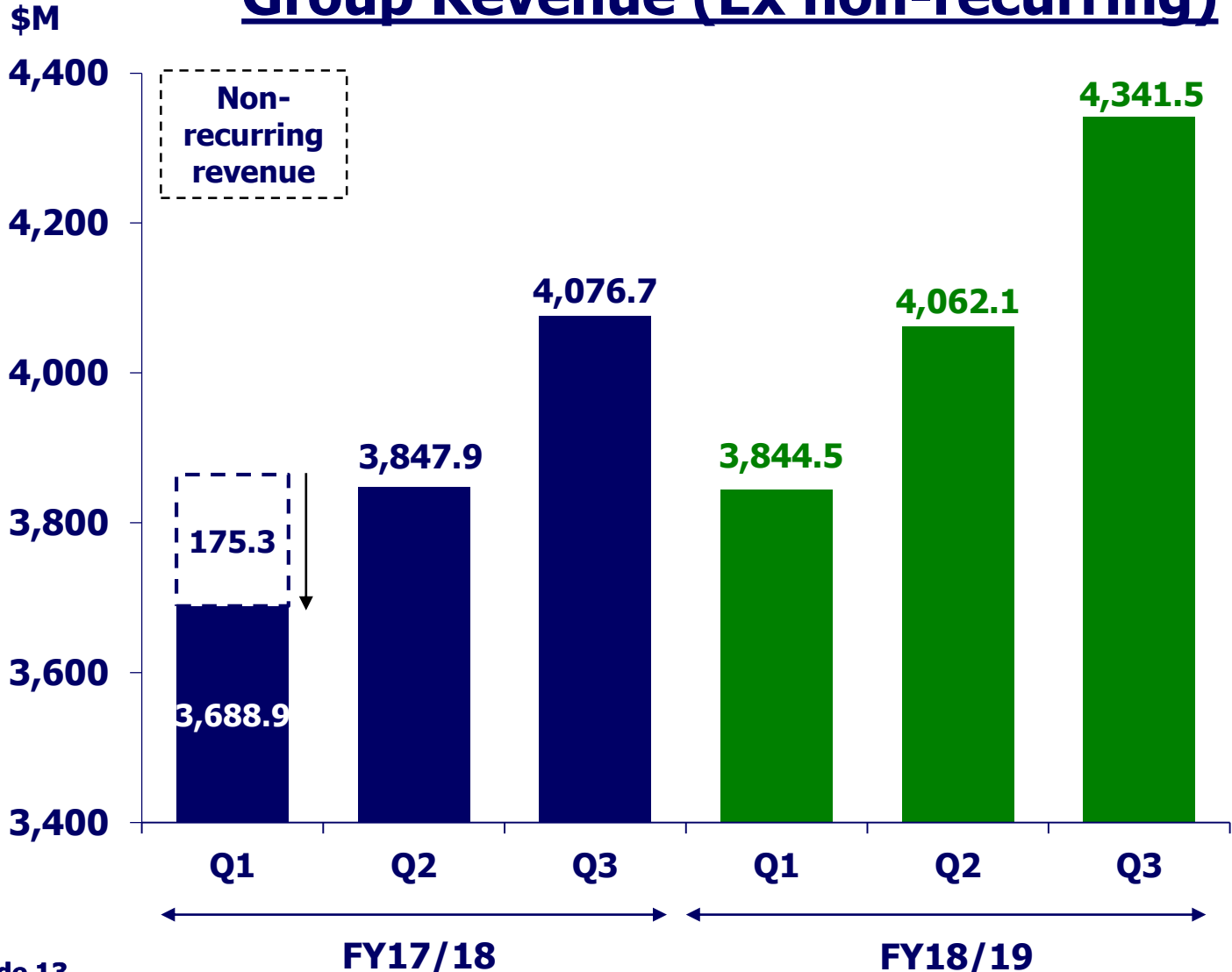


9M FY18/19
\$12,248.1M

Year-on-Year
↑ \$459.3M
(+3.9%)

SIA GROUP – Q3 & 9M FY2018/19

Group Revenue (Ex non-recurring)

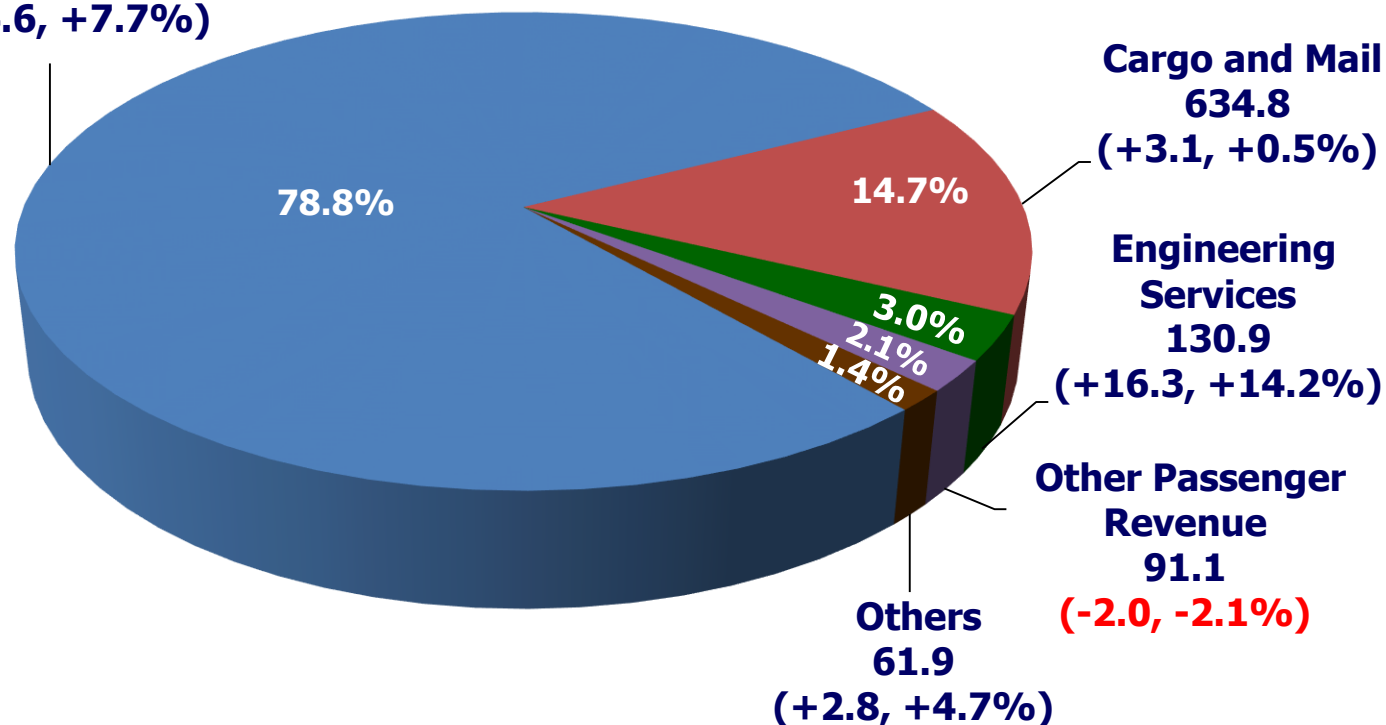


SIA GROUP – Q3 FY2018/19

Revenue Breakdown (\$M)

Passenger Flown Revenue

3,422.8
(+244.6, +7.7%)



Cargo and Mail
634.8
(+3.1, +0.5%)

Engineering
Services
130.9
(+16.3, +14.2%)

Other Passenger
Revenue
91.1
(-2.0, -2.1%)

Others
61.9
(+2.8, +4.7%)

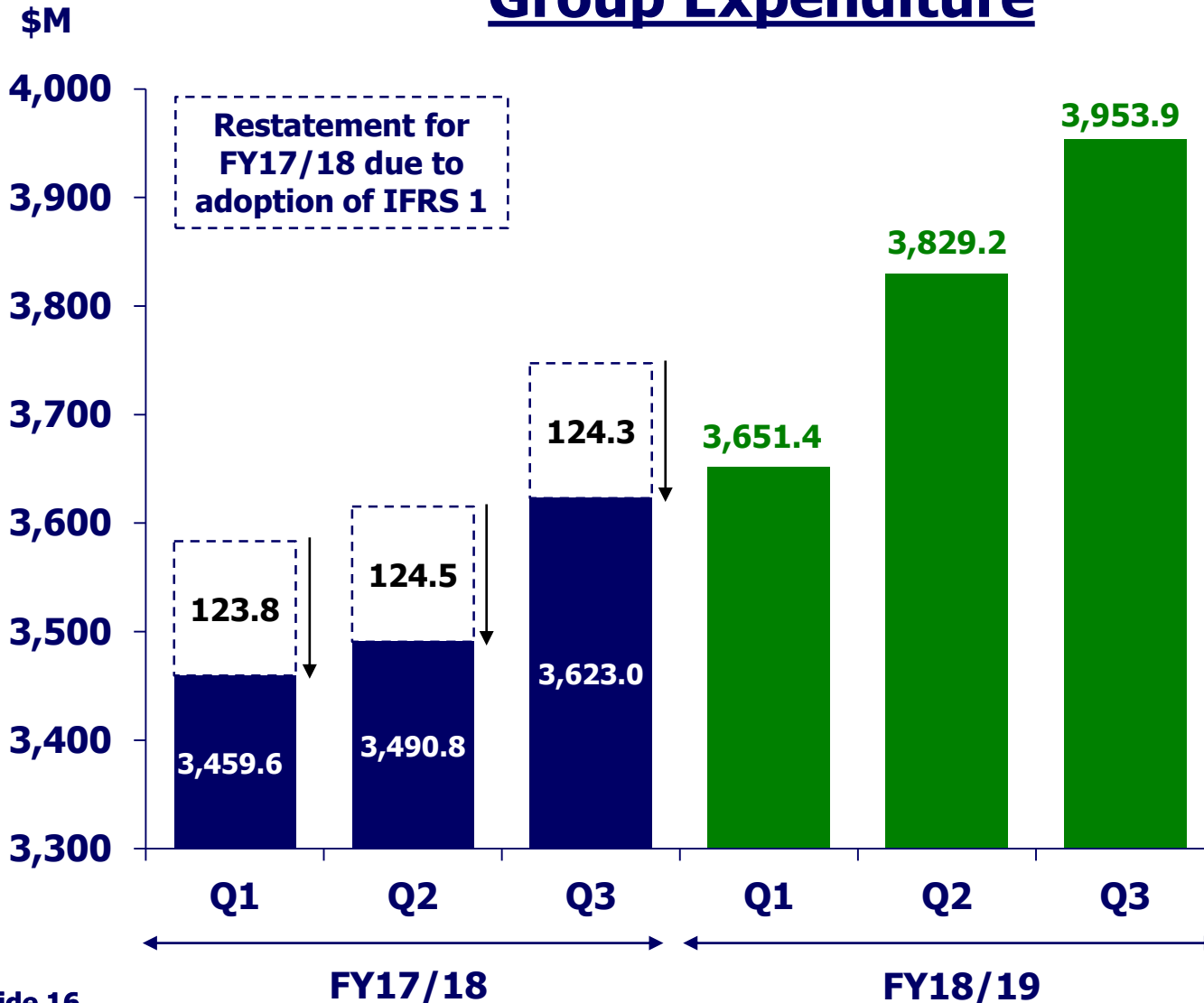
SIA GROUP – Q3 FY2018/19

Breakdown of Change in Flown Revenue & Statistics

	<u>Flown Revenue</u> <u>against</u> <u>last year</u> <u>\$M</u>	<u>Yields</u> <u>against last</u> <u>year</u> <u>%</u>	<u>RASK</u> <u>against last</u> <u>year</u> <u>%</u>	<u>Carriage/Load</u> <u>against last</u> <u>year</u> <u>%</u>	<u>Capacity</u> <u>against last</u> <u>year</u> <u>%</u>
SIA (Pax)	+ 195.2	-	+ 2.4	+ 7.3	+ 5.0
SilkAir	+ 4.6	- 1.8	+ 1.2	+ 3.8	+ 0.7
Scout	+ 39.8	- 1.7	- 5.8	+ 12.1	+ 17.0
SIA (Cargo)	+ 3.1	+ 3.4	-	- 2.8	+ 0.5

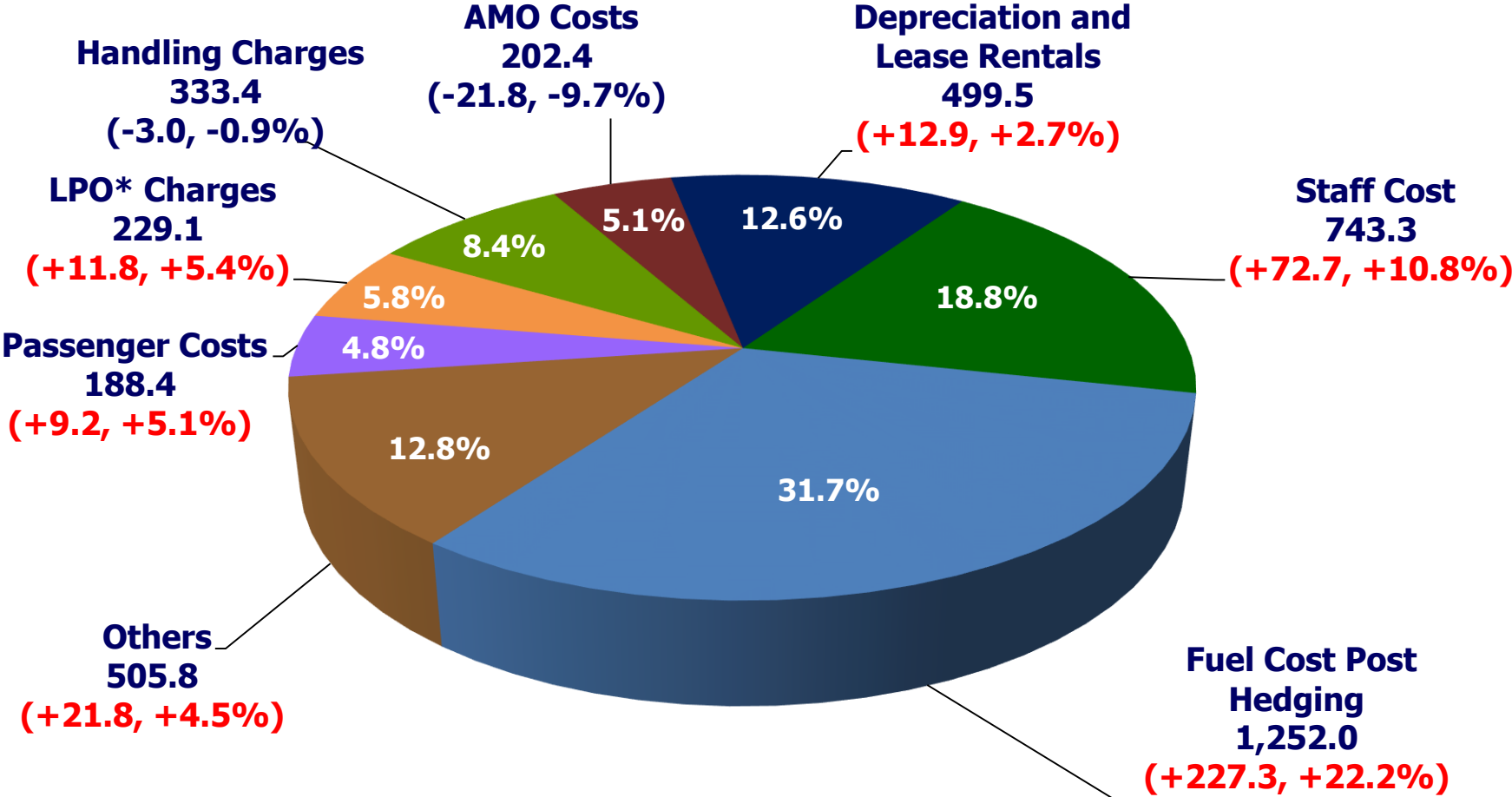
SIA GROUP – Q3 & 9M FY2018/19

Group Expenditure



SIA GROUP – Q3 FY2018/19

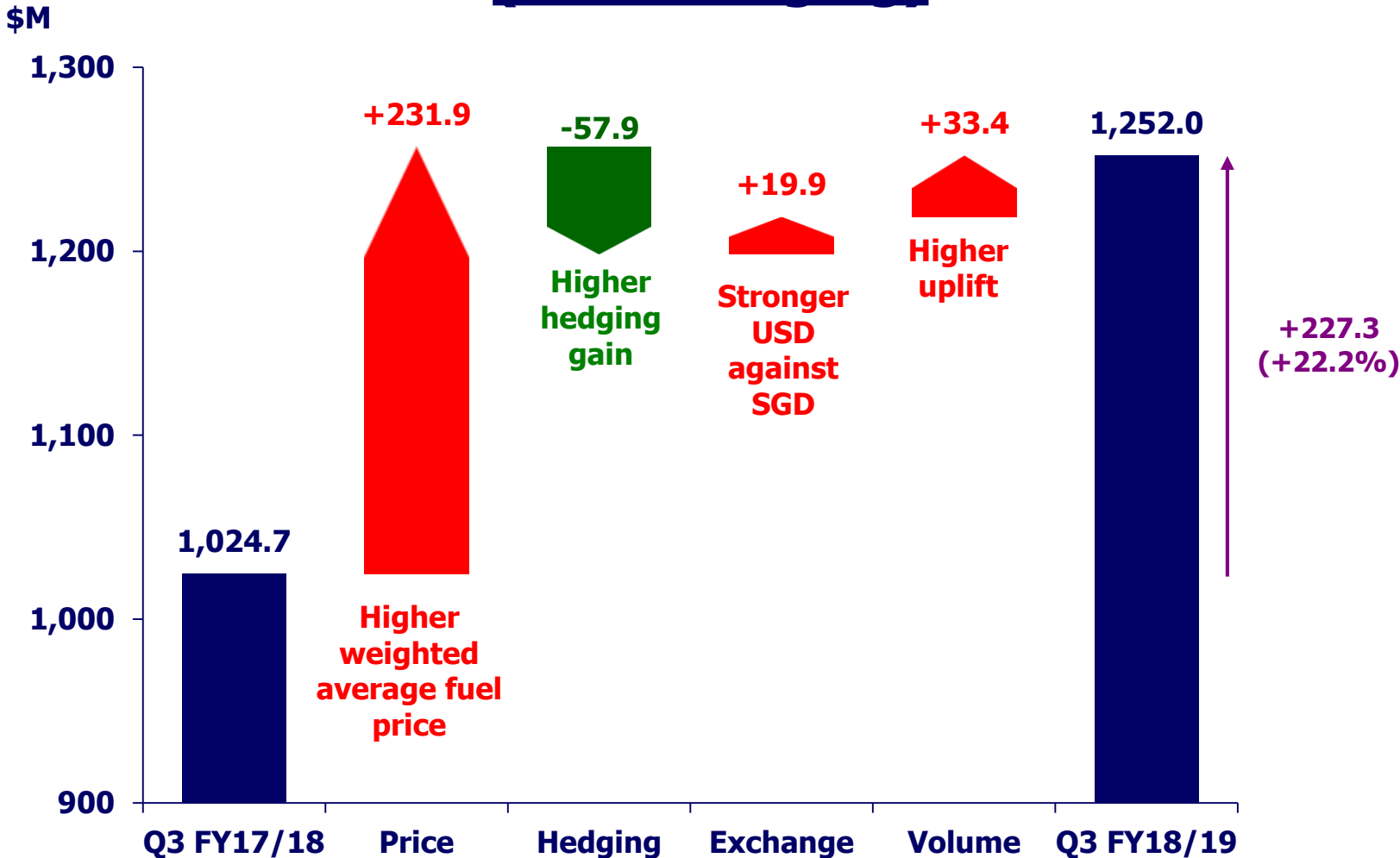
Cost Composition (\$M)



*Landing, Parking and Overflying

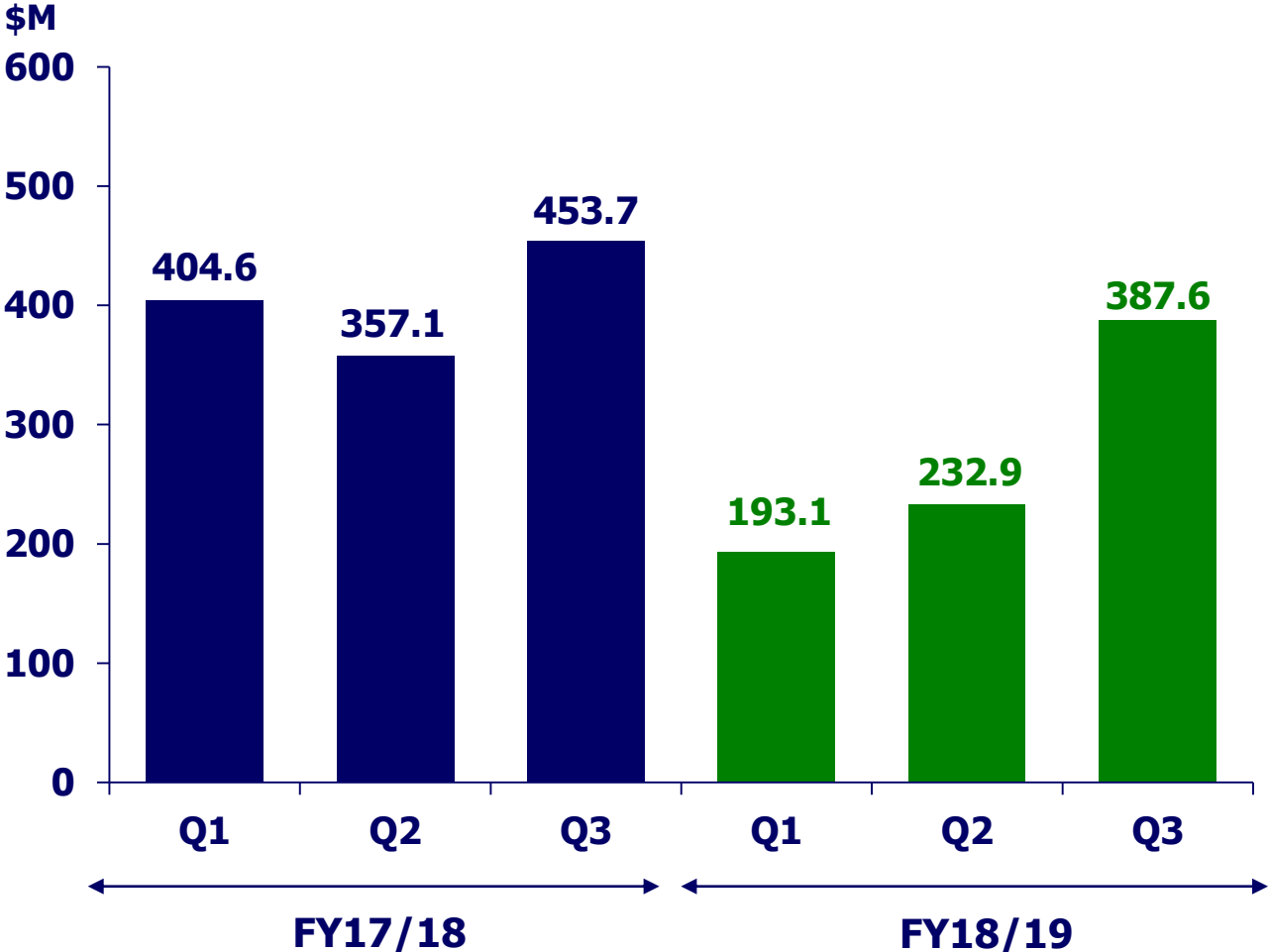
SIA GROUP – Q3 FY2018/19

Composition of Increase in Fuel Cost (After Hedging)



SIA GROUP – Q3 & 9M FY2018/19

Group Operating Profit

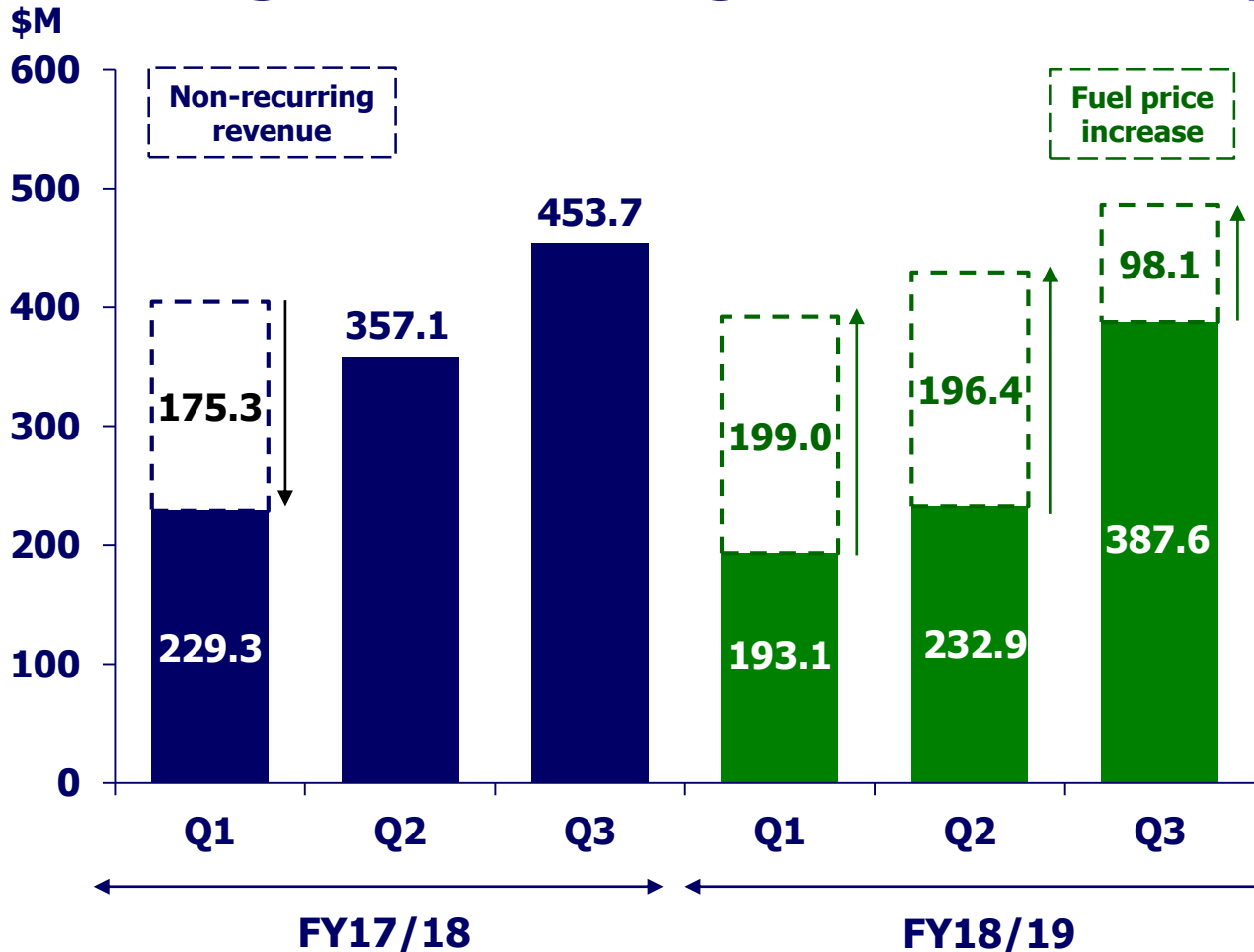


**9M FY18/19
Op. Profit
\$813.6M**

**Year-on-Year
↓ -\$401.8M
(-33.1%)**

SIA GROUP – Q3 & 9M FY2018/19

Group Operating Profit (excluding non-recurring revenue & fuel price increase)



**9M FY18/19
Op. Profit
\$1,307.1M**

**Year-on-Year
+\$267.0M
(+25.7%)**

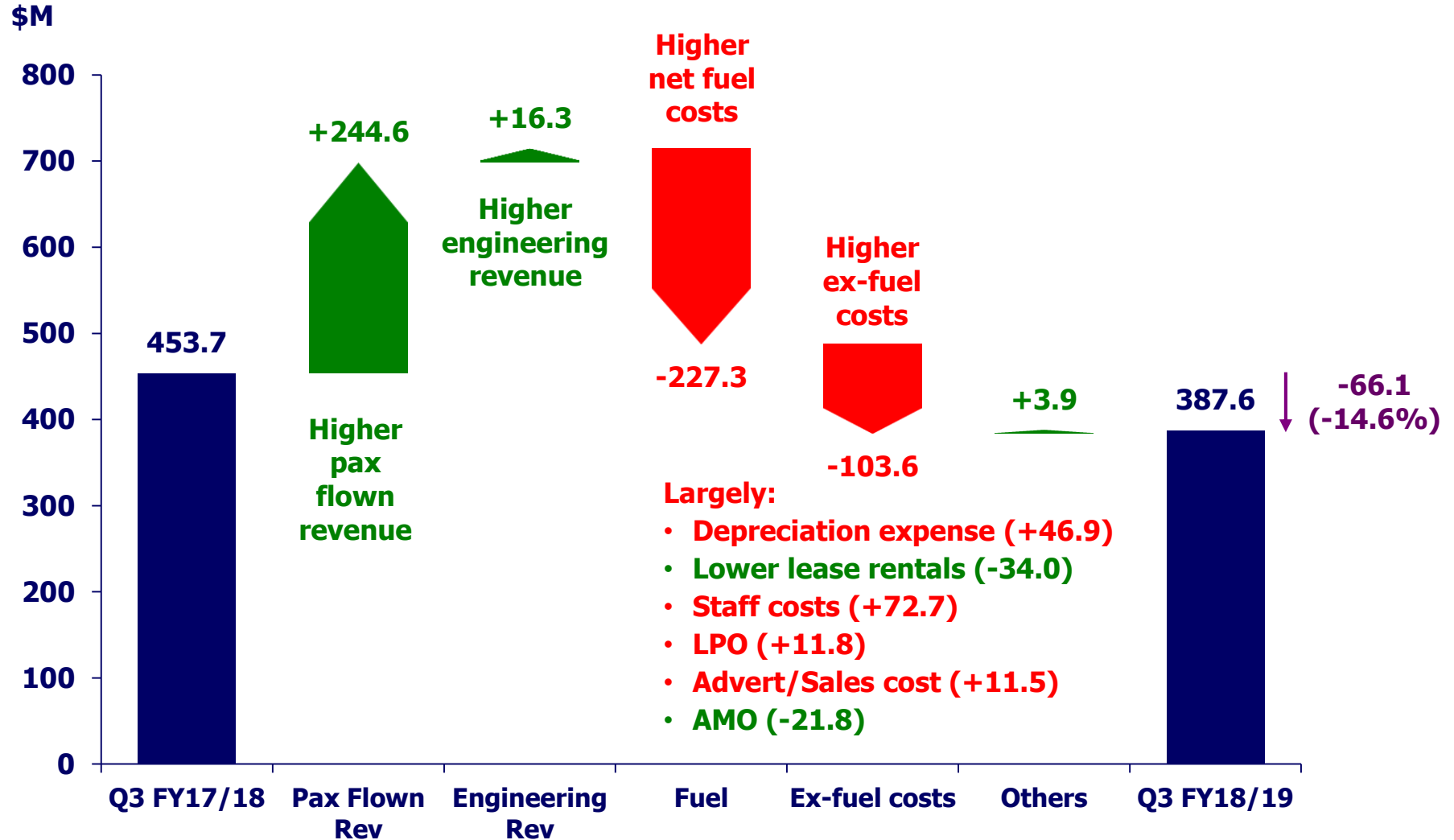
Fuel Price (USD/BBL):

Q3: \$91.4 vs \$75.5 (+21% yoy)

9M: \$91.2 vs \$68.8 (+33% yoy)

SIA GROUP – Q3 FY2018/19

Composition of Decrease in Operating Profit



SIA GROUP – Q3 FY2018/19

Group Operating Profit

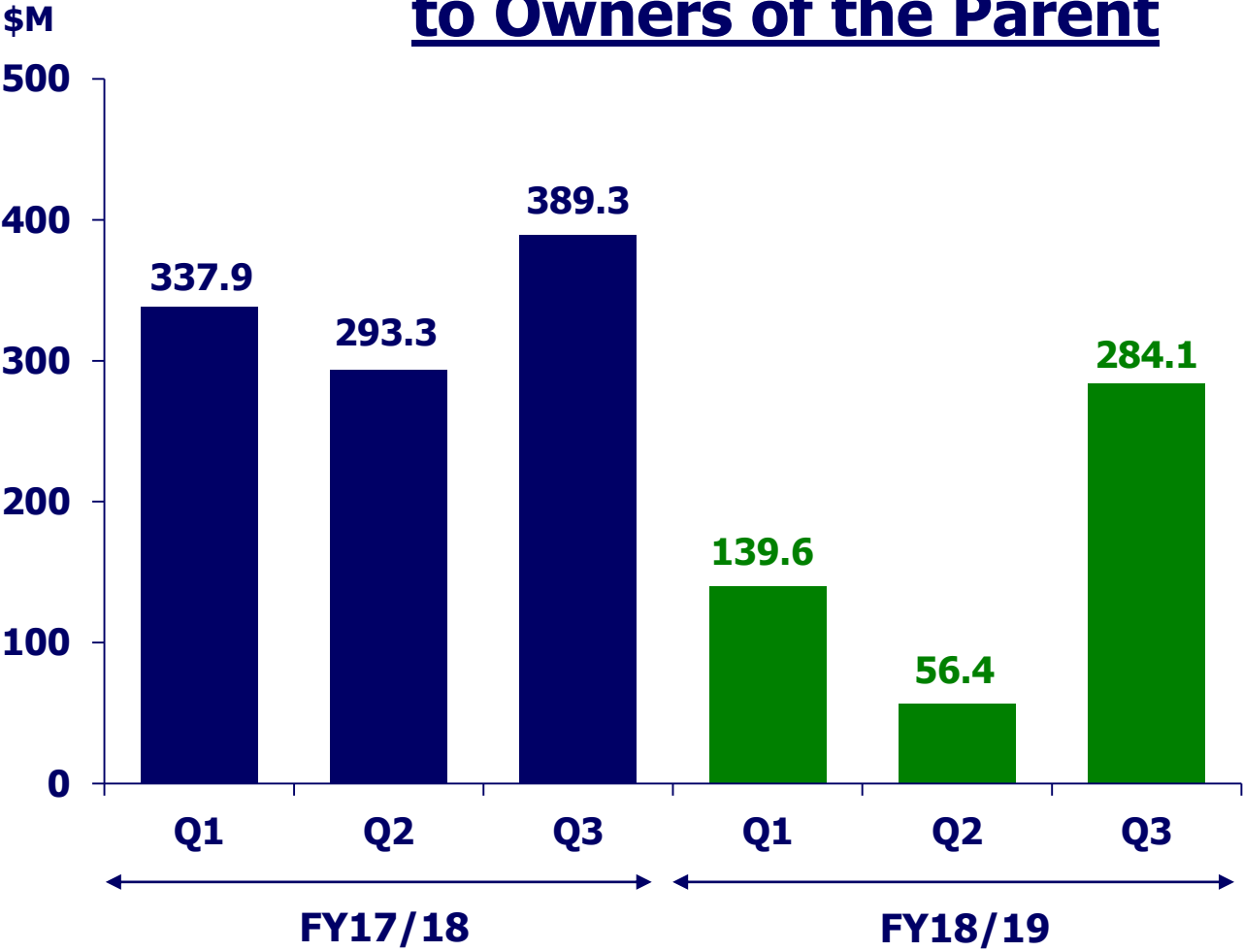
	<u>Q3</u> <u>FY18/19</u> <u>(\$M)</u>	<u>Q3</u> <u>FY17/18^{R1}</u> <u>(\$M)</u>	<u>Better/</u> <u>(Worse)</u> <u>(\$M)</u>	<u>Better/</u> <u>(Worse)</u> <u>(%)</u>
SIA^{R2}	369	366	3	0.8
SIAEC Group	16	19	(3)	(15.8)
SilkAir	7	19	(12)	(63.2)
Scoot	1	43	(42)	(97.7)

^{R1} Restated depreciation for prior year due to the adoption of IFRS 1

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

SIA GROUP – Q3 & 9M FY2018/19

Group Profit Attributable to Owners of the Parent

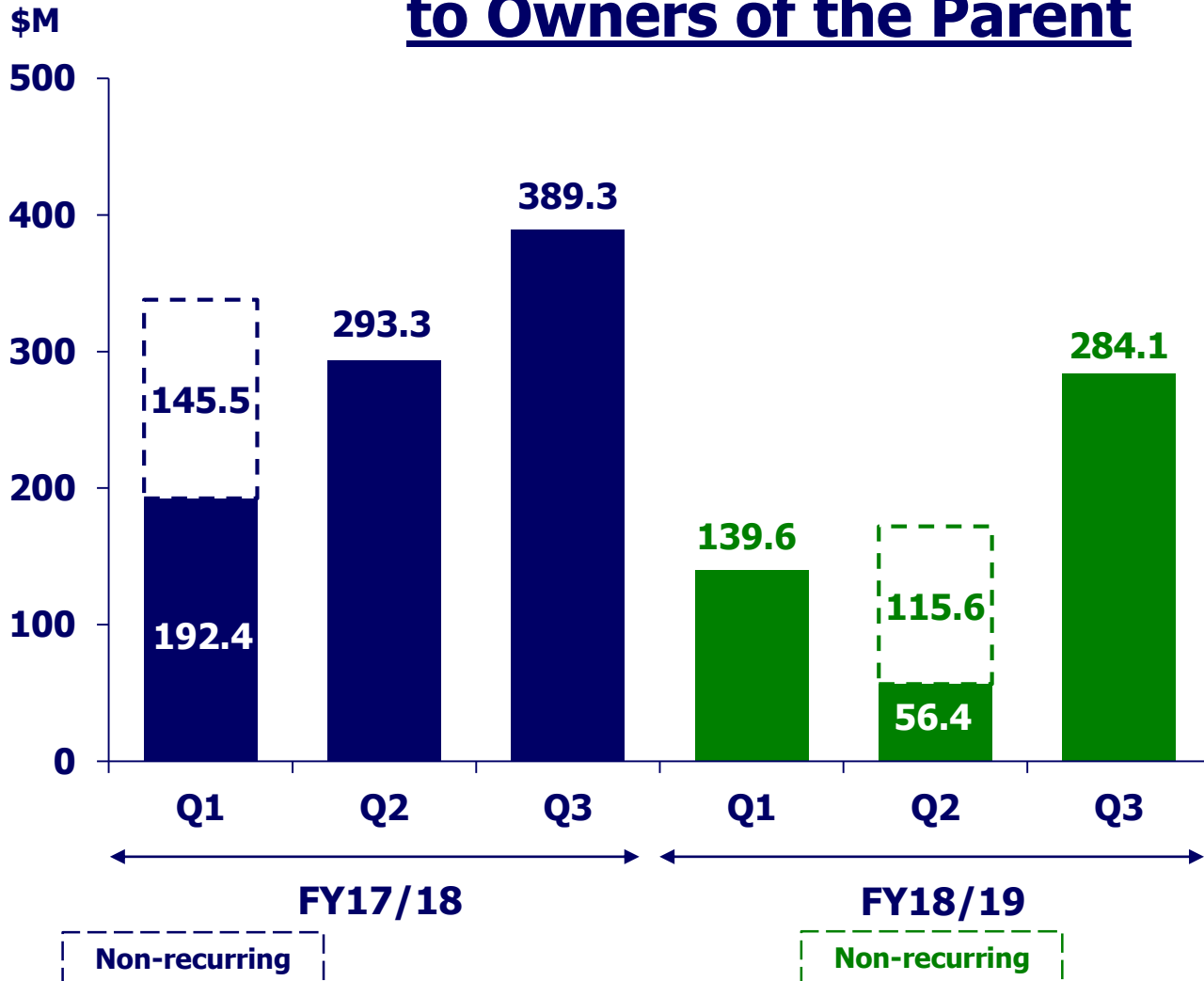


**9M FY18/19
Net Profit
\$480.1M**

**Year-on-Year
↓ -\$540.4M
(-53.0%)**

SIA GROUP – Q3 & 9M FY2018/19

Adjusted Group Profit Attributable to Owners of the Parent

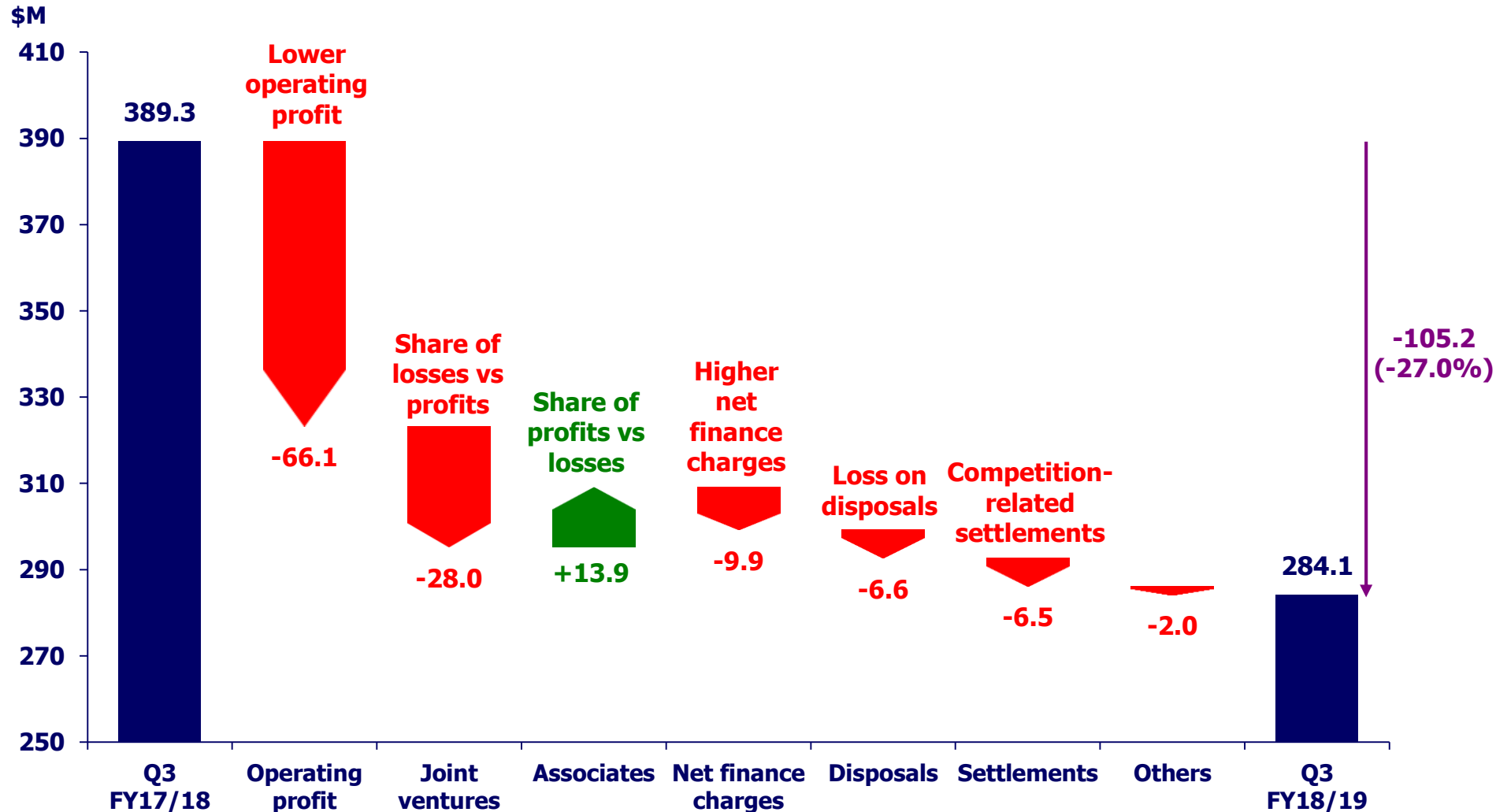


**9M FY18/19
Net Profit
\$595.7M**

**Year-on-Year
↓ -\$279.3M
(-31.9%)**

SIA GROUP – Q3 FY2018/19

Group Profit Attributable to Owners of the Parent



SIA GROUP – FUEL HEDGING POSITION

Q4 FY18/19	Jet Fuel	Brent
Percentage hedged (%)	80	-
Average hedged price (USD/bbl)	74	-

FY19/20	Jet Fuel	Brent
Percentage hedged (%)	54	15
Average hedged price (USD/bbl)	76	55

FY20/21 to FY23/24	Jet Fuel	Brent
Percentage hedged (%)	7%	Up to 45%
Average hedged price (USD/bbl)	77	58-63

Note: Fuel hedging position as at 12 February 2019

SIA GROUP – OPERATING FLEET

Group Operating Fleet:	As At 30 Sep'18	In	Out	As At 31 Dec'18
A330-300	19		- 1	18
A380-800	19			19
A350-900	21	+ 8		29
777	45		- 1	44
787-10	6	+ 2		8
747-400F	7			7
SIA Total:	117	+ 10	- 2	125
A319	2			2
A320	8			8
737-800	17			17
737 MAX 8	5			5
SilkAir Total:	32	-	-	32
A319	2			2
A320	24	+ 2	- 1	25
A320neo	-	+ 1		1
787-8	10			10
787-9	8			8
Scoot Total:	44	+ 3	- 1	46
Group Total:	193	+ 13	- 3	203



THANK YOU