1H FY05/06 Performance Review Analyst/ Media Briefing

28 October 2005

Financial Review

Summary of Group Results – 1H FY05/06

	FY05/06	FY04/05	Variance
	1H	1H	
	S\$M	S\$M	%
	4CO F	(restated)	- 10 C
Revenue	463.5	408.0	+ 13.6
Expenditure	404.1	347.9	+ 16.2
Operating Profit	59.4	60.1	- 1.2
Share of associate and JV profits	52.1	34.0	+ 53.2
Profit attributable to shareholders	105.6	85.4	+ 23.7
Net profit margin (%)	22.8	20.9	+ 1.9 pts

Group Revenue Composition

	FY05/06	FY04/05	Variance
	1H	1H	
	S\$M	S\$M	%
		(restated)	
Labour revenue	325.8	271.4	+ 20.0
Material revenue	110.4	109.5	+ 0.8
Fleet management	15.7	13.2	+ 18.9
Others	11.6	13.9	- 16.5
Revenue	463.5	408.0	+ 13.6
% of non-SIA work	23%	23%	_

Group Expenditure

	FY05/06	FY04/05	Variance
	1H	1H	
	S\$M	S\$M	%
		(restated)	
Staff costs	179.6	175.9	+ 2.1
Materials	115.8	111.4	+ 3.9
Overheads	108.7	60.6	+ 79.4
Expenditure	404.1	347.9	+ 16.2

Group Financial Statistics

	Sep 05	Mar 05	Variance %
Shareholders' funds (S\$M)	945.7	(restated) 858.5	+ 10.2
Net asset value per share (cents)	92.1 FY05/06	84.4 FY04/05	+ 9.1 Variance
	1H	1H	
Return on average shareholders' funds (MAA)*	21.9%	19.5%	+ 2.4 pts
Interim Dividend (Ordinary)	4.0 cents/share#		S\$41.1M
Annualised gross dividend yield^			3.4%

^{6 ^} based on share price of \$2.38 as at 30 September 2005



^{*} MAA denotes moving annual average

^{# 10} cents par value

Summary of Group Results – 2Q FY05/06

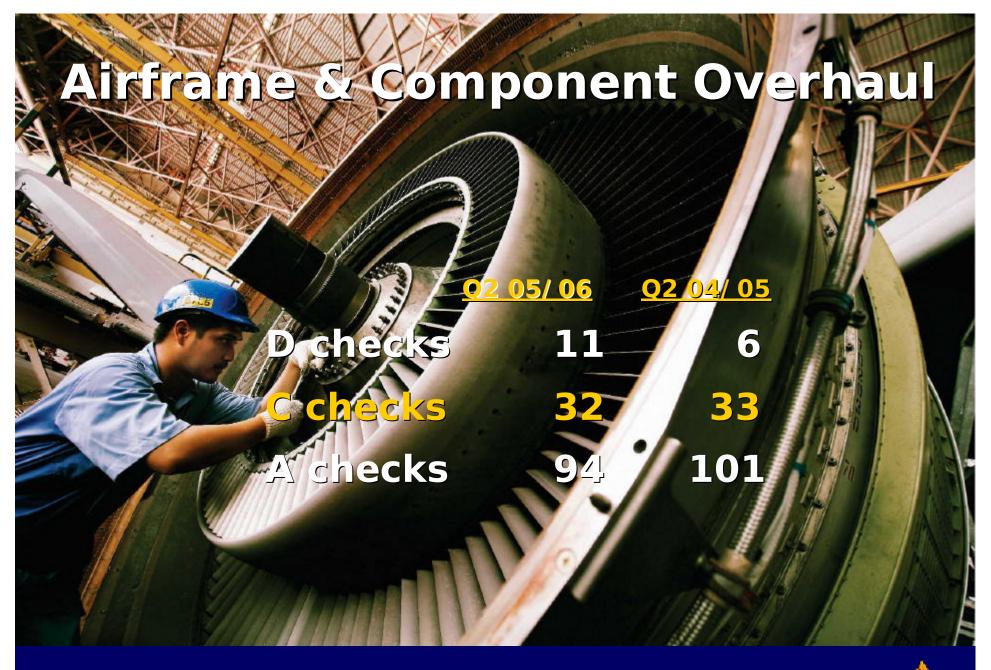
	FY05/06	FY04/05	Variance
	2Q	2Q	
	S\$M	S\$M	%
		(restated)	
Revenue	240.0	206.7	+ 16.1
Expenditure	213.6	179.4	+ 19.1
Operating profit	26.4	27.3	- 3.3
Share of associate			
and JV profits	24.7	19.2	+ 28.6
Profit attributable			
to shareholders	50.4	42.0	+ 20.0
Net profit margin (%)	21.0	20.3	+ 0.7 pts
% of non-SIA work	22%	24%	- 2 pts



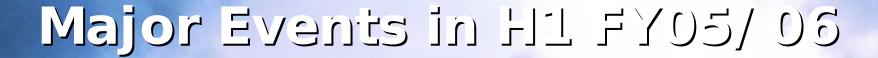
Operational Review











- 2 new Subsidiaries SIAEC (51%):
- Aviation Partnership Corporation (Philippines) formed with Cebu Pacific Air
 - Line maintenance in the Philippines
 - Commenced operations in Jul 05
- Aerospace Component Services formed with Parker Aerospace
 - Overhaul of hydraulic components
 - Commenced operations in Oct 05



New Contracts for Airframe Maintenance & Component Overhaul

	Airline	Aircraft	Checks
♣ Air Canada	Air Canada	A340	С
nwa northwest AirLines	Northwest Airlines	B747-400	C & D
Martinair	Martin Air	B747-200	D
IBERWORLD	Iberworld	A320	С
JAL JAPAN AIRLINES	Japan Airlines	A300-600	С
पुअर-इंडिना मास-स्थान	Air India	A310	С
JI.	GO Air	A320	FMP

Diverse Customer Base

for Airframe Maintenance & Component Overhaul

EUROPE (New):

- Martin Air
- - **Existing**:
 - Air Atlanta

Middle East

Existing:

Dubai Air Wing

ASIA (New):

- Japan Airlines
- Air India
- GO Air

Existing

- Alt Pacific
- Air Canada
- Dragonal
- Thai Airways
- Air Paradis
- Air China Cargo

Existing

- Atlas Air
- Federal Express

Air Canada

Northwest Airlines

Outlook for Q3 FY05/06

- Competitive environment
- Growth in passenger and cargo traffic
- Sustained demand for MRO
- Soaring fuel prices
- Pressure on MRO rates

Thank You