

FY04/05
Performance Review
Analyst/Media Briefing

12 May 2005

Financial Review

Summary of Group Results

	FY04/05	FY03/04	Variance
	S\$M	S\$M	%
Revenue	807.5	678.7	+ 19.0
Operating Profit	105.5	78.9	+ 33.7
Profit before tax	199.0	128.9	+ 54.4
Profit attributable to shareholders	175.1	139.9	+ 25.2

Revenue Composition

	FY04/05 S\$M	FY03/04 S\$M	Variance %
Labour revenue	550.7	457.5	+ 20.4
Material revenue	203.6	181.7	+ 12.1
Fleet Management	30.9	11.3	+173.5
Others	22.3	28.2	- 20.9
Revenue	807.5	678.7	+ 19.0
% of non-SIA work	24%	21%	+ 3 pts
- Aircraft & Component	529.9	430.4	+ 23.1
- Line Maintenance	277.6	248.3	+ 11.8



Group Expenditure

	FY04/05 S\$M	FY03/04 S\$M	Variance %
Staff costs	359.7	285.8	+ 25.9
Materials	203.6	181.7	+ 12.1
Overheads	138.7	132.3	+ 4.8
Expenditure	702.0	599.8	+ 17.0

Profitability

	FY04/05 S\$M	FY03/04 S\$M	Variance %
Operating profit	105.5	78.9	+ 33.7
Share of associate and JV profits	75.5	48.8	+ 54.7
Profit before tax	199.0	128.9	+ 54.4
Profit after tax	175.4	140.0	+ 25.3
Net profit margin (%)	21.7	20.6	+ 1.1 pts



Financial Statistics

	Mar 05	Mar 04	Variance %
Shareholders' funds (S\$M)	858.5	925.8	- 7.3
Net asset value per share (cents)	84.4	92.1	- 8.4
Cash position (S\$M)	325.9	472.4	- 31.0

	FY04/05	FY03/04	Variance
EPS (cents)	17.3	14.0	+23.6%
Return on average shareholders' funds (%)	19.6	15.9	+3.7pts

Proposed Dividend for FY04/05

		S\$M
Interim Dividend:		
Ordinary	3.0 cents/share[#]	30.4
Final Dividend:		
Ordinary	4.5 cents/share[#]	45.8
Total	7.5 cents/share[#]	76.2
Gross dividend yield *		3.2%
Payout ratio		43.5%

10 cents par value

* based on share price of \$2.33 as at 31 March 2005

Operational Review

Line Maintenance

Flights Handled at Changi Airport:

FY04/05	FY03/04	Change
78,600	64,300	+22.2%

Captured 10 out of 13 airlines that inaugurated services to SIN



Jet★Asia

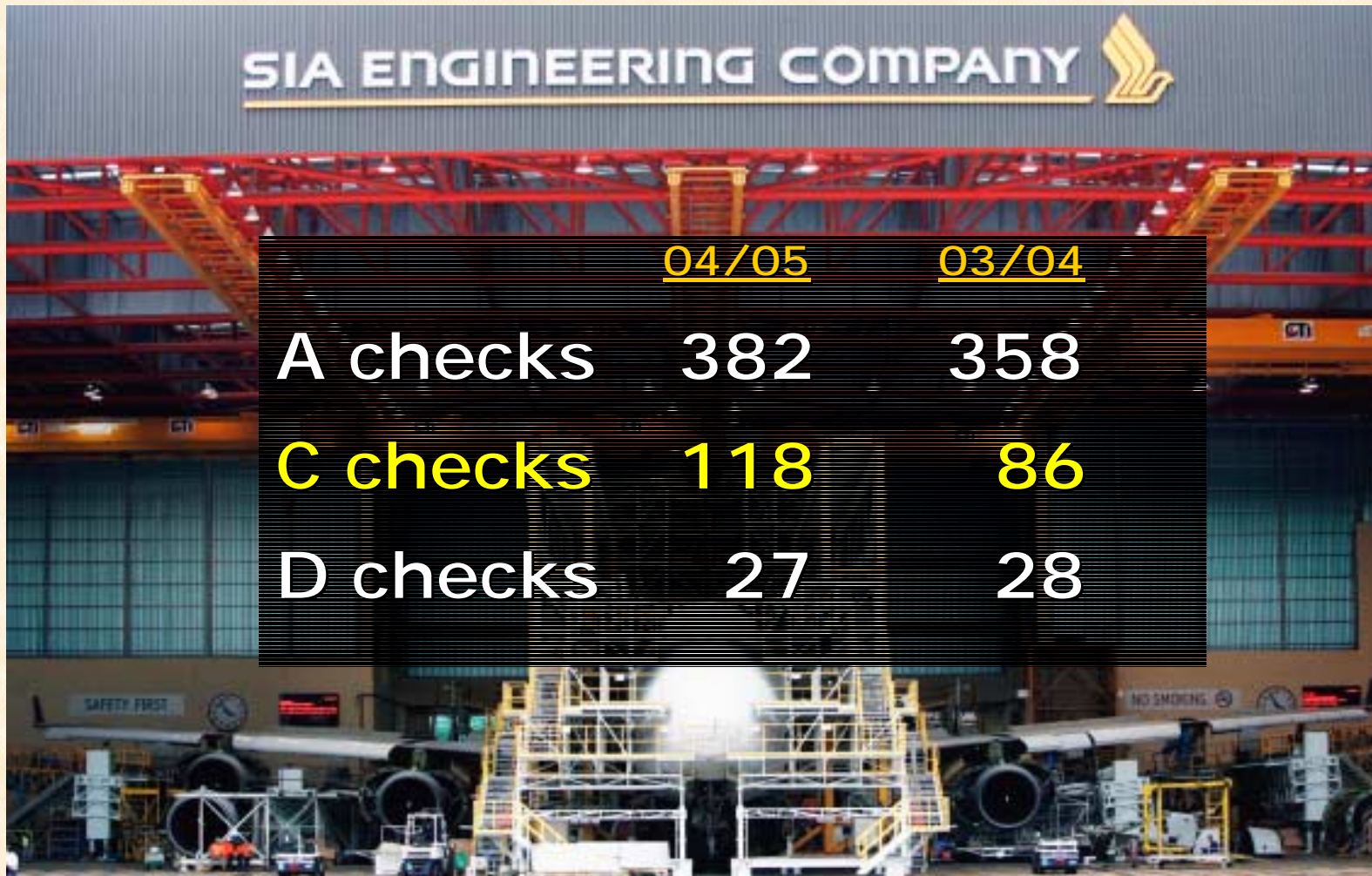
AUSTRIAN AIRLINES



Shandong Airlines



Airframe & Component Overhaul



Order Books Strong

New Contracts 1 - 5 years

1. Air Atlanta Icelandic
2. Air Caledonie International
3. Air China Cargo
4. Cebu Pacific Air
5. Dubai Air Wing
6. Japan Airlines Domestic
7. SilkAir
8. Tiger Airways
9. Virgin Atlantic Airways



Major Events in FY04/05

- **May 2004** Announced B747-400 freighter conversion.
- **May 2004** Signed \$100-120M FMP contract with SilkAir.
- **Jul 2004** Signed JVA to form Aircraft Interior Modifications Centre.
- **Sep 2004** Signed \$110M FMP contract with Tiger Airways.
- **Dec 2004** Signed MOU for hydraulic component JV. JVA signed in April 2005.
- **Dec 2004** Signed MOU for line maintenance JV in the Philippines. JVA signed in April 2005.

B747-400 PTF



- Secured orders for 7 freighters to be delivered in 2006-2008
- Seek significant share of B747-400 PTF market
- Attract post-conversion maintenance

Joint Ventures

Jamco Aero Design & Engineering

- JV partners: Jamco America & Jamco Corp
- SIAEC: 45% equity share
- Centre for turnkey aircraft interior modifications
- One of the first in the region



Joint Ventures

Aviation Partnership (Philippines) Corporation

- JV partners: Cebu Pacific Air
- SIAEC: 51% equity share
- 3rd line maintenance joint venture outside Singapore
- Line maintenance and light maintenance checks at 14 airports in the Philippines



Joint Ventures

Aerospace Component Engineering Services

- JV partners: Parker Aerospace Group
- SIAEC: 51% equity share
- First in the region to provide original-equipment MRO support of Parker components and systems
- Latest technologies to service the A380 and 787 Dreamliner



Outlook for FY05/06

- With our investments in 2 additional hangars, when they become fully operational this year, revenue is expected to improve in tandem with the increase in capacity.
- Rising costs and volatilities in the US dollar continue to pose significant challenges to the industry and the Company.

Thank You