



## **MEDIA RELEASE**

### **SATS Group Posts S\$27.9 Million First Quarter Profit for FY2003/2004**

**Singapore July 30, 2003** – The Singapore Airport Terminal Services (SATS) Group posted a net profit of S\$27.9 million for the first quarter of the 2003-2004 financial year ending June 30, down 59.5 per cent on the same period last year.

Operating profit was down 61.1 per cent year on year. This was due to the crippling effects of Sars on the business. Overall, Group revenue decreased by 24.1 per cent, and pre-tax profit fell 66.4 per cent to S\$22.1 million. A tax write-back of S\$11.7 million arising from changes in corporate tax rules for foreign dividend income helped to boost the profit after tax to S\$27.9 million.

SATS Chief Executive Officer Mr Prush Nadaisan said the result was a reflection of the difficult business conditions. "The revenue decrease from a reduction in flights handled and meals produced due to the effects of Sars was partially offset by our cost cutting efforts. By responding quickly to rapidly changing market demand, we were able to remain profitable this quarter."

"With the containment of SARS, flights previously cancelled are gradually being reinstated by airlines. Flight frequencies and passenger loads are expected to increase further in the remaining months of FY2003-04 but not to pre-SARS level," Mr Nadaisan said.

The share of profits from overseas operations through associated companies was S\$6.8 million and represented 30.8% of the Group's profit before tax this quarter, up from the 11.1% last year. "We will continue to actively pursue growth opportunities abroad", Mr Nadaisan said.

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## **About Singapore Airport Terminal Services Ltd (SATS)**

The Singapore Airport Terminal Services (SATS) Group is the leading provider of integrated ground handling and airline catering services at Singapore Changi Airport. SATS' network of ground handling and airline catering operations spans 15 airports in the Asia Pacific region. SATS' services include airfreight handling, airline catering, passenger services, baggage handling, ramp handling, aviation security and airline linen laundry. SATS has been listed on the Singapore Exchange since May 2000.

### **Announcement information:**

The SATS Group's FY2003/2004 first quarter results are also available on [www.sats.com.sg](http://www.sats.com.sg) and [www.irasia.com/listco/sg/sats](http://www.irasia.com/listco/sg/sats)

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