



Positioned for Growth

SUMMARY REPORT 2009-10

sats
one with you



We aim to be the first choice provider of Gateway Services and Food Solutions by leveraging on our capabilities to delight users and exceed customers' expectations.

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Key Figures

FY 2009-10

Revenue

\$1,538.9m

+45%

Economic Value Added

\$67.2m

+156%

Operating Profit

\$184.4m

+8%

Dividend Per Share

13¢

+30%

PATMI

\$181.2m

+23%

Dividend Payout Ratio

78.1%

+4.6 PPT

Free Cashflow

\$190.1m

+22%

Earnings Per Share

16.7¢

+23%

Total Assets

\$1,909.1m

-7%

Return On Equity

12.6%

+2.1 PPT

Statistical Highlights

	2009-10	2008-09	2007-08	2006-07	2005-06
FINANCIAL STATISTICS					
Group (\$million)					
Total revenue	1,538.9	1,062.1	958.0	945.7	932.0
Total expenditure	1,354.5	891.2	783.7	792.5	747.9
Operating profit	184.4	170.9	174.3	153.2	184.1
Profit before tax	223.1	183.5	248.7	219.8	246.1
Profit after tax	182.1	148.5	195.2	179.0	189.2
Profit attributable to equity holders of the Company	181.2	146.8	194.9	178.2	188.6
Equity attributable to equity holders of the Company	1,481.9	1,398.1	1,383.9	1,314.2	1,202.5
Total assets	1,909.1	*2,055.2	1,849.5	1,804.2	1,717.9
Total debt	24.1	251.5	208.0	202.8	247.5
Value added	802.8	639.3	682.5	675.1	665.1
Economic value added	67.2	26.2	53.9	60.7	79.8
Financial Ratios					
Return on average equity holders' funds (%)	12.6	10.6	14.4	14.2	16.7
Total debt equity ratio (times)	0.02	0.18	0.15	0.15	0.21
Return on total assets (%)	9.2	7.6	10.7	10.2	11.4
Per Share Data					
Earnings per share (cents) – basic	16.7	13.6	18.2	17.0	18.2
Earnings per share (cents) – diluted	16.7	13.6	17.9	16.9	18.1
Net asset value per share (\$)	1.37	1.29	1.29	1.24	1.15
Interim dividend (cents per share)	5.0	4.0	4.0	4.0	4.0
Proposed dividend (cents per share)	8.0	6.0	10.0	6.0	6.0
Special dividend (cents per share)	–	–	–	5.0	–
Dividend cover (times)	1.3	1.4	1.3	1.4	2.3
Dividend payout (%)	78.1	73.5	77.5	48.5	44.4
* Restatement					
OPERATING STATISTICS					
Employee Productivity					
Average number of employees	11,932	9,196	7,938	7,461	7,660
Revenue per employee (\$)	128,974	115,495	120,961	126,747	121,675
Value added per employee (\$)	67,293	69,524	85,979	90,477	86,831
Value added per \$ of employment cost	1.66	1.66	1.85	1.76	1.91
Operating Data					
Airfreight throughput (million tonnes)	1.41	1.46	1.57	1.55	1.49
Passengers served (million)	32.99	30.91	31.65	29.27	27.32
Inflight meals prepared (million)	23.47	25.19	25.72	24.74	24.19
Flights handled (thousand)	95.40	88.16	85.95	84.52	84.11

- Notes:
- SATS' financial year is from 1 April to 31 March. Throughout this report, all financial figures are stated in Singapore Dollars, unless stated otherwise.
 - Return on equity holders' funds is the profit attributable to equity holders of the Company expressed as a percentage of the average equity holders' funds.
 - Total debt equity ratio is total debts divided by equity attributable to equity holders of the Company at 31 March.
 - Return on total assets is the profit attributable to equity holders of the Company expressed as a percentage of the average total assets.
 - Basic earnings per share is computed by dividing the profit attributable to equity holders of the Company by the weighted average number of fully paid shares in issue.
 - Diluted earnings per share is computed by dividing the profit attributable to equity holders of the Company by the weighted average number of fully paid shares in issue after adjusting for dilution of shares under the employee share option plan.
 - Net asset value per share is computed by dividing equity attributable to equity holders of the Company by the ordinary shares in issue at 31 March.
 - Dividend cover is profit attributable to equity holders of the Company divided by total dividend (net of tax).
 - Payout ratio is total ordinary dividend (net of tax) divided by profit attributable to equity holders of the Company.

Financial Calendar

Financial Year Ended 31 March 2010

27 July 2009

Announcement of
1Q FY2009-10 results

Results conference call with live
webcast for 1Q FY2009-10

14 August 2009

Payment of final dividend

22 October 2009

Announcement of
2Q FY2009-10 results

Results conference call with live
webcast for 2Q FY2009-10

25 November 2009

Payment of interim dividend

4 February 2010

Announcement of
3Q FY2009-10 results

Results conference call with live
webcast for 3Q FY2009-10

5 May 2010

Announcement of
4Q FY2009-10 results

Analysts and media briefing
for 4Q FY2009-10 results

25 June 2010

Despatch of Summary Report
to shareholders

9 July 2010

Despatch of Annual Report
to shareholders

30 July 2010

Annual General Meeting

6 August 2010

Book closure date

18 August 2010

Proposed payment of
final dividend

Financial Year Ending 31 March 2011

29 July 2010

Proposed announcement of
1Q FY2010-11 results

2 November 2010

Proposed announcement of
2Q FY2010-11 results

January/February 2011

Proposed announcement of
3Q FY2010-11 results

May 2011

Proposed announcement of
4Q FY2010-11 results

Chairman's Statement

Dear Shareholders,

FY2009-10 has been a remarkable year for SATS for a number of reasons. We grew financially as our people continued to drive growth and delivered a strong set of financial results despite the economic downturn. We successfully acquired Singapore Food Industries (SFI) and have substantially completed the integration of this significant business unit into our Food Solutions division. We renewed our ground and cargo handling, airline catering and aviation security contracts with our major customer. We also continued to strengthen our pillars in Gateway Services and Food Solutions in preparation for the aviation upturn and for future growth.

Performance Review

The global economic downturn brought uncertainty to all sectors of the global market place, not least of all the economic bell-weather that is aviation. A core part of our business is in aviation and the myriad of news reports and analysis, especially in the first half of the financial year, painted a bleak picture.

However, that picture was not bleak for SATS. In fact, our business has continued to grow during the year, with the addition of new customers and business partners, the extension of service agreements with our existing customers as well as access to new opportunities, particularly in the tourism and hospitality sectors, through the strengthening of our core competencies in Gateway Services and Food Solutions.

In FY2009-10, SATS reported a good set of results, underpinned by the consolidation of SFI for the full 12 months. Despite a 5.4% dip in aviation revenue, our operating revenue rose 44.9% over the year before to \$1.54 billion while operating profit increased 7.9% to \$184.4 million.

Better performance reported by our ground handling associates, especially those in Indonesia and Hong Kong, saw contribution from our overseas associates jump 88.7% to \$41.9 million. Consequently, our profit before tax grew 21.5% year-on-year to \$223.0 million while our net profit attributable to equity holders rose 23.5% to \$181.2 million.

In view of our financial performance and capital structure, the Board has recommended a final dividend of 8 cents per share. Including the interim dividend paid earlier on 25 November 2009, the proposed total dividend will be 13 cents per share, compared to 10 cents per share paid in FY2008-09. This represents a dividend payout ratio of 78.1% of net profit attributable to equity holders, up from 73.5% in FY2008-09. The final dividend, upon shareholders' approval at the forthcoming annual general meeting of the Company, will be paid on 18 August 2010.

Business Review

Gateway Services

For the year in review, SATS continued to handle about 80% of the scheduled flights at Singapore Changi Airport. Our strategic partnership with our major customer, Singapore Airlines (SIA), has gone from strength to strength, resulting in the renewal of several significant contracts at Singapore Changi Airport. These included the signing of comprehensive ground handling, cargo handling and aviation security contracts with SIA.

Despite the change in our parentage from SIA, we continue to drive a close association with SIA and we are grateful to SIA for its continued support and guidance.

Other contracts secured and renewed at Singapore Changi Airport included ground and cargo handling for China Eastern Airlines, Japan Airlines, Royal Brunei Airlines and Swiss World Cargo.

These contract awards are an independent affirmation of SATS' competitiveness and a testament to the strong ongoing relationships we hold with our customers.

SATS is well positioned for its future at Singapore Changi Airport and beyond. While news of the third entrant into ground handling has yet to be announced, we welcome new competition and believe our achievements with SIA and many other airline customers at Singapore Changi Airport will serve us well as the local market opens up. Furthermore, through our low-cost unit Asia-Pacific Star, we are able to effectively serve the fastest growing segment in the aviation sector.

“Today, SATS is poised to leverage on its core competencies in Gateway Services and Food Solutions to grow and become a key service provider in the hospitality and tourism sectors across the regions.”

In our aspiration to help reinforce Singapore’s position as the leading aviation hub, we introduced two key initiatives during the year. Coolport @ Changi, the first on-airport facility for handling terminal and transit perishables cargo, was launched in August 2009 with an ambition to become the preferred transshipment hub for perishables cargo in Asia.

Costing approximately \$16 million to build, this new facility – with an annual operating capacity of about 250,000 tonnes – will offer multi-tiered zones with different temperatures to handle urgent medical cargo, pharmaceutical products and commodities such as live seafood, ornamental fish and meats. It will also present our airline customers with the opportunity to access a new revenue source.

In January 2010, we launched the ONE! Service initiative together with the new uniform for our frontline staff. Through ONE! Service, which stands for “Outstanding aNd Exceptional Service”, we aim to drive a positive service culture amongst our frontline staff who are key touch points for passengers flying into Singapore Changi Airport.

On the non-aviation side, SATS has benefited from the recent transformation of Singapore’s tourism and hospitality landscape. The launch of the two Integrated Resorts in Singapore has presented new opportunities for SATS. During the year, we were awarded a contract by Resorts World Sentosa to provide armed security services at the resort.



Chairman's Statement

PATMI

\$181.2m

+23%

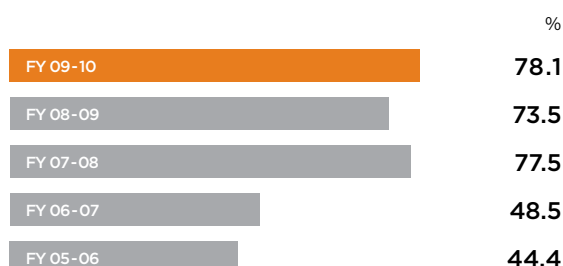


Dividend Payout Ratio

Excludes special dividend

78.1%

+4.6PPT



Food Solutions

The acquisition of SFI has strengthened SATS' ability to weather the economic turbulence, as it is both accretive to our earnings and cash generation. We now have a Food Solutions business that enables us to access new geographical markets and customer segments. Our overseas presence has increased considerably, with the Daniels Group accounting for nearly a quarter of our operating revenue.

At the close of FY2009-10, we had substantially completed the integration of SFI and attained meaningful cost savings of \$7 million per annum. We expect the cost savings to reach more than \$12 million per annum as we progressively complete the various integration projects across the Food Solutions division.

On the aviation Food Solutions side, SATS serves 85% of the scheduled flights at Singapore Changi Airport. During the year in review, we renewed airline catering contracts with SIA, our major customer, as well as with China Eastern Airlines and Tiger Airways.

The launch of the Integrated Resorts has also benefited our non-aviation Food Solutions business as we signed a meat supply contract with Marina Bay Sands and another with Resorts World Sentosa to provide flat sheet laundry services.

In the area of events catering, we won a contract to cater meals for athletes and games officials at the first Asian Youth Games held in Singapore in June-July 2009. In the area of hospital catering, we added St Andrew's Community Hospital to our customer list and also worked closely with our existing customer, the National University Hospital, to develop new menus for its in-patient meals.

Abroad, our UK subsidiary Daniels Group performed well in FY2009-10. It saw a 6.4% increase in sales in sterling terms, with chilled soup and ready meals each contributing 28% and chilled juices contributing 25% to its revenue.

During the year, Daniels secured new contracts with major customers such as Sainsbury's and Coop, and also added Minor Weir & Willis and UFC as its new customers in the foodservice segment.

Recognition for good service

Our success in working with our customers and delivering good service was reflected in the following awards we won:

- 'Air Cargo Terminal Operator of the Year (Asia Pacific)' in the 2009 Frost and Sullivan Asia Pacific Transportation and Logistics Awards;



- 22 Star Awards, 8 Gold Awards and 18 Silver Awards at the SPRING Singapore's Excellent Service Awards 2009; and
- 60 awards at the Singapore Airlines Transforming Customer Services Awards which recognised our frontline staff for service excellence.

Looking Ahead

With the current economic rebound in Asia, including Singapore, the aviation industry appears to be on the path to recovery. Across the regions, we expect to see an improvement in our activity levels in the new financial year as airlines gradually reinstate capacity with increased flights and cargo throughput. We expect our activity levels to surpass those seen before the downturn by the end of this financial year, barring any unforeseen circumstances.

More importantly, we remain strongly committed to our philosophy of embracing customer intimacy by developing innovative propositions for our customers. We continue to look for growth opportunities, both organic and inorganic, in and outside of Singapore to deliver sustained profitability. To this end, we have put in place a new \$500 million multi-currency medium term note programme to provide access to alternative sources of funds should compelling opportunities arise.

Today, SATS is poised to leverage on its core competencies in Gateway Services and Food Solutions to grow and

become a key service provider in the hospitality and tourism sectors across the regions.

In the area of Gateway Services, plans are already underway to launch new products and services, on-and off-airport. We are assessing opportunities at home for expansion into new gateways that will leverage on our core competence in facilitating people movements.

Overseas, we continue to explore new locations in Asia and the Middle East via strategic partnerships to grow our presence and serve our key customers in more locations. I am pleased to note that we have recently signed an agreement with our partner, Air India, to form a single 50:50 joint venture (JV) company, Air India SATS Airport Services (AISATS). With a legal entity now in place to house both partners' three existing ground and cargo handling JVs in Bangalore and Hyderabad, we are able to start recognising profit contribution from our ground handling operations in India in this new financial year. At the same time, we also look forward to deepening our presence in India to serve our key customers at more locations, as well as new customers.

In the area of Food Solutions, we see numerous exciting opportunities that could potentially expand our customer list and deepen our relationships with existing customers. Our target customers are in these five segments, namely carriers, government agencies, retail, hotels/resorts and institutions.

Chairman's Statement



In Singapore, we will continue to work on new contracts for catering and supply of food materials, while strengthening our product categories. We also look to broaden our food sources and to this end, I am happy to inform you that our subsidiary SFI has just entered into a JV agreement to set up a modern, integrated pig farm in China in Yongji County, Jilin Province over six years. This integrated pig farm, which will have an eventual annual production of 1 million pigs, will enable SFI to diversify its sources of pork supply as it plans to market and distribute the meat products in Singapore as well as in China and other overseas markets.

Abroad, we remain steadfast in growing our global service network in key aviation hubs in the UK, Middle East and Hong Kong, via strategic acquisitions and joint ventures. Daniels Group, our UK subsidiary, is keenly looking at new product launches and at strengthening its existing brands via acquisitions.

Last but not least, we strive to continue improving our productivity and operational excellence across the group. It is of paramount importance that we develop our people, help them grow with the organisation, and ensure that they continue to find SATS a satisfying place to work in.

Acknowledgement

On behalf of the Board, I would like to extend my gratitude to our management, union and all of our staff – who work hard every day with dedication, loyalty and momentum to help continue to drive our business and deliver enviable results. As I have stated before, we are nothing without our people and during these turbulent economic times, our gratitude to our people cannot be overstated.

I also wish to thank my fellow members of the Board for their support, contribution and good counsel. They have done an excellent job in skillfully directing the Company in this turbulent period.

Finally, to our Shareholders, thank you for your continued confidence and support. We look forward to more dialogue with you as we continue to grow and evolve, and welcome your feedback and insight as always.

Edmund Cheng Wai Wing

Chairman

1 June 2010

Corporate Information

as at 1 June 2010

BOARD OF DIRECTORS

Edmund Cheng Wai Wing
Chairman
David Zalmon Baffsky
David Heng Chen Seng
Khaw Kheng Joo
Rajiv Behari Lall
Mak Swee Wah
Ng Kee Choe
Keith Tay Ah Kee
Yeo Chee Tong

BOARD COMMITTEES

Audit Committee

Keith Tay Ah Kee
Chairman

David Zalmon Baffsky
Member

Yeo Chee Tong
Member

Board Executive Committee

Edmund Cheng Wai Wing
Chairman

David Heng Chen Seng
Member

Mak Swee Wah
Member

Ng Kee Choe
Member

Board Risk Committee

Mak Swee Wah
Chairman

David Heng Chen Seng
Member

Khaw Kheng Joo
Member

Nominating Committee

Khaw Kheng Joo
Chairman

Rajiv Behari Lall
Member

Keith Tay Ah Kee
Member

Remuneration and Human Resource Committee

Edmund Cheng Wai Wing
Chairman

Ng Kee Choe
Member

Yeo Chee Tong
Member

COMPANY SECRETARY

Shireena Johan Woon

SHARE REGISTRAR

M & C Services Private Limited
138 Robinson Road #17-00
The Corporate Office
Singapore 068906

AUDITORS

Ernst & Young LLP
Public Accountants and Certified
Public Accountants
One Raffles Quay
North Tower #18-01
Singapore 048583

Audit Partner

Winston Ngan
(appointed for FY2005-06
to FY2009-10)

Nagaraj Sivaram
(appointed with effect from
FY2010-11)

COMPANY REGISTRATION NO.

197201770G

REGISTERED OFFICE

20 Airport Boulevard
SATS Inflight Catering Centre 1
Singapore 819659

EXECUTIVE MANAGEMENT

Clement Woon Hin Yong
President & Chief Executive Officer

Lim Chuang
Chief Financial Officer

Tan Chuan Lye
Executive Vice President, Food Solutions

Ang Lee Nah
Senior Vice President, Corporate Development

Robert Burnett
Chief Executive Officer, UK

Chang Seow Kuay
Chief Executive Officer, Country Foods Pte. Ltd.

Chi Ping Huey
General Counsel

Tony Goh Aik Kwang
Senior Vice President, Strategy & Marketing

Leong Kok Hong
Senior Vice President, Strategic Partnership

Andrew Lim Cheng Yueh
Senior Vice President, Pearl River Delta Region

Philip Lim Chern Tjunn
Senior Vice President, Apron Services

Denis Suresh Kumar Marie
Senior Vice President, Passenger Services

Yacoob Bin Ahmed Piperdi
Senior Vice President, Cargo Services

Poon Choon Liang
Chief Operating Officer, Singapore Food Industries
Pte. Ltd.

SATS at a Glance

SATS Businesses

With over 60 years of operating experience and an emerging global presence, SATS is Singapore's leading provider of Gateway Services and Food Solutions.

Our comprehensive scope of Gateway Services encompasses airfreight handling, passenger services, ramp handling, baggage handling, aviation security and aircraft interior cleaning, while our Food Solutions business comprises airline catering, food distribution and logistics, industrial catering, chilled and frozen food manufacturing as well as airline linen laundry.

Today, we handle 80% of the scheduled flights and serve about 50 of the 68 scheduled airlines out of Singapore Changi Airport. We have a presence in 31 airports in 9 countries in Asia. With our expanding food solutions business, we have also extended our reach beyond Asia to the UK.

Group Revenue

\$1,538.9m

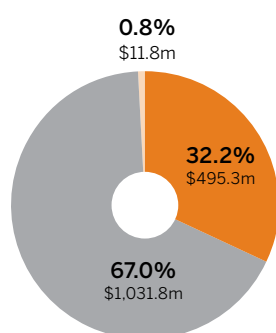
+45%

	(\$m)
FY 09-10	1,538.9
FY 08-09	1,062.1
FY 07-08	958.0
FY 06-07	945.7
FY 05-06	932.0

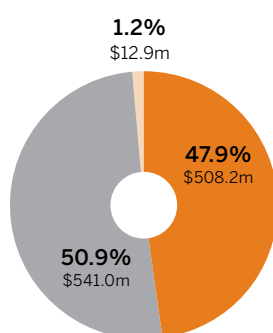


Group Revenue

By Business



Total \$1,538.9m
FY 2009-10



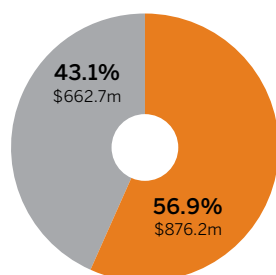
Total \$1,062.1m
FY 2008-09

Percentage change	%
Gateway Services	(2.6)
Food Solutions	90.7
Corporate	(8.5)
Total	44.9

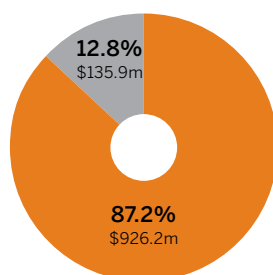
Notes:

- Gateway Services: Revenues from ground and cargo handling, aviation security, aircraft interior cleaning and cargo delivery and management.
- Food Solutions: Revenues from inflight catering, food logistics, industrial catering, chilled and frozen food manufacturing, and airline linen and laundry.

By Industry



Total \$1,538.9m
FY 2009-10



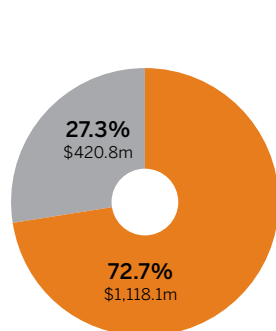
Total \$1,062.1m
FY 2008-09

Percentage change	%
Aviation	(5.4)
Non-Aviation	n.m.
Total	44.9

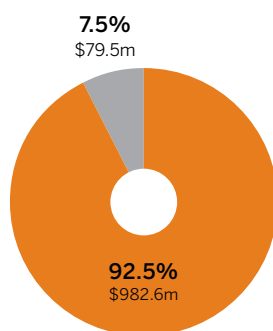
Notes:

- Aviation: Revenues from aviation-related businesses in Gateway Services and Food Solutions.
- Non-Aviation: Revenues from Singapore Food Industries, Country Foods and Country Foods Macau.
- n.m.: not meaningful

By Geographical Location



Total \$1,538.9m
FY 2009-10



Total \$1,062.1m
FY 2008-09

Percentage change	%
Singapore	13.8
Overseas	n.m.
Total	44.9

Notes:

- Singapore: Revenues from Gateway Services and Food Solutions businesses within Singapore.
- Overseas: Revenues from Singapore Food Industries UK/Europe, Country Foods Macau and SATS HK.
- n.m.: not meaningful

Report by the Board of Directors

IMPORTANT NOTE:

The Summary Financial Report as set out on pages 12 to 26 does not contain sufficient information to allow for a full understanding of the results and state of affairs of the Company or of the Group. For further information, the full annual financial statements, the auditors' report on those financial statements, and the directors' report should be consulted. Shareholders may request a copy of the full Annual Report at no cost from the Company Secretary. Please use the request form at the end of this Summary Financial Report.

The directors have pleasure in presenting their report together with the audited financial statements of the Group and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 March 2010.

1. Directors of The Company

The names of the directors in office at the date of this report are:

Edmund Cheng Wai Wing – Chairman
 David Zalmon Baffsky
 David Heng Chen Seng – (Appointed on 15 October 2009)
 Khaw Kheng Joo
 Rajiv Behari Lall
 Mak Swee Wah
 Ng Kee Choe
 Keith Tay Ah Kee
 Yeo Chee Tong

Note: Dr Ow Chin Hock was a director of the Company until his retirement on 28 July 2009.

2. Directors' Interests in Ordinary Shares, Share Options and Debentures

The following directors who held office at the end of the financial year have, according to the register of directors' shareholdings required to be kept under Section 164 of the Companies Act, Cap. 50, an interest in the ordinary shares, share options and debentures of the Company as stated below:

Name of director	Direct interest		Deemed Interest	
	1.4.2009	31.3.2010	1.4.2009	31.3.2010
Interest in Singapore Airport Terminal Services Limited				
Ordinary shares				
Ng Kee Choe	11,000	11,000	–	–
Keith Tay Ah Kee	35,000	35,000	–	–
Yeo Chee Tong	200,000	200,000	–	–

Except as disclosed in this report, no director who held office at the end of the financial year had interests in ordinary shares, share options or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

3. Directors' Contractual Benefits

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Report by the Board of Directors

4. Options on Shares in The Company

(i) Employee Share Option Plan

The SATS Employee Share Option Plan (the "Plan"), which comprises the Senior Executive Share Option Scheme for senior executives and the Employee Share Option Scheme for all other employees, was adopted in connection with the initial public offering undertaken by the Company in 2000 and a summary of which was set out in the Prospectus issued by the Company dated 4 May 2000. The Plan was modified at an Extraordinary General Meeting held on 7 July 2001 and was subsequently modified by the Company (as announced on 4 June 2003) and at Extraordinary General Meetings held on 19 July 2003 and 20 July 2004.

Under the Plan, all options to be issued will have a term no longer than 10 years from the date of grant. The exercise price of the option will be the average of the closing prices of the Company's ordinary shares on the Singapore Exchange Securities Trading Limited ("SGX-ST") for the five market days immediately preceding the date of grant.

Under the Employee Share Option Scheme, options will vest two years after the date of grant. Under the Senior Executive Share Option Scheme, options will vest:

- (a) one year after the date of grant for 25% of the ordinary shares subject to the options;
- (b) two years after the date of grant for an additional 25% of the ordinary shares subject to the options;
- (c) three years after the date of grant for an additional 25% of the ordinary shares subject to the options; and
- (d) four years after the date of grant for the remaining 25% of the ordinary shares subject to the options.

At the date of this report, the Remuneration and Human Resource Committee administering the Plan comprises the following directors:

Edmund Cheng Wai Wing	–	Chairman
Ng Kee Choe	–	Member
Yeo Chee Tong	–	Member

No options have been granted to Directors of the Company, controlling shareholders of the Company or their associates, or parent group employees.

No employee has received 5% or more of the total number of options available under the Plan.

The options granted by the Company do not entitle the holders of the options, by virtue of such holding, to any right to participate in any share issue of any other company.

The option scheme has since been terminated.

At the end of the financial year, options to take up 49,195,130 unissued ordinary shares in the Company were outstanding:

Date of grant	Balance at 14.2009/ date of grant	Cancelled	Exercised	Balance at 31.3.2010	Exercise price *	Exercisable period
28.3.2000	5,023,900	(1,819,700)	(3,204,200)	–	\$2.15	28.3.2001 – 27.3.2010
3.7.2000	1,833,350	(303,700)	(436,300)	1,093,350	\$1.75	3.7.2001 – 2.7.2010
2.7.2001	501,250	(104,200)	(117,350)	279,700	\$1.19	2.7.2002 – 1.7.2011
1.7.2002	1,227,950	(323,200)	(284,000)	620,750	\$1.55	1.7.2003 – 30.6.2012
1.7.2003	1,391,500	(296,700)	(319,200)	775,600	\$1.42	1.7.2004 – 30.6.2013
1.7.2004	5,109,900	(754,550)	(1,030,950)	3,324,400	\$2.04	1.7.2005 – 30.6.2014
1.7.2005	10,665,050	(103,600)	(2,459,450)	8,102,000	\$2.22	1.7.2006 – 30.6.2015
3.7.2006	14,123,325	(108,625)	(5,741,270)	8,273,430	\$2.05	3.7.2007 – 2.7.2016
2.7.2007	13,718,000	(217,300)	–	13,500,700	\$3.01	2.7.2009 – 1.7.2017
1.7.2008	13,407,100	(181,900)	–	13,225,200	\$2.17	1.7.2010 – 30.6.2018
	67,001,325	(4,213,475)	(13,592,720)	49,195,130		

* Following approval by the Company's shareholders of the declaration of a special dividend of \$0.05 per share on 26 July 2007, the Committee administering the Plan has approved a \$0.05 reduction in the exercise prices of all share options outstanding on 30 July 2007. The exercise prices reflected here are the exercise prices after such adjustment. The Company has accounted for the modification in accordance to FRS102. As the incremental fair value of the share options resulted from the modification is \$NIL, no adjustment is made to the share-based payment expenses.

Report by the Board of Directors

4. Options on Shares in The Company (Cont'd)

(ii) Restricted Share Plan ("RSP") and Performance Share Plan ("PSP")

At the Extraordinary General Meeting of the Company held on 19 July 2005, the shareholders approved the adoption of two new share plans, namely the RSP and the PSP, in addition to the Employee Share Option Plan.

Depending on the achievement of pre-determined targets over a two-year period for the RSP and a three-year period for the PSP, the final number of restricted shares and performance shares awarded in respect of FY2007-08 and prior years could range between 0% and 120% of the initial grant of the restricted shares and between 0% and 150% of the initial grant of the performance shares. In respect of RSP and PSP grants for FY2008-09 and FY2009-10, the final number of restricted shares and performance shares awarded could range between 0% and 150% of the initial restricted grants and between 0% and 200% of the initial grant of performance shares.

Based on meeting stated performance conditions over a two-year performance period, 50% of the RSP award will vest. The balance will vest equally over the subsequent two years with fulfilment of service requirements. PSP award will vest based on meeting stated performance conditions over a three-year performance period.

At the date of this report, the Remuneration and Human Resource Committee which administers the RSP and PSP comprises the following directors:

Edmund Cheng Wai Wing	-	Chairman
Ng Kee Choe	-	Member
Yeo Chee Tong	-	Member

No shares have been granted to controlling shareholders or their associates, or parent group employees under the RSP and PSP.

No employee has received 5% or more of the total number of shares granted under the RSP and PSP.

The details of the shares awarded under the new share plans during the year since commencement of the RSP and PSP are as follows:

RSP

Date of grant	Balance at 1.4.2009/later date of grant	Vested	Cancelled	Adjustments [#]	Balance at 31.3.2010
2.10.2006	84,044	(57,070)	(641)	-	26,333
27.7.2007	322,350	(72,824)	(500)	(203,906)	45,120
1.11.2007	41,000	(10,300)	-	(20,500)	10,200
28.7.2008	511,600	-	(22,900)	-	488,700
17.11.2008	50,000	-	-	-	50,000
12.11.2009	813,800	-	(23,800)	-	790,000
	1,822,794	(140,194)	(47,841)	(224,406)	1,410,353

Report by the Board of Directors

4. Options on Shares in The Company (Cont'd)

(ii) Restricted Share Plan ("RSP") and Performance Share Plan ("PSP") (Cont'd)

PSP

Date of grant	Balance at 1.4.2009/later date of grant	Number of ordinary shares		Balance at 31.3.2010
		Vested	Adjustments [#]	
2.10.2006	85,651	–	(85,651)	–
12.2.2007*	181,538	(181,538)	–	–
27.7.2007	98,200	–	–	98,200
1.11.2007	55,000	–	–	55,000
15.4.2008*	185,616	–	–	185,616
28.7.2008	92,000	–	–	92,000
12.11.2009	72,000	–	–	72,000
	770,005	(181,538)	(85,651)	502,816

* These relate to the PSP plan granted under Singapore Food Industries ("SFI") which were converted to Singapore Airport Terminal Services Limited ("SATS") shares in the financial year ended 31 March 2010.

Adjustments at the end of the two-year and three-year performance period upon meeting/(not meeting) stated performance targets for RSP and PSP respectively.

Based on the Monte Carlo simulation model, the estimated fair value at the date of grant for each share granted under the RSP ranges from \$2.01 to \$2.18 (2008-09: \$1.65 to \$1.86) and the estimated fair value at the date of grant for each share granted under the PSP is \$3.03 (2008-09: \$1.62).

The number of contingent shares granted but not released as at 31 March 2010 were 1,410,353 (2008-09: 1,008,994) and 502,816 (2008-09: 330,851) for RSP and PSP respectively. Based on the achievement factor, the actual release of the awards could range from 81,653 (2008-09: 84,044) to a maximum of 2,074,803 (2008-09: 1,362,464), and zero to a maximum of 743,416 (2008-09: 542,277) fully-paid ordinary shares of SATS, for RSP and PSP respectively.

5. Audit Committee

The Audit Committee performed the functions specified in the Companies Act. The functions performed are detailed in the Corporate Governance Report.

6. Auditors

The auditors, Ernst & Young LLP, have expressed their willingness to accept re-appointment.

On behalf of the Board,

EDMUND CHENG WAI WING
Chairman

KEITH TAY AH KEE
Director

Dated this 4th day of May 2010

Statement by the Directors

pursuant to section 201(15)

We, EDMUND CHENG WAI WING and KEITH TAY AH KEE, being two of the directors of SINGAPORE AIRPORT TERMINAL SERVICES LIMITED, do hereby state that in the opinion of the directors:

- (a) the accompanying consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company, together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2010, the changes in equity of the Group and of the Company, the results of the business and the cash flows of the Group for the financial year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board,

EDMUND CHENG WAI WING
Chairman

KEITH TAY AH KEE
Director

Dated this 4th day of May 2010

Independent Auditors' Report

to the members of Singapore Airport Terminal Services Limited

We have examined the accompanying summary financial statement set out on pages 18 to 26.

In our opinion, the summary financial statement is consistent, in all material respects, with the financial statements and the directors' report of Singapore Airport Terminal Services Limited and its subsidiary companies for the financial year ended 31 March 2010 from which they were derived, and complies with the requirements of S203A of the Singapore Companies Act, Cap. 50 and regulations made thereunder.

In our auditors' report dated 4 May 2010, which is reproduced below, we expressed an unqualified opinion on the financial statements of Singapore Airport Terminal Services Limited and its subsidiary companies:

"We have audited the accompanying financial statements of Singapore Airport Terminal Services Limited (the Company) and its subsidiaries (collectively, the Group) set out on pages # to #, which comprise the balance sheets of the Group and the Company as at 31 March 2010, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheets and to maintain accountability of assets; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion,

- (i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2010 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date; and
- (ii) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act."

ERNST & YOUNG LLP

Public Accountants and Certified Public Accountants

SINGAPORE

Dated this 4th day of May 2010

Consolidated Income Statement

for the year ended 31 March 2010 (in \$ Thousand)

	2009-10	GROUP 2008-09
Revenue	1,538,906	1,062,094
Expenditure		
Staff costs	(545,417)	(442,758)
Cost of raw materials	(409,512)	(155,427)
Licensing fees	(56,788)	(59,889)
Depreciation and amortisation charges	(90,796)	(64,594)
Company accommodation and utilities	(90,790)	(77,093)
Other costs	(161,239)	(91,446)
	(1,354,542)	(891,207)
Operating Profit	184,364	170,887
Interest on borrowings	(5,313)	(6,708)
Interest income	628	6,872
Dividend from long-term investment, gross	-	1,167
Share of profits of associated companies	41,934	22,231
Share of loss of joint venture company	(3)	(1)
Loss on sale of investment in subsidiary	-	(44)
Gain on disposal of property, plant and equipment	538	470
Amortisation of deferred income, net of expenses	929	(538)
Loss on sale of short-term non-equity investment	(5)	(10,821)
Profit Before Tax	223,072	183,515
Taxation	(40,951)	(35,059)
Profit After Taxation	182,121	148,456
Profit Attributable To:		
Equity Holders of The Company	181,241	146,775
Minority Interests	880	1,681
Profit For The Year	182,121	148,456
Basic earnings per share (cents)	16.7	13.6
Diluted earnings per share (cents)	16.7	13.6

Consolidated Statement of Comprehensive Income

for the year ended 31 March 2010 (in \$ Thousand)

	GROUP	
	2009-10	2008-09
Profit After Taxation	182,121	148,456
Other Comprehensive Income		
Net fair value changes on available-for-sale assets	326	358
Foreign currency translation	(12,012)	5,709
	(11,686)	6,067
Total Comprehensive Income	170,435	154,523
Total Comprehensive Income Attributable To:		
Equity Holders of The Company	170,420	152,794
Minority Interests	15	1,729
Total Comprehensive Income	170,435	154,523

Balance Sheets

at 31 March 2010 (in \$ Thousand)

	GROUP		COMPANY	
	31.3.2010	31.3.2009 (Restated)	31.3.2010	31.3.2009
Share Capital	288,018	255,177	288,018	255,177
Reserves				
Revenue reserve	1,224,444	1,161,762	905,397	907,684
Foreign currency translation reserve	(59,642)	(48,495)	–	–
Share-based compensation reserve	22,601	23,824	22,601	23,824
Fair value reserve	–	(326)	–	(326)
Statutory reserve	6,477	6,123	–	–
	1,193,880	1,142,888	927,998	931,182
Equity Attributable to Equity Holders of The Company	1,481,898	1,398,065	1,216,016	1,186,359
Minority Interests	18,299	18,284	–	–
Total Equity	1,500,197	1,416,349	1,216,016	1,186,359
Deferred Taxation	98,591	104,226	28,505	27,882
Term Loans	5,796	11,294	–	–
Finance Leases	4,154	5,580	–	–
Other Long Term Liability	4,000	4,000	4,000	4,000
Deferred Income	19,134	20,957	19,134	20,957
	1,631,872	1,562,406	1,267,655	1,239,198
Represented by:				
Property, Plant and Equipment				
Freehold land and buildings	13,459	14,195	–	–
Leasehold land and buildings	429,668	460,780	–	–
Progress payments	29,806	4,864	1,421	295
Others	121,391	128,544	171	333
	594,324	608,383	1,592	628
Investment Properties	6,459	7,001	385,869	410,383
Subsidiary Companies	–	–	540,754	540,722
Long-Term Investment	7,905	7,904	7,886	7,886
Joint Venture Company	–	266	–	–
Associated Companies	334,781	333,465	270,819	270,819
Loan to a Subsidiary	–	–	1,227	726
Loan to an Associated Company	140	760	140	760
Intangible Assets	461,952	479,816	6,021	1,146
Other Non-Current Assets	12,125	12,064	12,012	12,064
Deferred Tax Assets	5,687	5,174	680	680
Current Assets				
Trade debtors	219,438	123,756	7,368	5,956
Other debtors	16,650	11,697	1,851	2,721
Prepayments	9,091	13,131	1,263	2,124
Related companies	–	236,631	22,354	157,025
Amount owing by associated companies	516	248	517	248
Loan to an associated company	560	608	560	608
Inventories	43,161	56,624	360	218
Short-term non-equity investments	–	20,400	–	20,400
Fixed deposits	132,588	83,872	119,053	83,083
Cash and bank balances	63,761	53,404	12,087	8,004
	485,765	600,371	165,413	280,387
Less:				
Current Liabilities				
Bank overdraft – secured	599	1,805	–	–
Trade creditors	154,758	136,892	22,664	19,608
Other liabilities	64,472	67,410	3,146	9,515
Related companies	–	–	92,179	44,516
Provision for taxation	43,858	53,857	6,769	13,364
Term loans	12,841	31,927	–	–
Notes payable	–	200,000	–	200,000
Finance leases – current	738	907	–	–
	277,266	492,798	124,758	287,003
Net Current Assets/(Liabilities)	208,499	107,573	40,655	(6,616)
	1,631,872	1,562,406	1,267,655	1,239,198

Statements of Changes in Equity

for the year ended 31 March 2010 (in \$ Thousand)

	Attributable to Equity Holders of the Company								
	Share Capital	Revenue Reserve	Share-Based Compensation Reserve	Fair Value Reserve	Statutory Reserve*	Foreign Currency Translation Reserve	Total	Minority Interests	Total Equity
Group									
Balance at 31 March 2009	255,177	1,161,762	23,824	(326)	6,123	(48,495)	1,398,065	18,284	1,416,349
Profit for the year	–	181,241	–	–	–	–	181,241	880	182,121
Other comprehensive income for the year	–	–	–	326	–	(11,147)	(10,821)	(865)	(11,686)
Total comprehensive income for the year	–	181,241	–	326	–	(11,147)	170,420	15	170,435
Transfer to statutory reserve	–	(354)	–	–	354	–	–	–	–
Share-based payment	–	–	4,340	–	–	–	4,340	–	4,340
Share options exercised and lapsed	32,081	740	(4,803)	–	–	–	28,018	–	28,018
Award of performance and restricted shares	760	–	(760)	–	–	–	–	–	–
Dividends, net	–	(118,945)	–	–	–	–	(118,945)	–	(118,945)
Balance at 31 March 2010	288,018	1,224,444	22,601	–	6,477	(59,642)	1,481,898	18,299	1,500,197
Group									
Balance at 31 March 2008	250,079	1,165,972	16,796	(684)	5,900	(54,156)	1,383,907	3,996	1,387,903
Profit for the year	–	146,775	–	–	–	–	146,775	1,681	148,456
Other comprehensive income for the year	–	–	–	358	–	5,661	6,019	48	6,067
Total comprehensive income for the year	–	146,775	–	358	–	5,661	152,794	1,729	154,523
Transfer to statutory reserve	–	(223)	–	–	223	–	–	–	–
Share-based payment	–	–	7,632	–	–	–	7,632	–	7,632
Share options exercised and lapsed	796	313	(422)	–	–	–	687	–	687
Award of restricted shares	182	–	(182)	–	–	–	–	–	–
Issuance of shares	4,120	–	–	–	–	–	4,120	–	4,120
Issuance of share capital by subsidiary	–	–	–	–	–	–	–	525	525
Acquisition of shares in subsidiary	–	15	–	–	–	–	15	11,821	11,836
Disposal of shares in subsidiary	–	–	–	–	–	–	–	333	333
Dividends, net	–	(151,090)	–	–	–	–	(151,090)	(120)	(151,210)
Balance at 31 March 2009	255,177	1,161,762	23,824	(326)	6,123	(48,495)	1,398,065	18,284	1,416,349

* Certain countries in which some of the Group's associated companies are incorporated legally require statutory reserves to be set aside. The laws of the countries restrict the distribution and use of these statutory reserves.

Statements of Changes in Equity

for the year ended 31 March 2010 (in \$ Thousand)

	Share Capital	Revenue Reserve	Share-Based Compensation Reserve	Fair Value Reserve	Total Equity
Company					
Balance at 31 March 2009	255,177	907,684	23,824	(326)	1,186,359
Profit for the year	–	115,918	–	–	115,918
Other comprehensive income for the year	–	–	–	326	326
Total comprehensive income for the year	–	115,918	–	326	116,244
Share-based payment	–	–	4,340	–	4,340
Share options exercised and lapsed	32,081	740	(4,803)	–	28,018
Award of performance and restricted shares	760	–	(760)	–	–
Dividends, net	–	(118,945)	–	–	(118,945)
Balance at 31 March 2010	288,018	905,397	22,601	–	1,216,016
Company					
Balance at 31 March 2008	250,079	914,041	16,796	(684)	1,180,232
Profit for the year	–	144,420	–	–	144,420
Other comprehensive income for the year	–	–	–	358	358
Total comprehensive income for the year	–	144,420	–	358	144,778
Share-based payment	–	–	7,632	–	7,632
Share options exercised and lapsed	978	313	(604)	–	687
Issuance of shares	4,120	–	–	–	4,120
Dividends, net	–	(151,090)	–	–	(151,090)
Balance at 31 March 2009	255,177	907,684	23,824	(326)	1,186,359

Consolidated Cash Flow Statement

for the year ended 31 March 2010 (in \$ Thousand)

	2009-10	2008-09
Cash flows from operating activities		
Profit before taxation	223,072	183,515
Adjustments for:		
Interest income	(629)	(6,872)
Interest on borrowings	5,313	6,708
Dividend from long-term investment	-	(1,167)
Depreciation and amortisation charges	90,796	64,594
Gain on disposal of property, plant and equipment	(536)	(470)
Share of profits of associated companies	(41,934)	(22,231)
Share of loss of joint venture company	3	1
Share-based payment expense	4,340	7,632
Amortisation of deferred income, net of expenses	(929)	538
Loss on sale of joint venture company	8	-
Impairment of property, plant and equipment	18	-
Negative goodwill arising from acquisition of subsidiary	-	(2,507)
Income from purchase price warranty claim	-	(1,112)
Gain on disposal of held for sale assets	-	(2,025)
Loss on disposal of long-term investment	-	44
Loss on disposal of short-term non-equity investments	-	10,821
Change in fair value reserve	326	-
Operating profit before working capital changes	279,848	237,469
Changes in working capital:		
(Increase)/decrease in debtors	(100,846)	18,367
Decrease/(increase) in prepayments	4,040	(10,219)
Decrease in inventories	13,463	9,851
Decrease in amounts owing by related companies	96,363	8,214
Increase/(decrease) in creditors	11,438	(25,874)
(Increase)/decrease in amounts due from associated companies	(268)	178
Cash generated from operations	304,038	237,986
Interest paid to third parties	(5,293)	(6,708)
Income taxes paid	(44,553)	(47,445)
Net cash from operating activities	254,192	183,833
Cash flows from investing activities		
Capital expenditure	(64,122)	(28,079)
Repayment of loan from associated company	668	427
Dividends from associated companies	24,374	18,311
Dividend from long-term investment	-	1,167
Proceeds from disposal of property, plant and equipment	2,837	1,817
Proceeds from purchase price warranty claim	-	556
Interest received from deposits	828	7,028
Proceeds from disposal of short-term non-equity investments	20,400	13,573
Capital expenditure for setting up associated companies	-	(3,862)
Proceeds from disposal of held for sale assets	-	5,176
Investment in subsidiaries, net of cash acquired	-	(457,829)
Acquisition of shares in subsidiary	-	(627)
Proceeds from sale of joint venture company	255	-
Net cash used in investing activities	(14,760)	(442,342)

Consolidated Cash Flow Statement

for the year ended 31 March 2010 (in \$ Thousand)

	2009-10	2008-09
Cash flows from financing activities		
Bank charges on sale and leaseback arrangement	(894)	(2,360)
Repayment of medium-term notes and term loans	(228,014)	(14,073)
Repayment of finance leases	(1,620)	(319)
Drawdown of term loan	3,377	-
Proceeds from exercise of share options	28,018	687
Dividends paid	(118,945)	(151,090)
Dividends paid by subsidiary companies to minority interests	-	(120)
Proceeds from issuance of shares by subsidiary to minority interests	-	525
Net cash used in financing activities	(318,078)	(166,750)
Net decrease in cash and cash equivalents	(78,646)	(425,259)
Effect of exchange rate changes	(1,343)	675
Cash and cash equivalents at beginning of financial year	275,739	700,323
Cash and cash equivalents at end of financial year	195,750	275,739

Notes to Financial Statements

31 March 2010

1. General

Singapore Airport Terminal Services Limited (the "Company") is a limited liability company incorporated in the Republic of Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company ceased to be a subsidiary of Singapore Airlines Limited with effect from 1 September 2009. Transactions with Singapore Airlines Group were recorded as third party transactions from thereon.

The Company is an associated company of Venezia Investments Pte Ltd, a subsidiary of Temasek Holdings (Private) Limited, both incorporated in the Republic of Singapore.

The registered office of the Company is at 20 Airport Boulevard, SATS Inflight Catering Centre 1, Singapore 819659.

The Company is principally an investment holding company. Its other activities include rental of premises and provision of management services to related companies.

The principal activities of the subsidiaries are disclosed in Note 21 to the financial statements.

The consolidated financial statements for the financial year ended 31 March 2010 were authorised for issue in accordance with a resolution of the Directors on 4 May 2010.

2. Related Party Transactions (in \$ Thousand)

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Singapore Airlines Limited and companies owned and controlled by it were considered as related companies, before the Company was divested from Singapore Airlines Limited on 31 August 2009.

In addition to the related party information disclosed elsewhere in the financial statements, the following significant related party transactions took place at terms agreed between the parties during the financial year:

	GROUP		COMPANY	
	2009-10	2008-09	2009-10	2008-09
Services rendered by:				
Singapore Airlines Limited (Up to 31.8.2009)	6,095	18,329	1,128	3,471
Subsidiary companies	-	-	173	161
Related companies	104	49	-	-
	6,199	18,378	1,301	3,632
Sales to:				
Singapore Airlines Limited (Up to 31.8.2009)	167,017	451,295	297	741
Subsidiary companies	-	-	64,230	64,255
Related companies	59,780	159,570	1,130	2,012
Associated companies	1,436	1,458	1,436	1,458
	228,233	612,323	67,093	68,466

Notes to Financial Statements

31 March 2010

2. Related Party Transactions (in \$ Thousand) (Cont'd)

Directors' and key executives' remuneration of the Company:

	COMPANY	
	2009-10	2008-09
Key executives		
Salary, bonuses and other costs	5,600	2,754
CPF and other defined contributions	149	54
Share-based compensation expense	333	330
	6,082	3,138
Directors		
Directors' fees (Note 6)	*1,051	749

* Proposed

Share options granted to and exercised by key executives of the Company are as follows:

Name of participant	Aggregate options granted since commencement of scheme to end of financial year	Aggregate options exercised since commencement of scheme to end of financial year	Aggregate options outstanding at end of financial year
Tan Chuan Lye	624,500	(272,000)	352,500
Chang Seow Kuay	98,700	(50,200)	48,500
Tony Goh Aik Kwang	284,100	(124,100)	160,000
Leong Kok Hong	592,500	(353,500)	239,000
Andrew Lim Cheng Yueh	258,200	(45,950)	212,250
Denis Suresh Kumar Marie	80,600	(21,750)	58,850
Yacoob Bin Ahmed Piperdi	377,950	(68,000)	309,950

Shares awarded under the new share plans during the year since the commencement of the Restricted Share Plan and Performance Share Plan are as follows:

Name of participant	Shares granted during financial year	Aggregate shares granted since commencement of plan to end of financial year	Aggregate shares vested since commencement of plan to end of financial year	Aggregate shares not released at end of financial year
Clement Woon Hin Yong	124,000	344,000	(10,300)	333,700
Lim Chuang	27,000	77,000	–	77,000
Tan Chuan Lye	27,000	94,768	(9,700)	85,068
Ang Lee Nah	27,000	27,000	–	27,000
Robert Burnett	27,000	27,000	–	27,000
Chang Seow Kuay	27,000	90,503	(9,500)	81,003
Tony Goh Aik Kwang	27,000	81,107	(8,900)	72,207
Leong Kok Hong	18,900	68,052	(5,200)	62,852
Andrew Lim Cheng Yueh	18,900	61,707	(8,200)	53,507
Denis Suresh Kumar Marie	33,000	58,335	(2,300)	56,035
Yacoob Bin Ahmed Piperdi	18,900	79,561	(12,000)	67,561
Poon Choon Liang	27,000	27,000	–	27,000
Frankie Tan Chiew Kuang	18,900	18,900	–	18,900

Additional Information

required by the Singapore Exchange Securities Trading Limited ("SGX-ST")

1. Interested Person Transactions (in \$ Thousand)

The interested person transactions entered into during the financial year ended 31 March 2010 are as follows:

Name of interested person	Aggregate value of all interested person transactions entered into during the financial year (excluding transactions of value less than S\$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual)	Aggregate value of all interested person transactions entered into during the financial year under the shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual (excluding transactions of value less than S\$100,000)
Singapore Airlines Limited	–	1,378,390
Singapore Airlines Cargo Pte Ltd	–	607,700
Tiger Airways Pte Ltd	–	20,480
SMRT Taxis Pte Ltd	–	9,000
ST Synthesis Pte Ltd	–	3,700
NCS Pte Ltd	–	2,980
Great Wall Airlines Company Limited	–	1,040
Singapore Telecommunications Limited	–	550
Certis Cisco Security Pte Ltd	–	350
Total	–	2,024,190

Note: All the transactions set out in the above table were based on records from the Group's Register of Interested Person Transactions for the financial period under review, and include transactions whose durations exceed the financial period under review and/or multiple transactions with the same interested person. The transactions were based on actual or estimated values of the transactions for the entire duration of the relevant transactions in the case of fixed term contracts or annual/periodic values of the transactions in the case of open-ended contracts, taking into account agreed rates.

All the above interested person transactions were done on normal commercial terms.

2. Material Contracts

Except as disclosed above and in the financial statements for the financial year ended 31 March 2010, there were no material contracts entered into by the Company and its subsidiaries involving the interests of its President and Chief Executive Officer, Directors or controlling shareholders, which are either still subsisting at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year.

Information on Shareholdings

as at 27 May 2010

Number of shares in issue : 1,095,269,259
 Class of shares : Ordinary shares
 Voting rights : 1 vote per share

Analysis of Shareholdings

Range of Shareholdings	No. of Shareholders	%	Amount of Shareholdings	%
1 – 999	8,179	21.97	4,709,785	0.43
1,000 – 10,000	26,066	70.02	72,452,287	6.62
10,001 – 1,000,000	2,960	7.95	104,086,200	9.50
1,000,001 and above	24	0.06	914,020,987	83.45
Total	37,229	100.00	1,095,269,259	100.00

Major Shareholders

No.	Name	No. of Shares held	%
1	Venezio Investments Pte. Ltd.	479,096,858	43.74
2	Citibank Nominees Singapore Pte Ltd	122,518,152	11.19
3	DBS Nominees Pte Ltd	102,089,154	9.32
4	HSBC (Singapore) Nominees Pte Ltd	47,761,247	4.36
5	Raffles Nominees (Pte) Ltd	45,667,362	4.17
6	DBSN Services Pte Ltd	38,432,686	3.51
7	United Overseas Bank Nominees Pte Ltd	35,979,351	3.28
8	Morgan Stanley Asia (Singapore)	6,474,166	0.59
9	DBS Vickers Securities (S) Pte Ltd	4,440,299	0.41
10	BNP Paribas Securities Services Singapore	4,420,065	0.40
11	DB Nominees (S) Pte Ltd	3,622,028	0.33
12	Leong Khuen Nyeon	2,740,000	0.25
13	Wong Kong Choo	2,715,000	0.25
14	OCBC Nominees Singapore Private Limited	2,483,893	0.23
15	Merrill Lynch (Singapore) Pte Ltd	2,399,099	0.22
16	Phillip Securities Pte Ltd	2,306,715	0.21
17	Capital Intelligence Limited	2,000,000	0.18
18	UOB Kay Hian Pte Ltd	1,687,869	0.15
19	Societe Generale Singapore Branch	1,637,440	0.15
20	Western Properties Pte Ltd	1,191,068	0.11
		909,662,452	83.05

Information on Shareholdings

as at 27 May 2010

Substantial Shareholders

As at 27 May 2010, the substantial shareholders of the Company and their direct and deemed interests, as shown in the Company's Register of Substantial Shareholders, were as follows:

Name of Substantial Shareholder	No. of shares in which the substantial shareholder has a direct interest (representing percentage of total shareholding**)	No. of shares in which the substantial shareholder has a deemed interest (representing percentage of total shareholding**)	Total no. of shares in which the substantial shareholder is interested (representing percentage of total shareholding**)
Temasek Holdings (Private) Limited	–	*479,577,172 (approximately **43.79%)	479,577,172 (approximately **43.79%)
Tembusu Capital Pte. Ltd.	–	*479,096,858 (approximately **43.74%)	479,096,858 (approximately **43.74%)
Napier Investments Pte. Ltd.	–	*479,096,858 (approximately **43.74%)	479,096,858 (approximately **43.74%)
Venezio Investments Pte. Ltd.	479,096,858 (approximately **43.74%)	–	479,096,858 (approximately **43.74%)

* Derived mainly through the direct interest of Venezio Investments Pte. Ltd.

** The shareholding percentages have been calculated based on a total issued share capital of 1,095,269,259 shares as at 27 May 2010.

Shareholding held by the Public

Based on information available to the Company as at 27 May 2010, approximately 55% of the issued shares of the Company is held by the public (as defined in the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST")). The Company hence confirms that Rule 723 of the Listing Manual of the SGX-ST has been complied with.

Notice of Annual General Meeting

Singapore Airport Terminal Services Limited

(Incorporated in the Republic of Singapore)

Company Registration No. 197201770G

NOTICE IS HEREBY GIVEN that the 37th Annual General Meeting of the Company will be held at the Marina Mandarin Ballroom, Level 1, Marina Mandarin Singapore, 6 Raffles Boulevard, Marina Square, Singapore 039594, on Friday 30 July 2010 at 9.30 a.m. to transact the following business:

Ordinary Business

1. To receive and adopt the Directors' Report and Audited Accounts for the year ended 31 March 2010 and the Auditors' Report thereon.
2. To declare a final tax-exempt (one-tier) dividend of 8 cents per share for the year ended 31 March 2010.
3. To re-elect Mr Keith Tay Ah Kee, who will retire by rotation in accordance with Article 83 of the Company's Articles of Association and who, being eligible, will offer himself for re-election as Director.
4. To re-elect Mr Khaw Kheng Joo, who will retire by rotation in accordance with Article 83 of the Company's Articles of Association and who, being eligible, will offer himself for re-election as Director.
5. To re-elect Mr Edmund Cheng Wai Wing, who will retire by rotation in accordance with Article 83 of the Company's Articles of Association and who, being eligible, will offer himself for re-election as Director.
6. To re-elect Mr David Heng Chen Seng, who will retire in accordance with Article 90 of the Company's Articles of Association and who, being eligible, will offer himself for re-election as Director.
7. To appoint Mr Nihal Vijaya Devadas Kaviratne CBE as Director pursuant to Article 89 of the Company's Articles of Association.
8. To re-appoint Messrs Ernst & Young LLP as Auditors of the Company to hold office until the next Annual General Meeting and to authorise the Directors to fix their remuneration.
9. To approve payment of Directors' fees of S\$1,051,318 for the year ended 31 March 2010.
10. To approve payment of Directors' fees of up to S\$1,308,200 for the year ending 31 March 2011.

Special Business

Ordinary Resolutions

To consider and, if thought fit, to pass, with or without modifications, the following resolutions as Ordinary Resolutions:

11. That authority be and is hereby given to the Directors of the Company to:
 - (a) (i) issue shares in the capital of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
 - (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50 percent of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 5 percent of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("**SGX-ST**")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage

Notice of Annual General Meeting

Singapore Airport Terminal Services Limited

(Incorporated in the Republic of Singapore)

Company Registration No. 197201770G

of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Resolution is passed, after adjusting for:

- (i) new shares arising from the conversion or exercise of any convertible securities or employee share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - (ii) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.
12. That the Directors be and are hereby authorised to:
- (a) grant awards in accordance with the provisions of the SATS Performance Share Plan ("**Performance Share Plan**") and/or the SATS Restricted Share Plan ("**Restricted Share Plan**"); and
 - (b) allot and issue from time to time such number of ordinary shares in the capital of the Company ("**Shares**") as may be required to be issued pursuant to the exercise of options under the SATS Employee Share Option Plan ("**Share Option Plan**") and/or such number of fully paid Shares as may be required to be issued pursuant to the vesting of awards under the Performance Share Plan and/or the Restricted Share Plan (the Share Option Plan, the Performance Share Plan and the Restricted Share Plan, together the "**Share Plans**"),

provided that:

- (i) the aggregate number of new Shares to be allotted and issued pursuant to the Share Plans shall not exceed 15 percent of the total number of issued Shares (excluding treasury shares) from time to time; and
 - (ii) the aggregate number of Shares under awards to be granted pursuant to the Performance Share Plan and/or the Restricted Share Plan during the period commencing from the date of this Annual General Meeting of the Company and ending on the date of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, shall not exceed 1 percent of the total number of issued Shares (excluding treasury shares) from time to time.
13. To transact any other business which may arise and can be transacted at an annual general meeting.

Closure of Books

NOTICE IS HEREBY GIVEN that, subject to the approval of shareholders of the final dividend being obtained at the 37th Annual General Meeting of the Company to be held on 30 July 2010, the Transfer Books and Register of Members of the Company will be closed on 6 August 2010 for the preparation of dividend warrants.

Duly completed and stamped transfers together with all relevant documents of or evidencing title received by the Company's Share Registrar, M & C Services Private Limited, at 138 Robinson Road #17-00, The Corporate Office, Singapore 068906, up to 5.00 p.m. on 5 August 2010 will be registered to determine shareholders' entitlements to the proposed final dividend. Subject as aforesaid, persons whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 5 August 2010 will be entitled to the proposed final dividend.

The final dividend, if approved by shareholders, will be paid on 18 August 2010.

BY ORDER OF THE BOARD

Shireena Johan Woon
Company Secretary

Dated this 25th day of June 2010
Singapore

Notice of Annual General Meeting

Singapore Airport Terminal Services Limited

(Incorporated in the Republic of Singapore)

Company Registration No. 197201770G

Explanatory Notes

1. In relation to Ordinary Resolution Nos. 3, 4 and 5, Mr Keith Tay Ah Kee, Mr Khaw Kheng Joo and Mr Edmund Cheng Wai Wing will be retiring from office at the Annual General Meeting pursuant to Article 83 of the Company's Articles of Association, and will be standing for re-election at the Annual General Meeting. Please refer to the sections on "**Board of Directors**" and "**Corporate Governance**" in the SATS Annual Report for FY2009-10 for more information relating to Mr Tay, Mr Khaw and Mr Cheng. Mr Tay is currently the Chairman of the Audit Committee and is also a member of the Nominating Committee. Mr Khaw is currently the Chairman of the Nominating Committee and is also a member of the Board Risk Committee. Mr Cheng is the Chairman of the Board and is also the Chairman of both the Board Executive Committee and the Remuneration and Human Resource Committee. Mr Tay, Mr Khaw and Mr Cheng are considered by the Nominating Committee to be independent Directors.
2. In relation to Ordinary Resolution No. 6, Mr David Heng Chen Seng will be retiring from office at the Annual General Meeting pursuant to Article 90 of the Company's Articles of Association, and will be standing for re-election at the Annual General Meeting. Please refer to the sections on "**Board of Directors**" and "**Corporate Governance**" in the SATS Annual Report for FY2009-10 for more information relating to Mr Heng. Mr Heng is currently a member of both the Board Executive Committee and the Board Risk Committee. Mr Heng is considered by the Nominating Committee to be a non-independent Director.
3. In relation to Ordinary Resolution No. 7, Mr Kaviratne is proposed to be appointed as an additional Director pursuant to Article 89 of the Company's Articles of Association. Please refer to the section on "**Board of Directors**" in the SATS Annual Report for FY2009-10 for more information relating to Mr Kaviratne. Upon his appointment, the Nominating Committee will consider Mr Kaviratne to be an independent Director.
4. Ordinary Resolution No. 9 is to approve the payment of Directors' fees of S\$1,051,318 for the year ended 31 March 2010, for services rendered by Directors on the Board as well as on various Board Committees. The scale of fees for computation of the said Directors' fees is set out in the section on "**Corporate Governance**" in the SATS Annual Report for FY2009-10.
5. Ordinary Resolution No. 10 is to approve the payment of Directors' fees of up to S\$1,308,200 for the current financial year ("**FY2010-11**"). If approved, the proposal will facilitate the payment of Directors' fees during the financial year in which such fees are incurred. The amount of Directors' fees has been computed on the basis of the anticipated number of Board and Board Committee meetings for FY2010-11, assuming attendance in person by all the Directors at such meetings, at the scale of fees set out in the section on "**Corporate Governance**" in the SATS Annual Report for FY2009-10, and also caters for additional fees (if any) which may be payable due to additional Board or Board Committee members being appointed in the course of FY2010-11. If for unforeseen reasons, payments are required to be made to the Directors in excess of the amount proposed, the Company will revert to shareholders for approval at the subsequent Annual General Meeting before any such payments are made.
6. Ordinary Resolution No. 11, if passed, will empower Directors to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments, from the date of the above Meeting until the date of the next Annual General Meeting. The number of shares which the Directors may issue under this Ordinary Resolution will not exceed 50 percent of the issued shares (excluding treasury shares) in the capital of the Company with a sub-limit of 5 percent for issues other than on a *pro rata* basis. The 5 percent sub-limit for non-*pro rata* issues is lower than the 20 percent sub-limit allowed under the Listing Manual of the SGX-ST and the Articles of Association of the Company. For the purpose of determining the aggregate number of shares which may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible instruments or share options or vesting of share awards which are outstanding at the time this Ordinary Resolution is passed and (b) any subsequent bonus issue, consolidation or subdivision of shares.
7. Ordinary Resolution No. 12, if passed, will empower the Directors to offer and grant awards pursuant to the Performance Share Plan and/or the Restricted Share Plan and to allot and issue Shares pursuant to the Share Option Plan, the Performance Share Plan and the Restricted Share Plan, provided that:
 - (a) the aggregate number of new Shares which may be issued under the Share Option Plan, the Performance Share Plan and the Restricted Share Plan is limited to 15 percent of the total number of issued Shares (excluding treasury shares) from time to time; and
 - (b) the aggregate number of Shares under awards which may be granted pursuant to the Performance Share Plan and/or the Restricted Share Plan from this Annual General Meeting to the next Annual General Meeting shall not exceed 1 percent of the total number of issued Shares (excluding treasury shares) from time to time.

The Share Option Plan was adopted by the Company in February 2000 and the last grant of options thereunder was made on 1 July 2008. The Performance Share Plan and the Restricted Share Plan were adopted at an Extraordinary General Meeting of the Company held on 19 July 2005 and were amended in 2006 and 2010.

Notes

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. The instrument appointing a proxy must be deposited at the office of the Company's Share Registrar, M & C Services Private Limited, 138 Robinson Road #17-00, The Corporate Office, Singapore 068906 not less than 48 hours before the time appointed for the Meeting.

Proxy Form

Singapore Airport Terminal Services Limited
(Incorporated in the Republic of Singapore)
Company Registration No. 197201770G

IMPORTANT

- For investors who have used their CPF monies to buy the Company's shares, this Report is forwarded to them at the request of their CPF approved nominees and is sent solely FOR THEIR INFORMATION ONLY.
- This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

*I/We, _____ (NRIC/Passport No. _____)

of _____ (Address)
being a *member/members of Singapore Airport Terminal Services Limited (the "Company"), hereby appoint

Name	Address	NRIC/ Passport No.	No. of Shares Represented	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No.	No. of Shares Represented	Proportion of Shareholdings (%)

or failing *him/her, the Chairman of the Annual General Meeting ("AGM") of the Company as *my/our *proxy/proxies to attend and to vote for *me/us and on *my/our behalf and, if necessary, to demand a poll, at the AGM of the Company, to be held on 30 July 2010 and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/their discretion, as *he/they will on any other matter arising at the AGM and at any adjournment thereof. If no person is named in the above boxes, the Chairman of the AGM shall be *my/our proxy to vote, for or against the Resolutions to be proposed at the AGM as indicated hereunder, for *me/us and on *my/our behalf and, if necessary, to demand a poll, at the AGM and at any adjournment thereof.

No.	Resolution	**For	**Against
Ordinary Business			
1	Adoption of the Directors' Report, Audited Accounts and the Auditors' Report		
2	Declaration of final dividend		
3	Re-election of Mr Keith Tay Ah Kee as Director		
4	Re-election of Mr Khaw Kheng Joo as Director		
5	Re-election of Mr Edmund Cheng Wai Wing as Director		
6	Re-election of Mr David Heng Chen Seng as Director		
7	Appointment of Mr Nihal Vijaya Devadas Kaviratne CBE as Director		
8	Re-appointment and remuneration of Auditors		
9	Approval of Directors' fees for the year ended 31 March 2010		
10	Approval of Directors' fees for the year ending 31 March 2011		
Special Business			
11	Authority for Directors to issue additional shares and convertible instruments pursuant to Section 161 of the Companies Act, Cap 50		
12	Authority for Directors to offer and grant awards and issue shares in accordance with the provisions of the SATS Employee Share Option Plan, SATS Performance Share Plan and SATS Restricted Share Plan		

* Delete accordingly.

** Indicate your vote "For" or "Against" with a (✓) within the box provided.

Dated this _____ day of _____ 2010

Total Number of Shares Held

Signature(s) of Member(s) or Common Seal

Important: Please read notes on the reverse

Notes:

1. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his stead. Such proxy need not be a member of the Company.
2. Where a member appoints two proxies, he must specify the proportion of his shareholding to be represented by each proxy, failing which the appointments will be deemed to have been made in the alternative.
3. The instrument appointing a proxy or representative must be signed by the appointor or his duly authorised attorney or if the appointor is a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised.
4. A corporation which is a member may also appoint by resolution of its directors or other governing body an authorised representative or representatives in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore, to attend and vote on its behalf.
5. The instrument appointing a proxy or proxies (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof) must be deposited at the office of the Company's Share Registrar, M & C Services Private Limited, 138 Robinson Road #17-00, The Corporate Office, Singapore 068906 at least 48 hours before the time appointed for the AGM.
6. On a show of hands, the Chairman of the AGM, who may be appointed as proxy by one or more members and who may also be a member in his own name, may vote as he deems fit, subject to applicable law.
7. A member should insert the total number of Shares held. If the member has Shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), he should insert that number of Shares. If the member has Shares registered in his name in the Register of Members, he should insert that number of Shares. If the member has Shares entered against his name in the Depository Register as well as Shares registered in his name in the Register of Members, he should insert the aggregate number of Shares. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by the member.
8. The Company shall be entitled to reject this instrument of proxy if it is incomplete, or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this instrument of proxy. In addition, in the case of a member whose Shares are entered in the Depository Register, the Company shall be entitled to reject this instrument of proxy which has been lodged if such member is not shown to have Shares entered against his name in the Depository Register at least 48 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

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The Company Secretary
Singapore Airport Terminal Services Limited
c/o M & C Services Private Limited
138 Robinson Road #17-00
The Corporate Office
Singapore 068906

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Request Form

Singapore Airport Terminal Services Limited

(Incorporated in the Republic of Singapore)

Company Registration No. 197201770G

25 June 2010

Dear Shareholder

This is a copy of the Summary Financial Report (“SFR”) of Singapore Airport Terminal Services Limited (“SATS”) for financial year 2009-2010. The SFR contains a review of the SATS Group for the year ended 31 March 2010. It also contains a summary of the audited financial statements of SATS and the SATS Group for that financial year. We will continue to send you a copy of the SFR for subsequent financial years, for as long as you are a SATS shareholder, unless you indicate or had previously indicated otherwise.

The Directors' Report and the full financial statements of SATS and the SATS Group for financial year 2009-2010 are set out in a separate report called the Annual Report. This report is available to all registered SATS shareholders at no cost upon request.

If you wish to receive a copy of the Annual Report for financial year 2009-2010 and for subsequent financial years for as long as you are a shareholder, please complete the request form below by ticking the appropriate box, and return it to us at the address specified overleaf, by no later than **2 July 2010**. **If we do not receive your request form by such date, it will indicate that you do not wish to receive the Annual Report for financial year 2009-2010 and for future financial years.**

Nonetheless, please note that you may change your request in respect of our SFR and Annual Report for future financial years. If you had previously indicated your preference to us in connection with your receipt of the SFR and/or Annual Report for this and future financial years, you may change your earlier request by ticking the appropriate box in the request form below and returning it to us at the address specified overleaf, by no later than **2 July 2010**. If we do not receive your request form, we will take it that there have been no changes to your preference. Your latest request will supersede the earlier requests received by us.

Please note that you will also be able to access the Annual Report on the SATS website www.sats.com.sg from 9 July 2010.

Yours faithfully,

FOR SINGAPORE AIRPORT TERMINAL SERVICES LIMITED

SHIREENA JOHAN WOON

Company Secretary

TO: The Company Secretary
Singapore Airport Terminal Services Limited
 c/o M & C Services Private Limited
 138 Robinson Road #17-00, The Corporate Office
 Singapore 068906

NB. Please tick only one box. Incomplete or incorrectly completed forms will not be processed.

- *Please send to me/us the Annual Report for financial year 2009-2010 only.
- Please do not send to me/us the Summary Financial Report and Annual Report for as long as I am/we are shareholder(s) of Singapore Airport Terminal Services Limited.
- Please send to me/us the Annual Report in addition to the Summary Financial Report for financial year 2009-2010 and for as long as I am/we are shareholder(s) of Singapore Airport Terminal Services Limited.

***If you hold the shares under or through CPFIS, you can only select this first option.**

The shares are held by me/us under or through (please tick):

CDP Securities Account Number:

1	6	8	1	-																	
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CPF Investment Scheme (“CPFIS”) Account

Physical Scrips

Name(s) of shareholder(s): _____

NRIC/Passport Number(s): _____

Address: _____

Signature(s): _____ Date: _____



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The Company Secretary
Singapore Airport Terminal Services Limited
c/o M & C Services Private Limited
138 Robinson Road #17-00
The Corporate Office
Singapore 068906

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Registered Office

Singapore Airport Terminal Services Limited (SATS)
20 Airport Boulevard
SATS Inflight Catering Centre 1
Singapore 819659

Company Registration No.

197201770G

General Line

Phone 65-6542 5555

Investor Relations

Phone 65-6541 8200

Fax 65-6541 8204

www.sats.com.sg